

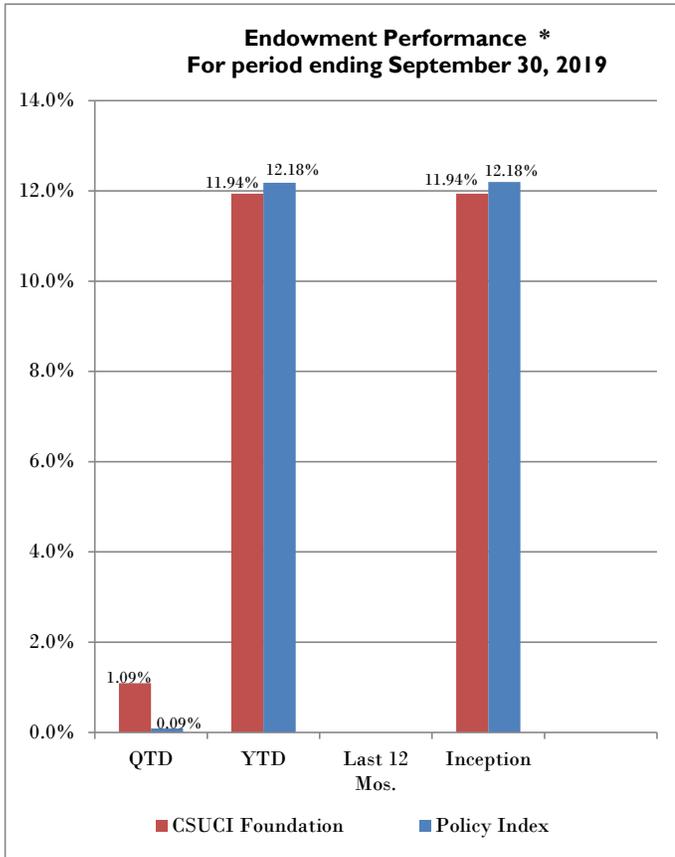
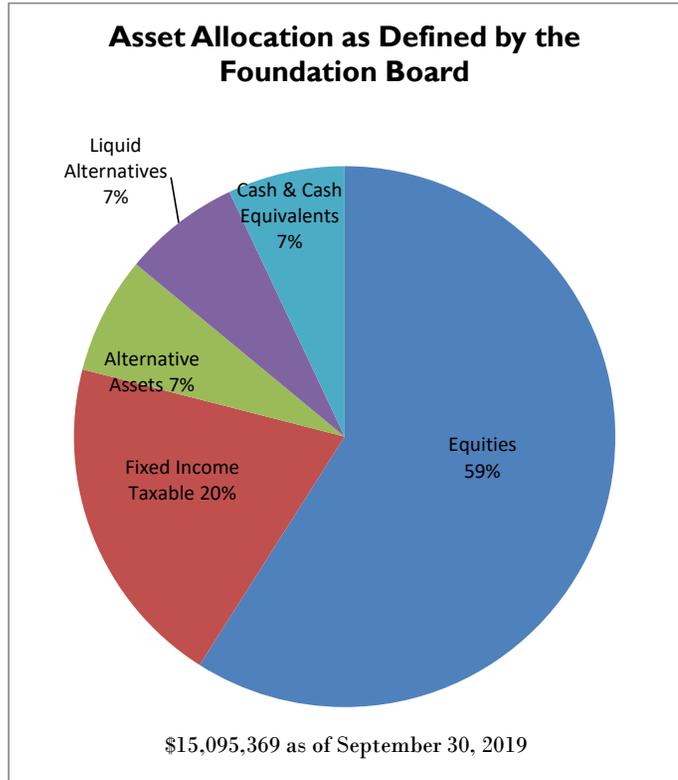


ENDOWMENT INVESTMENT SUMMARY FOR QUARTER ENDING SEPTEMBER 30, 2019

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.



Portfolio Funds

Equities:
 Aperio Group, LLC
 Goldman Sachs GQG Partners International Opportunities Fund
 IShares Core MSCI EAFE ETF
 IShares MSCI EAFE Small-Cap ETF
 T Rowe Price Int'l Japan
 Matthews Emrg Asia Fd
 Touchstone Sands Em GR-INST

Fixed Income Taxable:
 Doubeline Core Fixed Income Fund
 PIMCO Foreign Institutional SHS
 Agincourt Capital Management

Alternative Assets:
 Voya Global Real Estate CL I

Liquid Alternatives
 AQR Managed Futures Strategy Fund Class 1
 Wells Fargo Advtnng Absolute Return Inst

Cash & Cash Equivalents
 90 Day Treasury Bill

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



FOUNDATION
C H A N N E L
I S L A N D S

ENDOWMENT INVESTMENT SUMMARY FOR QUARTER ENDING SEPTEMBER 30, 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

Q3-2019

The permanently restricted portfolio returned +1.09% for the third quarter (versus +0.09% for the blended benchmark return). Through the first nine months of 2019, the portfolio returned +11.94% versus +12.18% for the blended benchmark.

Q2-2019

Mill Creek Capital Advisors completed the transition to the new structure. The portfolio returned +2.02% for the second quarter. Through the first six months of 2019, the portfolio returned +10.73%.

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.