

**INVESTMENT SUBCOMMITTEE
BOARD OF TRUSTEES
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

A meeting of the Investment Subcommittee (ISC) of the Board of Trustees of the University of Vermont State and Agricultural College was held on Wednesday, February 10, 2021 at 3:00 p.m., via Microsoft Teams.

MEMBERS PRESENT: Chair Robert Brennan, Vice Chair Don McCree, Briar Alpert, David Aronoff*

OTHER TRUSTEES PRESENT: Board Chair Ron Lumbra

MEMBERS/ADVISORS ABSENT: Investment Subcommittee Advisor Steven Grossman

PERSONS ALSO PARTICIPATING: Investment Subcommittee Advisor Whit Wagner; Vice President for Finance & Administration Richard Cate; Controller Claire Burlingham; Assistant Controller Lindsey Donovan; Senior Staff Accountant Patty Dubie; Endowment Accountant Marie Tiemann; Vice President for Legal Affairs & General Counsel, and Chief of Staff to the President Sharon Reich Paulsen; Special Assistant to the Chief of Staff Erin Dickinson; and Alexandra Dorf, Kathryn Stephansky, Jessica Kaplan, Samit Chhabra, Kenly Drake, Steve Clarke, and Katherine Swaim of Cambridge Associates

*Joined the meeting at 3:10 p.m.

Chair Robert Brennan called the meeting to order at 3:02 p.m.

Meeting minutes

Chair Brennan presented the minutes of the January 20, 2021 meeting for approval. A motion was made, seconded and it was voted to approve the minutes as presented.

Recent market returns and total portfolio performance review

Kathryn Stephansky of Cambridge Associates (CA) led a discussion on the market update and global asset class performance thru December 31, 2020. She remarked on how the markets ended the year with strong absolute returns due to the massive fiscal and monetary stimulus and the development of a successful vaccine. Ms. Stephansky next highlighted the asset performances on a quarterly basis for the year 2020. She noted that gold and bonds protected the decline of the market during the 1st quarter, the monetary stimulus was the catalyst for the recovery during the 2nd & 3rd quarters, and the vaccine and election results stimulated the rebound in the 4th quarter.

Ms. Stephansky led discussion of the University's total portfolio value and performance as of December 31, 2020. The long-term investment pool stood at \$619 million on December 31, 2020, with a return of 9.9% for the calendar year-to-date versus the target benchmark return of

10.6%. She highlighted the asset allocation of the portfolio relative to targets and noted that the Public Equity is overweight while the Private Investments are underweight.

Executive session

At 3:11 p.m., Chair Brennan entertained a motion to enter executive session for the purposes of discussing contracts, premature general public knowledge of which would clearly place the University at a substantial disadvantage, and records exempt from disclosure under provisions of the Public Records Act. He noted that the session would last approximately one hour and ten minutes with no action anticipated following. The following persons were invited to remain: Board Chair Ron Lumbrá; Investment Subcommittee Advisor Whit Wagner; Vice President for Finance & Administration Richard Cate; Controller Claire Burlingham; Assistant Controller Lindsey Donovan; Senior Staff Accountant Patty Dubie; Endowment Accountant Marie Tiemann; Vice President for Legal Affairs & General Counsel, and Chief of Staff to the President Sharon Reich Paulsen; Special Assistant to the Chief of Staff Erin Dickinson; and Alexandra Dorf, Kathryn Stephansky, Jessica Kaplan, Samit Chhabra, Kenly Drake, Steve Clarke, and Katherine Swaim of Cambridge Associates.

The meeting was re-opened to the public at 4:28 p.m.

Adjournment

There being no further business, the meeting adjourned.

Respectfully submitted,

Chair Robert Brennan