

Collaboration

Thoughts on the Investment Committee/Manager Relationship

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Collaboration

Symbiosis: A relationship between two people or groups that work with and depend on each other*

“Symbiosis...constitutes a universal and fundamental phenomenon...”

—J. Andre Fortin
Mycorrhizas'

*Merriam-Webster Dictionary

Collaboration

Is everyone on the same side of the table, or the opposite?

- Who gains from a “gotcha”?
- Nobody is infallible—we either win or we learn.
- Are you truly a perpetual organization? If so, how do we get there?
[Stewardship Index]

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Is everyone equally committed to the organization?

Commitment is more than a quarterly portfolio review and attending the annual gala or golf outing.

It means understanding the whole organization...

The mission, people, challenges and the investment funds

- Assets and liabilities of the organization
- The portfolio should not be reviewed in a vacuum—it is important to see investments holistically, within scheme of the overall organization
- Multi-horizon investing
 - Not one monolithic asset
 - Different objectives, with different IPS'

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Keep your investment committee meetings from becoming a “check off the box” exercise...

- Is there sharing of all pertinent operating data?
- Have circumstances changed materially? Merger? Board turnover?
- How did your organization react to 2008?
- What is your true benchmark?

“Hurdle Rate” = Portfolio Return – Inflation – Spending Rate

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Keep your investment committee meetings from becoming a “check off the box” exercise...

- When was the last time your Investment Policy Statement was updated?
 1. No Alternatives
 2. Investment grade only
 3. UPMIFA (Uniform Prudent Management of Institutional Funds Act)
 4. Conflict of interest
 5. Lehman index (!)

Collaboration

Keep your investment committee meetings from becoming a “check off the box” exercise...

Questions for your next meeting

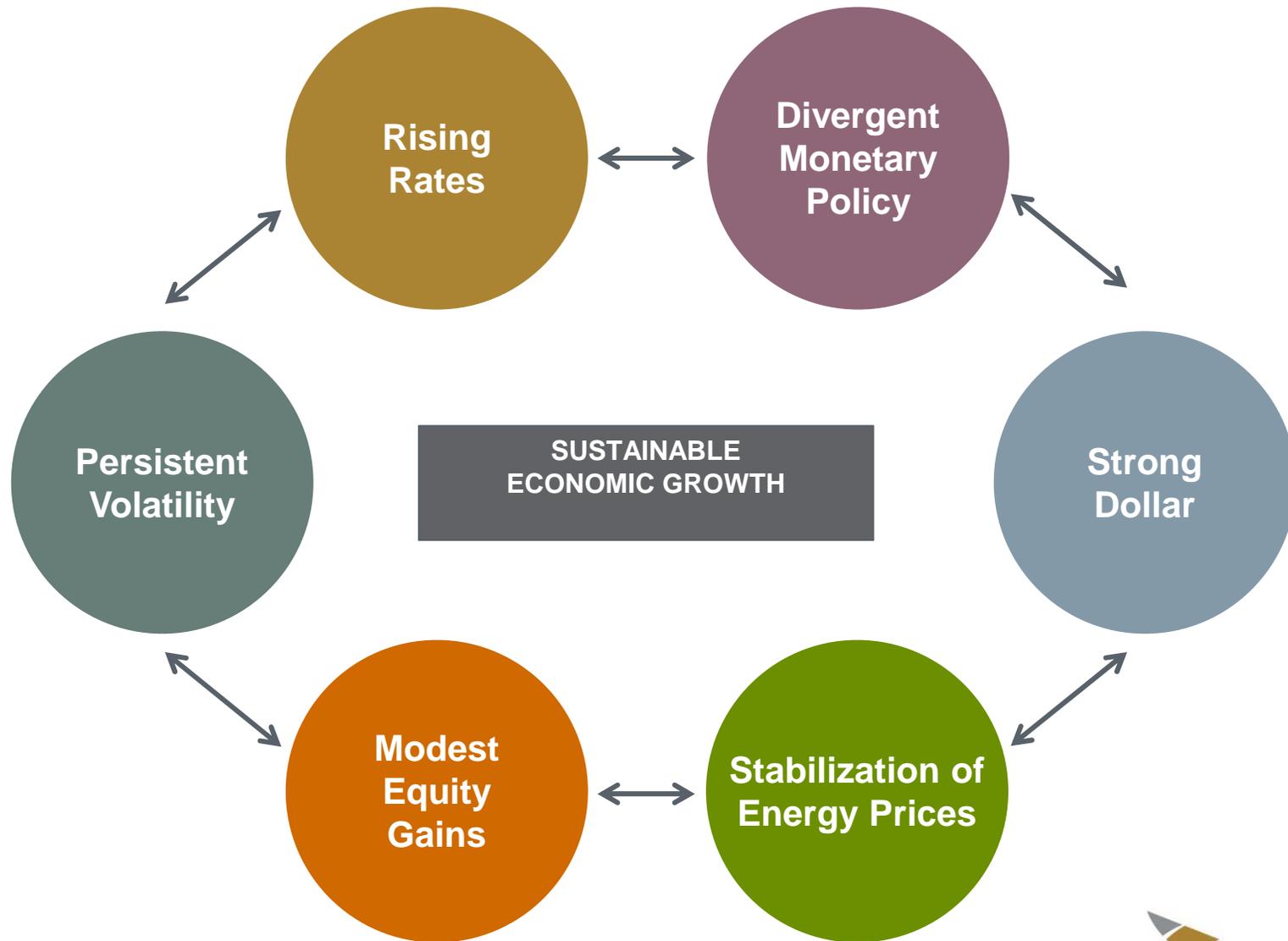
1. What type of “investor” is our organization? Is that how our portfolio is structured?
2. What are the organization’s short and long-term goals?
3. How might your current portfolio be putting the organization’s goals at risk?
4. What are the keys to our investment success?

Collaboration

Markets are dynamic...

Are you investing pro-actively or reactively?

The Road Ahead: 2016



Biography



BNY MELLON
WEALTH MANAGEMENT

Biography

Michael A. Janko

Director, Endowment and Foundation Group

Senior Portfolio Manager

Michael is director of BNY Mellon Wealth Management's Endowments and Foundations group and is a senior portfolio manager. He is responsible for managing endowment, foundation and charitable portfolios with a wide range of objectives and provides guidance and assistance in the determination of appropriate investment strategies. As director of the Endowments and Foundations group, Michael works with portfolio managers and other team members to assist in meeting the overall investment, fiduciary and administrative needs for each client. In addition, Michael is a regular speaker at seminars on investing for non-profits.

Michael joined the firm in 1997 and has more than 25 years of experience managing charitable client portfolios. His previous experience includes several management positions for wealth management firms, most recently having acted as portfolio manager for SunTrust Investments.

Michael earned a bachelor's degree from Suffolk University and a master's degree from Suffolk University's Sawyer Graduate School of Management. His community involvement includes working with a local non-profit seeking to increase opportunities for at-risk youth.

Disclosures



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Disclosures

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