

UUA Investment Committee – Minutes

Conference Call
September 30, 2014

Members present: Carol McMullen, chair, Tim Brennan, Rob Friedman, Kimberly Gladman, John LaPann, Lucia Santini

Member absent: Larry Ladd

Guests: David Stewart

Staff: Susan Helbert

NEPC: Scott Perry

1. DBL update – Perry

- DBL indicated they are targeting a 300 to 400 million fund size; NEPC had previously believed that the fund size would be in the 250 to 300 million range. In subsequent discussions with DBL they now believe they will land in the 350 to 400 million which raises concerns for NEPC and leads into their recommendation.
- Targeting 20 to 25 deals each at about 15 to 20 per deal million.
- Number of team members they have versus the number of deals and capital they want to put to work, NEPC would like to see one or two more senior members.
- NEPC view on late stage ventures is that it's getting a bit frothy. Could be mitigated on the DBL side depending on how disciplined they are putting capital to work.
- NEPC is keeping neutral regarding DBL which means that because it's not a preferred fund by NEPC it would be at the behest of the client to make the investment, they are not recommending it.
- At this point they don't have other options with at least as good a prospect for financial return and impact.
- Run into difficulty finding funds that can deliver on the return side as well as the impact side. Often means newer funds that are smaller in size and have a limited track record.
- Committee as a whole is not comfortable investing with DBL so no vote was necessary.

2. PIMCO – all

- Will continue moving 50% of fund to Breckinridge as voted on at the August 18th meeting. Will hold remaining balance until recommendations come in from NEPC.
- Process of opening a new account with State Street for Breckinridge.

Action item 1: NEPC to put together a manager search book to be sent out as soon as possible.

Action item 2: Helbert to schedule a call to discuss which managers to bring in for the November meeting.

3. Legacy Ventures – All

- Venture capital fund of funds offering access to top tier, difficult to get into venture funds and bring with them a group of philanthropist who have a fairly wide scope.
- NEPC will research Legacy Ventures.

Action item 3: NEPC to determine if Legacy will allow the UUA and affiliated organizations to be the charitable organization for income and profit.