LOS ANGELES CITY COLLEGE FOUNDATION

FINANCE & INVESTMENT COMMITTEE SPECIAL MEETING DECEMBER 3, 2025

LOCATION: **LACC Foundation**
Student Union Building
855 N Vermont Avenue
Los Angeles, CA 90029

Zoom Information:

(669) 900-6833
https://laccd.zoom.us/launch/edl?muid=5c818bff-02ea-45d1-8f09-80cba2d950d0
Meeting ID: 889 5210 6910
Passcode: 774769

TIME: **11:00 A.M.**

MINUTES

Attendance:

Members Present: Danny Chan (Vice Chair); Edward Dilkes; Robert Reeves; Gerard Tamparong; Robert Schwartz (Zoom); and Martha C. Esparza (Associate Executive Director)

Members Absent: Marvin Hoffman; Jerrod McClung; and Lisa C. Nashua (Executive Director)

Guests Present Via Zoom: Derek Kellman, Investment Officer, Angeles Investments

I. CALL TO ORDER **D. CHAN**

a. The meeting was called to order at 11:14 A.M.

II. NEW INVESTMENT POLICY STATEMENT DEVELOPED UNDER ANGELES' GUIDANCE **D. KELLMAN**

a. Review and Recommend Approval of the New Investment Policy Statement to the Full Board on December 11, 2025, Annual Meeting.
   i. Derek Kellman of Angeles Investment presented the proposed revised Investment Policy Statement (IPS), developed in collaboration with Gerard Tamparong. Mr. Kellman explained that the IPS represents a refined and modernized framework rather than a wholesale change, aligning governance, roles, and responsibilities with best practices while maintaining the Foundation's long-term objectives.
   ii. Key updates discussed included expanded clarification of responsibilities for the Board of Directors, Finance & Investment Committee, OCIO, and Foundation staff; enhanced descriptions of asset classes, including private equity, private credit, and private real assets; and differentiated objectives for the endowment, operating endowment, and STEM-related funds.
      1. The Committee discussed the proposed spending policy, confirming a 4% annual spending rate based on a 20-quarter rolling average, with the addition of a 1.5% administrative fee. Mr. Kellman explained that the combined spending and inflation expectations establish a long-term return hurdle and cautioned against increasing the spending rate due to potential erosion of real portfolio value.
   iii. The Committee raised questions regarding donor restrictions, administrative fees, and the treatment of specialized funds, including federally restricted STEM funds.
      1. It was agreed that the IPS would require compliance with the most restrictive applicable laws, regulations, and donor-imposed conditions.
      2. The Committee discussed repositioning STEM-related assets into highly conservative investments, such as U.S. Treasuries or insured bank instruments, to ensure regulatory compliance.
   iv. Mr. Kellman reviewed proposed asset allocation targets, including a gradual implementation of private assets over an extended period, emphasizing liquidity management, capital call planning, and benchmark tracking.

1. The Committee requested that Angeles provide scenario analyses and pacing models at a future meeting to illustrate the transition from current allocations to long-term targets.

v. Following discussion, the Committee reached consensus to recommend approval of the revised Investment Policy Statement, inclusive of discussed edits and clarifications, to the Full Board at its December 11, 2025, Annual Meeting.
   1. Gerard Tamparong moved to recommend approval of the revised Investment Policy Statement, inclusive of the discussed edits and clarifications, to the Full Board for consideration at December 11, 2025, Annual Meeting.
   2. Edward Dilkes seconded
   3. **Motion Passed MSP**

III. PUBLIC COMMENTS

a. No public comments were received.

IV. ADJOURNMENT

a. Meeting adjourned at 1:00 PM