



COUNCIL *on* FOUNDATIONS

2121 CRYSTAL DRIVE, SUITE 700, ARLINGTON, VA 22202

Investment Management for the Future: Strategies for Prudent Investing and Greater Fiduciary Oversight
September 23–24, 2010
Arlington, Va.

Agenda

Learning Objectives: Engage in dialogue with noted investment management, law, and nonprofit experts to understand how to adapt your investment practices to accommodate the paradigm shift in what is now “the new normal” in our global economy.

At the end of the workshop, you will be prepared to:

- Consider reshaping your foundation’s investment strategy to adapt to the challenging global economy.
- Discuss new considerations and inherent risks in asset allocation methodologies.
- Identify key strategies for transitioning illiquid assets to meet annual distribution requirements.
- Realize best practices in selecting and evaluating investment consultants.
- Discuss emerging trends associated with investment policy statements and their implications.
- Consider the changing roles for fixed income and alternative investments in a foundation’s portfolio.
- Understand the evolving role of the investment committee and its fiduciary and legal responsibilities.

Thursday, September 23, 2010

8–8:30 a.m.	Breakfast
8:30–8:45 a.m.	Welcome & Opening Remarks Steve Gunderson, president and CEO Council on Foundations
8:45–8:50 a.m.	Overview
8:50–9 a.m.	Introduction Christopher Dupuy, managing director, Head of Institutional Investments & Philanthropic Solutions Bank of America Merrill Lynch
9–10:15 a.m.	Keynote: What is the “New Normal” in our Global Economy? Jeffrey Garten, Juan Trippe, Professor of International Trade and Finance, Yale School of Management, chairman, Garten Rothkopf, and dean, Yale School of Management, 1995-2005
10:15–10:30 a.m.	Break
10:30–11:30 a.m.	Module I—Deploying the Power of Asset Allocation <ul style="list-style-type: none">• Managing downside risk with a focus on straightforward diversification as opposed to active hedging.• Recognizing and correcting outdated investment strategies.• Selecting investments that support your foundation’s mission. <p>Panelist: Charles Haydock, Cotting School</p>

Thursday, September 23, 2010 (continue)

- 11:30 a.m.–12:15 p.m. **Module II—Transitioning Assets**
- Creating a transition plan for illiquid assets to meet the required 5 percent annual foundation distribution requirement.
- Speaker:** Steve Campisi, director, Institutional Investments and Philanthropic Solutions
Bank of America Merrill Lynch
- 12:15–1:15 p.m. Lunch
- 1:15–2:15 p.m. **Module III—Investment Committee Responsibilities**
- Determining the scope of work for your investment committee.
 - Weighing the choice between in-house or outsourced investment management, reporting, and analysis.
- Panelist:** Marcy Moody, treasurer, National Society of Colonial Dames
Panelist: Ed McGeogh, vice president, Asset Management, Cafritz Foundation
- 2:15–2:30 p.m. Break
- 2:30–3:15 p.m. **Module IV—Beyond Investment Policy Fundamentals**
- Creating a new policy for a new economy.
 - Incorporating key elements critical for success.
- Speaker:** Steven Orr, vice president, investments, Communities Foundation of Texas
- 3:15–4 p.m. **Module V—Evaluating Your Investment Consultant**
- Identifying the best practices to use in selecting investment advisers.
 - Understanding expenses: administrative, transaction and management fees, loads, premiums, and rebated fees.
 - Benchmarking performance.
- Moderator:** Kevin Stiles, senior vice president, Institutional Investments and Philanthropic Solutions, Bank of America Merrill Lynch
- 4 p.m. Day One Wrap-Up



COUNCIL *on* FOUNDATIONS

2121 CRYSTAL DRIVE, SUITE 700, ARLINGTON, VA 22202

Investment Management for the Future: Strategies for Prudent Investing and Greater Fiduciary Oversight September 23–24, 2010 Arlington, Va.

Agenda

Friday, September 24, 2010

8–8:45 a.m. Breakfast

8:45–9 a.m. Welcome Back

- Reflections on Day One Learning Objectives
- Objectives for Day Two

9–10:15 a.m. **Module VI—The Changing Roles of Fixed Income and Alternative Investments**

Fixed Income

- Choosing from a broad array of investment vehicles in constructing a fixed income portfolio.
- Diversifying by industry, type, and maturity to mitigate risk.
- Understanding increased credit, interest rate, currency, and default risks.

Alternative Investments

- Weighing the risks and rewards of including alternative investments in your endowment's investment portfolio.
- Using alternative investments to hedge against a highly correlated market.
- Determining the potential impact of alternatives' illiquidity on your cash needs.

Speaker: Marcos Nogues, managing director, Investment Strategy, Institutional Investments and Philanthropic Solutions, Bank of America Merrill Lynch

10:15–10:30 a.m. Break

10:30–11:30 a.m. **Module VII—Risk Management and Fiduciary Oversight**

- Understanding what risk management means in the “new normal” of a global economy.
- Understanding the full range of fiduciary responsibilities.
- Integrating risk management and fiduciary oversight.

Speaker: Paul Cummings, managing director, Institutional Investments and Philanthropic Solutions, Bank of America Merrill Lynch

Friday, September 24, 2010 (continue)

11:30 a.m.–12:30 p.m. Lunch

12:30–1:30 p.m. **Module VIII—Legal Responsibilities: IRS Form 990 Recommended Best Practices in Foundation Investment Management, Guidance from the Council’s Board of Directors (March 2010)**

- fiduciary duties
- investment policy statements
- delegation
- procedures
- compliance
- oversight and reporting
- conflicts

Speaker: Daniel Rader, senior counsel and director, Legal and Public Policy Council on Foundations

1:30 p.m. Closing Comments