

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

SUBCOMMITTEE ON
INVESTMENT

MINUTES OF THE MEETING
APRIL 8, 2013

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

SUBCOMMITTEE ON
INVESTMENT

MINUTES OF THE MEETING
APRIL 8, 2013

The Executive Session of the Subcommittee on Investment was called to order at 6:38 p.m.

There were present:

Committee Members:

Hon. Peter S. Pantaleo, Fiscal Committee Vice
Chair
Hon. Valerie L. Beal
Hon. Kathleen M. Pesile
Hon. Terrence F. Martell, faculty member
Hon. Kafui K. Kouakou, student member

University Staff:

Chancellor Matthew Goldstein
Executive Vice Chancellor and Chief Operating
Officer Allan Dobrin
Senior Vice Chancellor Marc V. Shaw
Associate Vice Chancellor Matthew Sapienza
Chief Investment Officer Janet Krone
Acting University Controller Miriam Katowitz

Ex-officio:

Chairperson Benno Schmidt

Staff:

Senior Vice Chancellor and Secretary of the
Board Jay Hershenson
General Counsel and Senior Vice Chancellor
Frederick P. Schaffer
Mr. Steven Quinn

Cal. No.	DISPOSITION
-----------------	--------------------

The agenda items were considered in the following order:

II. INFORMATION ITEMS:

C. Investment Policy/Guidelines Recommendations

PRESENTATION BY CUNY CHIEF INVESTMENT OFFICER JANET KRONE

Following discussion, the Executive Session of the Committee on Fiscal Affairs' Subcommittee on Investment was adjourned at 6:48 p.m.

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

SUBCOMMITTEE ON
INVESTMENT

MINUTES OF THE MEETING
APRIL 8, 2013

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

SUBCOMMITTEE ON
INVESTMENT

MINUTES OF THE MEETING
APRIL 8, 2013

The Public Session of the Subcommittee on Investment was reconvened at 6:49 p.m.

There were present:

Committee Members:

Hon. Peter S. Pantaleo, Fiscal Committee Vice
Chair
Hon. Valerie L. Beal
Hon. Kathleen M. Pesile
Hon. Terrence F. Martell, faculty member
Hon. Kafui K. Kouakou, student member

University Staff:

Chancellor Matthew Goldstein
Executive Vice Chancellor and Chief Operating
Officer Allan Dobrin
Senior Vice Chancellor Marc V. Shaw
Associate Vice Chancellor Matthew Sapienza
Chief Investment Officer Janet Krone
Acting University Controller Miriam Katowitz

Ex-officio:

Chairperson Benno Schmidt

Staff:

Senior Vice Chancellor and Secretary of the
Board Jay Hershenson
General Counsel and Senior Vice Chancellor
Frederick P. Schaffer
Mr. Steven Quinn

Cal. No.	DISPOSITION
-----------------	--------------------

The agenda items were considered in the following order:

I. ACTION ITEMS (continued):

B. Fiscal Year 2014 Spending Rate of 4.5% for the CUNY Investment Pool.

Following discussion, the item was approved.

C. Amended Investment Policy, Appendix B – Spending Policy.

Chancellor Matthew Goldstein stated that CIO Janet Krone indicated that the corpus is about \$180 million. The majority of such funds at the University are not in the Investment Pool. Growth comes through income, capital appreciation and contributions. However, the Pool is in a net withdrawal situation. Contributions are made at the campuses, to individual foundations that were established with the permission of the Board of Trustees and the Chancellor's Office. It has been a concern that the University is not finding a mechanism to bring all of these dollars together. When all of the monies are added up across the University, that reside in individual accounts that are managed by the foundations or delegated to asset managers by the foundations, it is a considerable amount of money beyond what is in the Investment Pool. Chancellor Goldstein stated that he started an initiative with the chairs of the foundation heads about a year ago, to find an opportunity for the University to be working more collaboratively with an expectation that at some point, the monies will start moving from the campuses into the investment pool because any good investor will know that greater moves can only be made if there is more money. A breakthrough has occurred on a University-wide basis as there have been meetings with Carol Hochman, who is the Chair of the Queens College Foundation, and Lisa Whitten, who is the Chair of the Hunter College Foundation over a period of months to try to get all of the foundation heads together. Finally a working group of foundation heads has been established to start looking under the hood of

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

SUBCOMMITTEE ON
INVESTMENT

MINUTES OF THE MEETING
NOVEMBER 5, 2012

each of these foundations and try to learn from each other's best practices. Hopefully, at the end of this process, the foundations will have a sense of comfort to start allowing the University to manage their money, because publicly, when there is talk about endowment money, CUNY is at a very paltry level. Even though, the University is raising about a quarter of a billion dollars a year, much of it is not endowment money. It is money that comes in and is spent, and then starts all over again. CUNY really has to get much more endowment money. Hopefully, as a result of this new committee, the University will go a long way to achieving that goal. Once that is done, CUNY will start seeing opportunities for CIO Krone and the consultants to have a lot more corpus.

Following discussion, the item was approved.

The meeting was adjourned at 6:54 p.m.