



CAL STATE EAST BAY EDUCATIONAL FOUNDATION INVESTMENT & FINANCE COMMITTEE

February 4, 2016

8:30 a.m. to 9:30 a.m.

Student Administration Building, SA4600

Trustees:

Debbie Chaw (ex officio)
Patrick Devine (via telephone)
Tanya Hauck (ex officio)
Lou Miramontes (via telephone)

Trustees Absent:

Evelyn Dilsaver (Chair)
Jack Acosta
Howard Hyman
Janet Owen

Staff:

Carmen Rusca
Fa'aalu (Alu) Lealaimatafao

Investment Consultant:

Brian J. Sharpes, CIMA
Senior Vice President – Investments
Senior Institutional Consultant, UBS Institutional Consulting

MEETING MINUTES

- I. Meeting called to order at 8:40 a.m. by Debbie Chaw
- II. Approval of Minutes of October 15, 2015 – a quorum was not established so the approval of minutes was deferred to the next meeting.
- III. YTD Investment Performance Report as of December 2015 - Brian Sharpes reviewed economic highlights in his presentation- UBS House View Is market headlining into bull or bear market?
 - Since June 2015 the market has seen a 15% correction
 - 2015 First negative year for diversified stocks since 2008
 - Do not forecast recession for 2016

Ed Foundation Highlights for FY 15/16 – B. Sharpes

- Despite being 3.5% down for FY 15/16, our performance is better than most
- Recommends investing in a MLP (master limited partnership) portfolio for oil and energy pipelines. This investment is like an Alternative Investment but with liquidity. Recommends quick action to take advantage of opportunity.
- Funding for MLP investment would come from the liquidation of our Spectrum fund which we have been discussing the need to liquidate because it has run its course.

Because the change in allocation is allowed by the Foundation's Investment policy, a formal action of approval was not required. However, Debbie Chaw recommended that she send an email to the absent committee members so they have an opportunity to weigh in on the decision to liquidate Spectrum and invest in a MLP portfolio. Once she receives responses by those members, she will then give permission for Brian to proceed with the liquidation and investment.



- IV. Operating Budget YTD Results - Debbie Chaw reviewed the fiscal year operating budget as of December 31, 2015. Revenue was better than expected due to increased number of gift, but this was offset by increased expenses associated with the fall retreat.
- V. Other Business/Announcements – Debbie Chaw announced the dissolution of the Sabharwal Chair in Sikh Studies was dissolved. Funds were liquidated and return to the two major donors as requested.
- VI. Adjournment at 9:20 am



Debbie Chaw, Treasurer
Approved and True Copy