

**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, October 20, 2021 at 3:00 p.m., via Microsoft Teams.

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

MEMBERS/ADVISORS ABSENT: ISC Advisors Steven Grossman and Whit Wagner

OTHER TRUSTEES PRESENT: Board Chair Ron Lumbra

PERSONS ALSO PARTICIPATING: Vice President for Finance & Administration Richard Cate; Controller Claire Burlingham; Associate Controller Lindsey Donovan; 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 Richard Morrison, Kate Dumas and Bruce Castonguay of Prime Buchholz (PB)

\*Exited the meeting at: 4:35 p.m.

Chair Robert Brennan called the meeting to order at 3:00 p.m.

**Meeting minutes**

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

**Resolution to establish the Debra Poplawski-Wilson Quasi-Endowment**

The Subcommittee considered the following resolution:

**Resolution to establish the Debra Poplawski-Wilson Quasi-Endowment**

WHEREAS, the Larner College of Medicine Department of Surgery's Division of Neurosurgery received a bequest from Debra Poplawski-Wilson of \$89,000.00; 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 has requested that the bequest of \$89,000.00 be used to establish the Debra Poplawski-Wilson Quasi-Endowment, to support the Division of Neurosurgery at the discretion of the chair, within the University's consolidated endowment pool;

NOW, THEREFORE, BE IT RESOLVED, that the Investment Subcommittee approves the creation of the Debra Poplawski-Wilson Quasi-Endowment within the University's consolidated endowment pool, for the benefit of the Larner College of Medicine Department of Surgery's Division of Neurosurgery.

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

### **Recent market returns and total portfolio performance overview**

Richard Morrison, of Prime Buchholz (PB), led a discussion surrounding the current market trends as of September 30, 2021. He noted the strength in the overall market for the 2021 year-to-date while highlighting the strong and weak performers. US Equities returned nearly 16% for the year-to-date period ended September, while Chinese equities lost 16%, in large part driven by uncertainty around policy and regulatory changes in China. The natural resources and commodities were strong contributors to the market returns, while bonds dragged with negative returns. Mr. Morrison remarked on the equity volatility during the past 21 months due to the COVID-19 pandemic and compared longer historic valuations noting how they have moderated from peak levels amid strong earnings growth. He reviewed the market outlook during this time when inflation is very high and remarked that the outlook remains positive with support from the Federal balance sheet actions. Mr. Morrison noted the long-term pool had an estimated return of 12-13% for the calendar-year-to-date.

### **Executive session**

At 3:17 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 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 Lumbrá; Vice President for Finance & Administration Richard Cate; Controller Claire Burlingham; Associate Controller Lindsey Donovan; 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 Richard Morrison, Kate Dumas and Bruce Castonguay of Prime Buchholz (PB)

David Aronoff exited the meeting at 4:35 p.m.

The meeting re-opened to the public at 4:38 p.m.

### **Portfolio rebalancing**

Chair Brennan entertained a motion to commit \$5 million, subject to the completion of due diligence, to Spark Capital LLC with an allocation of 2/3 to the Spark Capital Growth Fund IV and 1/3 to the Spark Capital Venture Fund VII.

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The motion was made, seconded, and passed unanimously.

**Adjournment**

There being no further business, the meeting adjourned at 4:40 p.m.

Respectfully submitted,

Chair Robert Brennan