



**Final Minutes
Endowment Fund Investment Board
Special Meeting March 25, 2019**

A special meeting of the Endowment Fund Investment Board (“Board”) was held in the Conference Room at 816 W. Bannock Street, Ste. 301, Boise, Idaho on March 25, 2019. Chairman M. Dean Buffington called the meeting to order at 10:30 a.m. and indicated that a quorum was present.

Members Present:

Dean Buffington
Jerry Aldape
Representative Neil Anderson (11:42am-1:08pm)
Warren Bakes*
Irv Littman
Gary Mahn
Richelle Sugiyama

Guest:

Tom Wilford

Absent:

Senator Chuck Winder

Staff Present:

Chris Anton
Chris Halvorson
Liz Wieneke

Legal Counsel:

Julie Weaver

Guests:

Janet Becker-Wold (Callan)
Daniel Dy (Sycamore Capital)
Gary Miller (Sycamore Capital)
Peter Hardy (American Century)
Juliana Hastings (American Century)
Kevin Tooney (American Century)
Brian Woglom (American Century)
Kari Kostka (IDL)

**Via Teleconference*

Materials were mailed to the Board and a meeting notice and agenda posted on March 20, 2019.

Chairman Buffington introduced Mr. Tom Wilford, who was recently appointed by the Governor to fill Gavin Gee’s seat on the Board and invited him to introduce himself and highlight his professional background.

Board Meeting Minutes

Mr. Aldape moved to approve the minutes of February 13, 2019, regular meeting as amended. The motion was seconded by Mr. Mahn and approved unanimously.

Mid-Cap Value Manager Search Overview

Mr. Anton reminded the board that the portfolio manager at Systematic Financial recently left the firm, which prompted a mid-cap value manager search. Callan screened the universe of active mid-cap value managers and identified twelve candidates that were a fit with both the fund and TimesSquare, who is our mid-cap growth manager. Callan's Manager Search Committee narrowed the field to five candidates who were profiled in a report provided to EFIB. Three were selected for phone interviews and two finalists were invited to present to the Board. The two finalists are Sycamore Capital and American Century.

Sycamore Capital Presentation

Mr. Anton introduced the Mr. Daniel Dy and Mr. Gary Miller of Sycamore Capital.

Sycamore Capital is based in Cincinnati, OH and owned by Victory Capital a publicly traded company. The investment team is very experienced and has worked together for a long time with no turn-over. They have a relentless focus on risk/reward assessment and seek to identify opportunities where there is greater upside potential than downside risk. They have outperformed the benchmark over 3, 5, and 10-year periods.

American Century Presentation

Mr. Anton introduced Juliana Hastings, Peter Hardy, Kevin Toney and Brian Woglom from American Century.

American Century is based Kansas City, MO. They are privately held with a controlling interest owned by the Stowers Institute for Medical Research, which was established by the founder of American Century. They seek to invest in high quality companies, that are attractively priced and that have limited downside risk. They have demonstrated strong absolute and risk adjusted returns over 3, 5, and 10-year periods.

Mid-Cap Value Manager Search Overview

Ms. Becker-Wold presented a comparative analysis of Sycamore Capital and American Century. She compared the size of the organizations, size of their mid-cap value funds, number of holdings in their portfolios, investment style, risk/reward profiles and historical performance.

Discussion followed.

Mr. Aldape moved to approve moved to terminate Systematic Financial Management. The motion was seconded by Mr. Mahn and approved unanimously.

Ms. Sugiyama moved to hire Sycamore Capital. The motion was seconded by Mr. Littman and approved unanimously.

Investment Consultant RFP Process Discussion:

Chairman Buffington provided an overview of a recent Land Board Investment Sub-Committee meeting, which included a discussion about the investment consultant RFP process for both EFIB and the Idaho Department of Lands. Mr. Buffington stated that issuing an investment consultant RFP is both consistent with EFIB Policy and the State of Idaho's commitment to transparent governance. He encouraged the EFIB staff to move forward with an investment consultant RFP that includes services for EFIB, the State Insurance Fund and the Idaho Department of Lands. Mr. Anton, Ms. Kostka, and Ms. Weaver provided additional background information. EFIB and IDL Staff will move forward with the RFP process in accordance with previously stated policy.

Adjournment

There being no further business to come before the Board, Mr. Aldape moved to adjourn. The motion was seconded by Mr. Mahn and approved unanimously.

The meeting adjourned at 2:56 p.m.