



**FOUNDATION**  
C H A N N E L  
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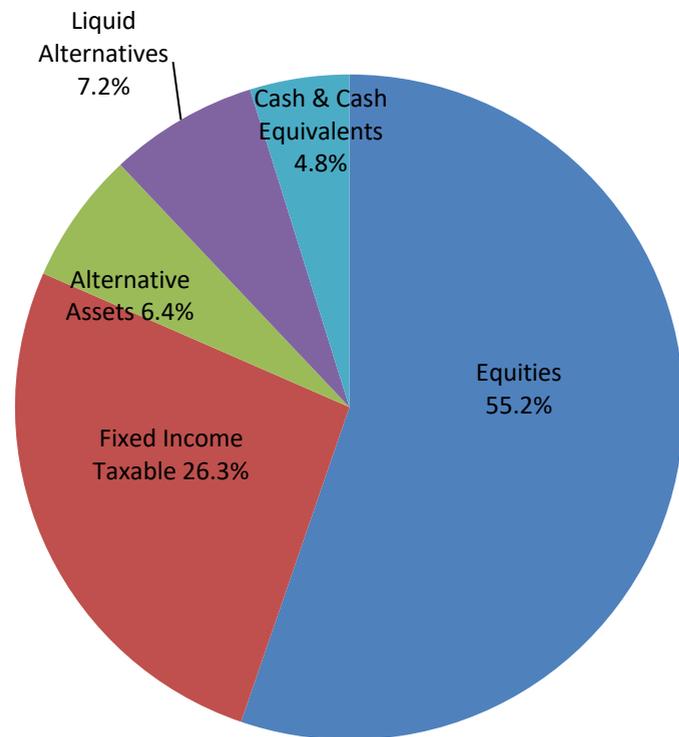
**ENDOWMENT INVESTMENT SUMMARY FOR QUARTER ENDING March 31, 2019**

**INVESTMENT PHILOSOPHY**

The purpose of this statement is to establish clear investment policies and objectives of managing assets that the CSU Channel Islands' Foundation Board of Directors can understand, the Finance and Investment Committee can use as a goal to monitor against, and the Foundation's investment advisors can use for guidance. This statement is flexible to allow for changing economic conditions, for evaluating investment performance, and policy procedures.

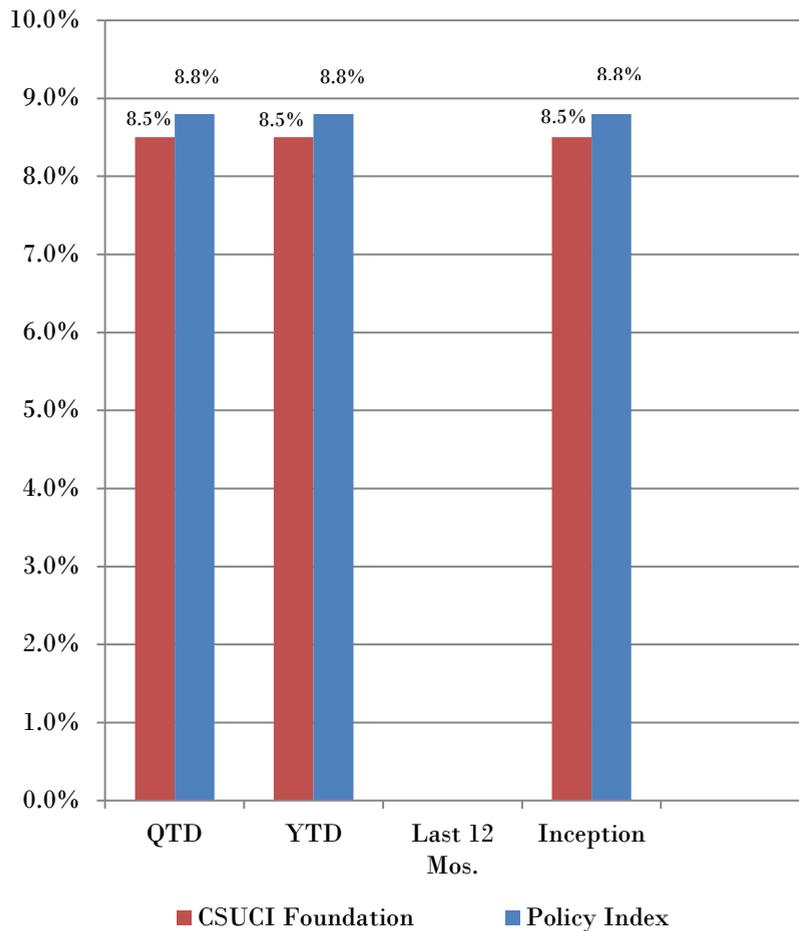
The objective is to promote growth in the investment funds sufficient to offset normal inflation as measured by the Higher Education Price Index (HEPI), plus ensuring reasonable spending, thereby preserving the constant-dollar and principal for future generations, operating cash and reserves, while producing market-level income. The Foundation seeks to invest with fund managers who have incorporated ESG (Environmental, Social and Governance) and SRI (Socially Responsible Investing) principles in their investment process. The minimum total-return objective for the Permanently Restricted Endowment Net asset class shall be HEPI plus 5%. The Investment Policy will be submitted to the Foundation's Board of Directors periodically for review and recommended changes. Review will occur at a minimum of once every three (3) years.

