

HUMBOLDT STATE UNIVERSITY FOUNDATION

MINUTES OF THE FINANCE & INVESTMENT COMMITTEE

March 4, 2022
ZOOM TELECONFERENCE MEETING

Members Present:

Ken Fulgham (Chair)
Philip Anton
Gary Blatnick
Scott Hunt
Frank Whitlatch

Absent:

Robin Bailie
Jason Carlson
Dan Johnson
Heidi Moore-Guynup

Guests: Amber Blakeslee, Carin Kaltschmidt, Katie Koscielak, Jack McGurk, Peggy Mecham-Carlotti, Angie Petroske, Kyle Plitt, Jamie Rich, Shahrooz Roohparvar, Jen Showalter

A meeting of the Humboldt State University Foundation Finance & Investment Committee was held on Friday, March 4, 2022 at 2:30 PM via Zoom Teleconference.

1. Call to Order

The meeting was called to order by Finance & Investment Committee Chair, Ken Fulgham, Ph.D. at 2:35 PM.

2. Roll Call

Angie Petroske took the Roll Call of Members and Guests.

3. Public Comments

There were no public comments.

4. Acceptance of Minutes from the September 17, 2021 Meeting

Upon motion duly made (Frank Whitlatch), seconded (Scott Hunt) and unanimously carried, it was:

RESOLVED, that the Minutes of the September 17, 2021 meeting are accepted.

5. Investment Performance

Kyle Plitt, RVK Investment Manager, presented the HSUF Portfolio Estimate as of February 17, 2022 for the fiscal year beginning July 1, 2021. The Fund's estimated market value decreased from \$49.5 million to \$48.5 million, \$7.1 million of which is allocated to the University Center fund.

Calendar year 2021 saw tremendous returns at 14% whereas the estimate for fiscal year 2022 returns is at 3.5%. This is an estimated reduction in returns, but the Foundation's higher allocation to local real estate in comparison to other Universities means the portfolio is less volatile.

RVK will re-evaluate the Foundation's 18% allocation to real estate next quarter and request early heads-up for all property acquisitions. They recommend retaining a secondary manager to maintain or increase a high real estate percentage.

Due to inflation, rising interest rates from the Federal Reserve, and the Russian invasion of Ukraine, RVK recommends sticking to the current investment policy and maintaining a long-term view by keeping a diversified portfolio of inflation-hedging assets.

6. Financial Statements through December 31, 2021

Peggy Mecham-Carlotti, HSU Accounting, presented the unaudited financial statements for the first two quarters of fiscal year 2021-22, ending December 31, 2021.

7. National Standards for Green Investing in Higher Ed

Guest speaker Katie Koscielak, Cal Poly Humboldt Sustainability Analyst, provided a presentation on STARS Assessment Ratings and Green Investments.

STARS is an online international assessment tool providing a common standard of measurement in sustainability performance across higher education campuses. Participants earn points based on their answers to standardized questions to get a score relating to a category (Reporter, Bronze, Silver, Gold or Platinum). 2023 will be Humboldt's 4th reporting cycle and will start assembling information in Fall 2022 with submission in March 2023.

The University currently has a Gold rating (third-highest ranking in the CSU system), and has aspirations for a Platinum rating by the 2026 reporting cycle. The STARS rating is reported to the Chancellor's Office and helps with positive publicity for our campus and student retention.

As it relates to the Foundation, Humboldt would increase points received for investment in sustainable enterprises and green sectors as opposed to divesting out of concerning areas such as petroleum extraction.

8. Other Business

Executive Director Frank Whitlatch noted that the University completed the transfer of the additional \$0.5M one-time matching investment into the campaign. He also shared that he hopes the issues with the Bello Property will be resolved within the next month or two.

9. Adjournment

Without objection, the meeting was adjourned at 3:57 PM.