

# LOS ANGELES CITY COLLEGE FOUNDATION

## SPECIAL FINANCE & INVESTMENT COMMITTEE MEETING DECEMBER 07, 2022

**LOCATION: CONFERENCE CALL**  
**1 669 900 6833 (US Toll) or**

<https://laccd.zoom.us/j/82654554735?pwd=b3hEaTVBRW9lRWNDRXVsbzFOK3lYdz09>

**Meeting ID: 826 5455 4735 Passcode: 863334**

**TIME: 11:30 A.M.**

### MINUTES

#### Attendance:

**Members Present:** Bob Winters (Chair); Danny Chan (Vice Chair); Edward Dilkes; Robert Reeves; Marvin Hoffman; Jerrod McClung; Gerard Tamparong; Robert Schwartz and Lisa C. Nashua (Executive Director)

#### I. CALL TO ORDER & WELCOME

B. WINTERS

- a. The meeting was called to order at 11:31 A.M.

#### II. INVESTMENT STRATEGY AND OUTLOOK FOR 2023 AND BEYOND

D. CHAN

- a. The Committee called this meeting to discuss some different topics including the investment strategy and outlook for 2023 and beyond. However, Gerard Tamparong thinks that the job of the LACC Foundation Board is to work with the manager and give them a task. Give them the policy, and it's for them to tell the Board what their strategy is. Gerard said that they should bypass this one agenda item simply because our outlook shouldn't change our policy. Our policy should be reflective of the long-term goals and mission of the LACC Foundation irrespective of what our view is of the market.
  - i. The Committee agreed with Gerard to bypass this topic.

#### III. INVESTMENT POLICY UPDATES FOR DIVERSIFICATION TO INCLUDE REAL / ALTERNATIVE ASSET CLASSES SUCH AS PRIVATE EQUITY, PRIVATE PLACEMENTS AND/OR REAL ESTATE

- a. Marv Hoffman asked if they were now in alignment with the Investment Policy and the Committee said yes. Some Committee members expressed their points of view regarding this topic and Jerrod McClung said that basically we've got all our eggs in one basket being in the market, and we don't have any exposure to any other assets out there. Like real assets, whether it be real estate, private equity, or some sort of hedge fund. He wasn't making any recommendations to do this, but he thinks that there would be some long-term benefits to the Foundation over time, and he just doesn't see that we're going to get a lot more benefit with Windward over the next 12 to 18 months for the money the Foundation is paying them.

#### IV. INVESTMENT MANAGER DISCUSSION – CONDUCT A DUE DILIGENCE TO ADD A NEW MANAGER OR REPLACE A MANAGER TO DIVERSIFY OUR RISK, UPDATE OUR FEE STRUCTURE, AND FIND A FIRM THAT CAN PROVIDE FOR A BROADER INVESTMENT SELECTION

D. CHAN

- a. The Committee had some discussions regarding the way the investment manager has not provided the committee with a transparent strategy. Also, they don't answer the Committee members' questions, and they don't give them an outlook. Although Robert Schwartz mentioned that his theory in life is the "higher experts and let them do their job." He thinks that starting to move the money or getting a second investment manager or replacing the current investment manager doesn't make any sense and that it opens us up to all kinds of liability. Robert commented that at the meetings when the Investment manager asked if there were any questions no one said anything.
  - i. Gerard Tamparong took the floor to say whether they wanted to hire a different manager or whether they wanted Windward to do something else, it's beyond the scope of what they're talking about today. The meeting was calendared due to the committee not receiving the answers to their questions and how Mr. Robert Reeves was completely disrespected in the meeting by Joseph Robillard. Gerard Tamparong along

with other Committee members asked questions that any other client would ask during a volatile investment period - which were not answered.

1. Gerard Tamparong moved to send a letter of admonishment to Windward from the board chair, Robert Schwartz for acting disrespectful to Mr. Robert Reeves at the previous meeting.

a) Ed Dilkes seconded

b) **Motion Passed MSP**

b. The Committee also discussed the current fee that it is paying to Windward and the possibility to negotiate a lower fee. There is no current agreement and it is something that should be discuss with Windward.

## V. 1, 3, 5 YEAR COMPARISON

a. The Finance and Investment Committee members agreed that Gerard's request of Joseph Robillard regarding the 1, 3, 5, 10 year and since inception performance in the report and Joseph's response "it's all in there" was not sufficient. Gerard told the Committee that he's been in this business for 25 years. There was nothing in the Windward reports discussing 1, 3, 5, 10 years, or since inception performance. Gerard indicated that he found the Windward representatives to be very combative at the last meeting when Committee members were asking questions. He indicated that he didn't want to start a fight and simply stopped asking questions. Following the meeting, Gerard asked Lisa to send him all the information that she had received from Windward so he could look for that information. Following receipt of all the Windward reports, the comparison outlined above, even though specifically requested by committee, was not found within their contents.

i. Gerard Tamparong proposed to put together a template of information to be sent to Windward so they can just fill in the blanks with the numbers with the Foundation portfolio. The purpose being that they should receive one summary page providing all the detail.

## VI. DIRECTORS AND OFFICERS INSURANCE

M. HOFFMAN

a. Marv Hoffman brought up the topic about the Board and Officers Insurance and mentioned that the amounts needed to be increased.

i. Danny Chan moved to investigate the Directors and Officers insurance policy and investigate increasing the limits.

ii. Ed Dilkes seconded

iii. **Motion Passed MSP**

## VII. ADJOURNMENT

a. Meeting adjourned at 12:14 PM