University Enterprises, Inc. (UEI) held its annual Board of Directors Retreat at The Sutter Club, 1220 9th Street, Sacramento on Friday, January 24, 2014.

Members Present
President Gonzalez, Chair
Jude Antonyappan
Lisa Bates
Larry Cook
Crystal Ekanayake
Caleb Fountain
Marti Gray
Mike Lee
Roseanne Lopez
Don Taylor
Joni Zhou

Members Absent
Jeff Einhorn
Anne Fuller
Nielsen Gabriel
Randy Sater

UEI/Sac State Staff Present
Arlette Barnard
Craig Barth
Steven Davis
Ada Lai
Beth Lesen
Mark Lewandowski
Nicole Johnson
Dr. David Moore
Angela Rader
Jim Reinhart
Steve Rogers
Michael Speros

Guests
Sara Craven – Sand Hill Global Advisors
Brian Dombkowski – Sand Hill Global Advisors
David Porter - Porter Khouw Consulting, Inc.
Student Investment Fund Student Members
Aliaksandr Chouzhyk
John Hughes
Nikhil Tummala

President Gonzalez and Executive Director Jim Reinhart welcomed the board and reviewed the retreat agenda. Discussions were held pertaining to UEI’s financial condition and the CA Intern Network.

Students gave an overview of the Student Investment Fund i.e., stock selection process, performance update and lessons they have learned throughout the process. Goals for 2014 include – picking a selection of stocks that contribute to the portfolio and outperform the S&P; improved post-purchase monitoring; and consideration of a shift from a few stocks in each sector to a core of index funds with individual stocks on the periphery. The students thanked the board for providing an excellent learning opportunity, to gain experience and become long-term value investors.

Brian Dombkowski, Sand Hill Global Advisor, gave an introduction to Sand Hill, their investment philosophy, strategy and processes. Economic growth is expected to accelerate in 2014 by 2 to 3% offset by a relative weak labor market. Interest rates continue to rise. Corporate earnings continue to improve with the economy with a growth rate of approximately 7 to 8% expected in 2014. Emerging markets are slow as the global monetary cycle has normalized, export growth opportunities have slowed and central bank policy has changed, resetting expectations. Dombkowski stated that
following years of repeated and related financial crises, the global economy has reached a turning point with deleveraging, the financial system is healing, and the Eurozone is on more solid footing.

Sara Craven, Sand Hill Global Advisor, gave a portfolio response and review. Portfolios have outperformed, returning 5.63% for the fourth quarter (UEI’s second fiscal quarter). Overall relative performance of 35bp was achieved. The mid-term liquidity accounts’ performance and allocation was reviewed. Possible ways in which Sand Hill could help support Sacramento State’s Student Investment Fund were discussed.

Jim Reinhart, Executive Director, and Steven Davis, Director of Dining Services, gave an overview of dining services including revenue (existing meal plans), and an update on current and proposed venues. Reinhart introduced David Porter, Principal and CEO of Porter Khouw Consulting, Inc. Porter presented recommendations for improving dining services through enhanced meal plan options, longer hours of operation and the creation of a dining/learning/social experience for students.

Chair Alexander Gonzalez led a discussion critiquing the board’s performance in assisting University Enterprises in furthering the mission of the University.

Respectfully submitted,

Arlette Barnard
Recording Secretary