January 28, 2021
1-2:30 p.m.
Via Zoom

Board Meeting Minutes

Members in Attendance
Bill Johnson (Chair)                          Dr. Edward Inch (Vice Chair)
Debbie Chaw (Secretary-Treasurer)            Kim Huggett
Dr. Albert Gonzalez                          Pam (Euridice) Sanchez-Martinez
Dr. Gretchen Reevy                           Balvinder Kumar

Members not Present
Omer Shakoor

Staff
Mesam Bahmani, Exec. Asst. to AVP Finance

Guests
Dan Tichenor, Morgan Stanley Graystone Institutional Consulting
Brian J. Sharpes, CIMA, Institutional Consulting Director Graystone Institutional Consulting, Morgan Stanley

MINUTES

I. Meeting called to order by Chair Johnson at 1:10 pm.

   Approval of January 28, 2021 Agenda
   Minute Action: To approve January 28, 2021 meeting agenda
   Motion: Johnson        Second: Inch        Motion: passed

II. Approval of Minutes of September 24, 2020 Meeting
    Minute Action: To approve of minutes of September 24, 2020 Meeting
    Motion: Johnson        Second: Chaw       Motion passed

III. Review of December 31, 2020 Financial Investment Summary
    Brian Sharpes provided an overview of the market outlook – the presentation was included in the Foundation’s meeting material. He reviewed the Foundation’s investment summary performance as of December 31, 2020. The summary also included a review of the extension division, the foundation plan, and ASI portfolios since they are managed under the umbrella of the Foundation.

*The Foundation Board of Directors is a public body, and members of the public have a right to attend and participate in its meetings.
Brian made the following recommendations related to the Fixed Income portfolio for the Foundation and Extension Division Portfolios:
- Terminate PIMCO Total Return SMA
- Establish 6% allocation to NEW Virtus Newfleet Low Duration Core Plus Bond Fund (HIBIX)

Brian made the following recommendations in regards to International Equity:
- Foundation Portfolio
  - Terminate Accuvest International Equity SMA
  - Trim Hansberger International Growth SMA
- Extension Division Portfolio
  - Terminate Accuvest International Equity SMA
  - Trim Hansberger International Growth SMA
  - Establish 6% allocation to NEW Causeway International Equity SMA

Brian’s overall recommendation was to leave Foundation plan which pays for the foundation’s retiree benefits as is, and ASI’s. Also, to rebalance both Foundation and Extension Division portfolios to targets.

Minute Action: To approve the provided recommendations.
Motion: Johnson Second: Inch Motion passed

IV. Other Business
Dr. Gonzalez opened the discussion in regards to reviewing the Foundation’s portfolio as it pertains to fossil fuel divestment and environmental, social, and governance (ESG) investment. Brian stated that it is much easier to do than five years ago, and that Morgan Stanley will perform an analysis on the Foundation’s current portfolio to see what the percentage of holdings in fossil fuel. They will present this at the next board meeting. Dan Tichenor and Brian Sharpes will follow-up with the ASI board to provide detailed analysis of their portfolio and possible investment opportunities.

V. With no further business, Chair Johnson adjourned the meeting at 1:45 pm.

Dated: January 28, 2021

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Debbie Chaw, Secretary Treasurer

Recorded by Mesam Bahmani

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