**Asset Allocation as Defined by the Foundation Board**



\$14,709,948 as of March 31, 2019

**Endowment Performance \*  
For period ending March 31, 2019**



**Portfolio Funds**

Equities:

- Diamond Hill Large-Cap Fund
- TIAA-CREF Social Choice Low Carbon Equity FD Instl CL
- Vanguard Russell 1000 Growth ETF
- Saratoga Research Management
- Schafer Cullen Management
- Vaughan Nelson
- Northern Global Sustainability Index
- Europacific Global Sustainability Index
- Lazard Emerging Markets Institution

Fixed Income Taxable:

- BlackRock Barclays Aggr Bond Index Composite
- Legg Mason Global BW Oppty BD FD CL IS
- BlackRock Strategic Income Opps Instl
- TIAA-CREF Social Choice Bond Fund Class 1
- Western Asset Core Bond Portfolio Institutional Class

Alternative Assets:

- Voya Global Real Estate CL I

Liquid Assets

- AQR Managed Futures Strategy Fund Class 1
- Wells Fargo Advtng Absolute Return Inst

\*Endowment performance of individual funds may vary from the total pool return due to the timing of contributions. CI performance is net of fees.



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## ENDOWMENT INVESTMENT SUMMARY FOR QUARTER ENDING MARCH 31, 2019

### FINANCE & INVESTMENT COMMITTEE MEMBERS

**Christine Garvey, Finance Committee Co-Chair**

*Board of Directors, Montecito Bank & Trust*

**Lynn Pike, Finance Committee Co-Chair**

*Former President of Capital One Bank*

**George Leis, Foundation Board Chair, Ex Officio Member**

*President, Montecito Bank & Trust*

**Lois Rice, Member**

*Retired, Bank Executive*

**Jeffrey Sarti, Member**

*Morton Capital Management*

**Ysabel Trinidad, Chief Financial Officer**

*Vice President for Business & Financial Affairs, CSU Channel Islands*

**Nichole Ipach, Committee Officer**

*Vice President for University Advancement, CSU Channel Islands*

### RECENT FINANCE & INVESTMENT COMMITTEE ACTIONS

#### Q1-2019

Mill Creek Capital Advisors continues the process of transitioning the portfolio to the new structure.

#### Q4-2018

The Committee has selected Mill Creek Capital Advisors, LLC as its financial advisor effective 1/1/2019. The Financial Advisor is in process of transitioning the portfolio and will remain focused on maximizing returns while managing risk.

#### Q3-2018

The Committee continues to evaluate asset allocation within the portfolio. Overall the portfolio is performing well. Assessment of cash position as well as SRI/ESG investment opportunities is ongoing.

#### Q2-2018

The Committee is maintaining its current asset allocation as they believe the investments are well positioned in the current market. They remain focused on returns while maintaining principal and continue to assess SRI and ESG investment opportunities.