



Ministries Foundation Investment Subcommittee
May 13, 2020 10 - 11am
Zoom Virtual Meeting

DRAFT

In Attendance: Maria Bonnie, Julie Gerend, Jack Hansen, Alyssa Howells, Mary Lydon, Jim Reetz, Jane Stevenson, Ralph Scorpio.

Jack Hansen started by recapping the four models he introduced last meeting. They include:

1. Delegated OCIO (outsource) model: would make allocations and the Ministries Foundation (MF) would set guidelines and be responsible for monitoring it.
2. Hiring of consultant: would include a retainer for the MF, would do ongoing monitoring and allocation; this is what the Province currently does with its investments.
3. Diversified target date fund: the MF would define its mission and the group would suggest a fund that closely aligns; passive, cheaper, better risk control option.
4. Project manager: an assessor would look at the MF's investments and give advice on what decisions we should be making. The managing team would create a plan of what we should do moving forward and then the MF would be responsible for implementing it; like an audit or 'check-up' and saves on costs.

There was discussion about the pros and cons of each model and the varying level of work that the MF would need to do with each. Currently the MF does not have a dedicated group (other than this subcommittee) that would be able to specifically monitor investment funds and make decisions on allocations. Ralph Scorpio stressed that the MF does not have any sort of group like this currently and that the MF will be adding something that we do not have. Jim Reetz does some of this work for the Province but relies on the fund managers of the Province to advise him and make most decisions. Jim would not be able to monitor MF investments.

Jane Stevenson asked if it would be a good idea to start with a project manager to better understand where the MF is at and where it should be moving toward. This could be an initial information and advice gathering step, so we know what to look for next. Julie Gerend thought that this was a good idea and liked sending out an RFI as an assessment to get recommendations from other experts. This would be beneficial for deciding what our next steps should be.

Committee members agreed about sending out an additional RFI to gather information and advice; the next step is to decide what questions to ask and which companies to contact. Jane asked if there were companies that Julie and Jack recommended, while keeping in mind that while the endowment is significant it is not huge. We do not want to waste our time reaching out to investment firms who will not work with us because our fund is too small.

Jim said that DeMarche has been interested in managing the MF's endowment fund for a long time and would be more than happy to start that conversation. He has worked with them for a long time now and

knows that they do good work. It was decided by the committee that the MF will reach out to DeMarche with an RFI of initial questions and to determine what fee would be collected for this initial stage. Even though the Province works with DeMarche, the MF is not required to do so but they will provide information to help us make an informed decision.

Mary Lydon asked the group to think about how we can make this as simple as possible and the most helpful. Jack said that it should be a short questionnaire with a word limit, and it should include a limited number of questions, a simple statement about the MF and our goals and funds. He also said that the MF needs to include risks in its investment policy, so everyone involved knows what we are comfortable with. These questions do not need to only be about investing, they could also include questions about values and what the firm's mission includes. Also, to consider is whether we want to work with a company that does socially responsible investing; something to think about.

Action:

1. Assemble questions that would be appropriate to include in an RFI to DeMarche. Submit them to Ralph so he can compile them.
2. Ralph to compile list of questions from committee members and send to DeMarche.
3. Alyssa will send out minutes and ask members to respond with what days/times work for a consistent meeting schedule. It was decided that moving forward the committee should meet on a regular basis.

Adjournment: the meeting adjourned at 11:15am.

Respectfully Submitted,
Alyssa Howells, CSJ Ministries Foundation