



CAL POLY Foundation

INVESTMENT COMMITTEE MEETING

November 12, 2022

Hybrid Meeting

MINUTES

Committee Members Present:

Mike Applegate

Jeffrey Armstrong

Marc Benadiba

Lloyd Dean

Chuck Harrington

Chuck Harrington

Jim Marderosian

John Salmonson

Zachary Smith

William Swanson

Bob Taylor

Bob Wacker

Committee Members Absent:

Trevor Harding

Mark Harris

Kenny Wu

Board Members Present:

Phil Bailey

Dick Bradshaw

Cynthia Jackson-Elmoore

Rich Jacobsen

Cindy Villa

Staff:

Stacy Cannon

Aaron Curti

Laura Clark

Christina Diaz

Lisa Rockwell-Harpster

Grant Kirkpatrick

Erica Scott

Invited Guests:

Abigail Mason

Damon Welchel

Call to Order

Committee Chair Bob Wacker called the meeting to order and welcomed members. Mr. Wacker announced a quorum of directors present and that the meeting was ready to proceed with its business.

Approval of Minutes

Mr. Wacker asked members for amendments to the August 27, 2022, Investment Committee meeting minutes. None were identified; accordingly, a motion was made, seconded, and passed to approve the minutes.

Review Performance Report through September 30, 2022

TIAA Kaspick Investment Managers Abigail Mason and Damon Welchel presented the quarterly endowment performance report. The Cal Poly Foundation endowment ended September 30, 2022, at \$221.0 million, down from \$240.8 million on June 30, 2022.

For the quarter, the endowment returned -7.5% (net of fees), slightly behind the multi-asset benchmark of -6.5%. The total market value of Planned Gift Assets Under Management was \$12.3 million in 24 portfolios as of September 30, 2022. The full report is available starting on page 6 of 55 of the consolidated meeting book. Market highlights through September 30, 2022, are summarized on page 10 of 55.

Campus Programs Update - For Information Only

Fixed income investments

Foundation Treasurer Marc Benadiba provided a review of the Campus Programs Funds on pages 51 - 52 of 55 of the meeting book. As of September 30, 2022, Campus Programs Funds totaled \$43.6 million in cash, bonds, brokered CDs and a money market account. For the same period, the Facilities Investment Fund Assets totaled \$40.8 million in bonds, brokered CDs and money market accounts.

Review of activity

Mr. Benadiba provided a handout highlighting the Campus Program Funds, noting that for the first three months of the fiscal year ending September 30, 2022, the overall cash balance was \$42.4 million. Total gifts into the Campus Programs Funds for the fiscal year through September 30, 2022, totaled \$2.9 million. Total expenses from the Campus Programs Funds for the fiscal year through September 30, 2022, totaled \$3.6 million.

Annual Endowment Payout Rate Review and Recommendation in accordance with Policy 411

Mr. Wacker called attention to the Endowment Investment Policy 411 memo on page 53 of 55 of the consolidated meeting book. He states the purpose of this memo is to put forward a spending rate recommendation for inclusion into the annual endowment payout. Investment Managers TIAA Kaspick reported that based on last year's NACUBO survey the average effective annual spending rate was 4.54% and 74% of endowments used a moving average of the endowment's market value to determine their spending policy; at 4.0% we are somewhat below the average. Keeping the endowment payout rate at 4% will help ensure that payouts are made from endowment reserves and not from principal. Additionally, reducing the rate below 4% could adversely impact future endowment gifts. Based on this information, Mr. Benadiba made a recommendation to keep the endowment payout rate at 4%. A motion was made, seconded, and

passed, approving the payout rate to remain at 4%. Mr. Wacker noted that the payout rate is to be reviewed annually at the November meeting of the Investment Committee.

OCIO Review Memo & Recommendation

Mr. Wacker then discussed the memo regarding approving the investment management firm on page 54 of 55. The memo states the Foundation continues to be satisfied with the performance of TIAA Kaspick as they help navigate changing market conditions as well as the recent change in our asset allocation. A recommendation to retain TIAA Kaspick to manage the endowment investments and planned giving assets was made. A motion was made, seconded, and passed, approving TIAA Kaspick as the Foundation Investment Managers for an additional two years. The next review is scheduled for November 2024.

Public Comment

There were no registered public speakers.

Adjournment

There was no further business, and the meeting was adjourned at 9:04 a.m.

Respectfully submitted,



[Bob Wacker \(Apr 6, 2023 14:18 PDT\)](#)

Bob Wacker
Investment Committee Chair
Cal Poly Foundation Board






CPF Investment Minutes 11.12.22

Final Audit Report

2023-04-06

Created:	2023-04-06
By:	calpolyfoundation@calpoly.edu Cal Poly Foundation (calpolyfoundation@calpoly.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAAzfZ6diaLTge0ie94UTW9y0ViuL5m8MMc

"CPF Investment Minutes 11.12.22" History

-  Document created by calpolyfoundation@calpoly.edu Cal Poly Foundation (calpolyfoundation@calpoly.edu)
2023-04-06 - 6:39:27 PM GMT
-  Document emailed to Bob Wacker (bob.wacker@wackerwealthpartners.com) for signature
2023-04-06 - 6:39:54 PM GMT
-  Email viewed by Bob Wacker (bob.wacker@wackerwealthpartners.com)
2023-04-06 - 9:18:03 PM GMT
-  Document e-signed by Bob Wacker (bob.wacker@wackerwealthpartners.com)
Signature Date: 2023-04-06 - 9:18:32 PM GMT - Time Source: server
-  Agreement completed.
2023-04-06 - 9:18:32 PM GMT

Names and email addresses are entered into the Acrobat Sign service by Acrobat Sign users and are unverified unless otherwise noted.