

**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 Monday, September 20, 2021 at 10:00 a.m., via Microsoft Teams.

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

MEMBERS/ADVISORS ABSENT: ISC Advisor Steven Grossman

OTHER TRUSTEES PRESENT: Board Chair Ron Lumbra*

PERSONS ALSO PARTICIPATING: ISC Advisor Whit Wagner; Vice President for Finance & Administration Richard Cate; Controller Claire Burlingham; Associate Controller Lindsey Donovan; Senior Staff Accountant Patty Dubie; Endowment Accountant Marie Tiemann; Special Assistant to the Chief of Staff Erin Dickinson; and Richard Morrison, Kate Dumas and Bruce Castonguay of Prime Buchholz (PB)

*Joined the meeting at: 10:33 a.m.

Chair Robert Brennan called the meeting to order at 10:03 a.m.

Meeting minutes

Chair Brennan presented the minutes of the August 19, 2021 meeting for approval. A motion was made, seconded and it was voted to approve the minutes as presented.

Resolution to establish the Robert A. Pierattini, M.D. Green & Gold Professorship in Psychiatry Quasi-Endowment

The Subcommittee considered the following resolution:

Resolution to establish the Robert A. Pierattini, M.D. Green & Gold Professorship in Psychiatry quasi-endowment

WHEREAS, the Larner College of Medicine's Department of Psychiatry received an anonymous bequest of \$174,268.20; and

WHEREAS, the University may decide to designate assets as quasi-endowment funds to gain the benefit of the earning power of the University's consolidated endowment pool while retaining the flexibility to be expended in whole or in part; and

WHEREAS, the Dean of the Larner College of Medicine, at the recommendation of the Chair of the Department of Psychiatry, has requested that the bequest of \$174,268.20 be used to establish the Robert A. Pierattini, M.D. Green & Gold Professorship in Psychiatry quasi-endowment to supplement the existing Robert A. Pierattini, M.D. Green & Gold Professorship in Psychiatry permanent endowment within the University's consolidated endowment pool;

NOW, THEREFORE, BE IT RESOLVED, that the Investment Subcommittee approves the creation of the Robert A. Pierattini, M.D. Green & Gold Professorship in Psychiatry quasi-endowment within the University's consolidated endowment pool, for the benefit of the Larner College of Medicine's Department of Psychiatry.

A motion was made, seconded and it was unanimously voted to approve the resolution as presented.

Recent market returns and total portfolio performance review

Richard Morrison, of Prime Buchholz (PB), led a discussion of the value and performance of the long-term investment pool through July 31, 2021. He highlighted the upward trajectory of the endowment pool since 1987 and noted funding was recently added. He stated that the long-term investment pool had an estimated value of \$764 million on July 31, 2021, with a one-year return of 26.5%, 100 basis points above the target benchmark. Mr. Morrison reviewed the portfolio's asset allocation relative to the targets noting that the private equity sector is underweight with a corresponding overweight in public equities which is common for portfolios that have outstanding capital waiting to be utilized. He next commented on the positive performance of the portfolio for this year, noting the strong performers and detractors.

Executive session

At 10:16 a.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 stated that the session would last approximately 1 hour 15 minutes with action anticipated following. The following persons were invited to remain: Board Chair Ron Lumbra; ISC Advisor Whit Wagner; Vice President for Finance & Administration Richard Cate; Controller Claire Burlingham; Associate Controller Lindsey Donovan; Senior Staff Accountant Patty Dubie; Endowment Accountant Marie Tiemann; Special Assistant to the Chief of Staff Erin Dickinson; and Richard Morrison, Kate Dumas and Bruce Castonguay of Prime Buchholz (PB).

The meeting re-opened to the public at 11:43 a.m.

Portfolio rebalancing

Chair Brennan entertained a motion to approve the following transactions subject to the due diligence by Prime:

- Commit \$7.5 million to the Thoma Bravo XV Fund
- Commit \$7.5 million to Great Hill VIII

The motion was made, seconded, and passed unanimously.

Other business

Chair Brennan reviewed logistics for the transition to Prime Buchholz Advisors, noting the frequency of meetings in relation to the availability of market value information.

Adjournment

There being no further business, the meeting adjourned at 11:47 a.m.

Respectfully submitted,

Chair Robert Brennan