


MICHIGAN STATE
UNIVERSITY

October 12, 2011

MEMORANDUM

To: Trustee Policy Committee
From: Fred L. Poston 
Subject: Investment Advisory Subcommittee Membership

RECOMMENDATION

RESOLVED, that the Trustee Policy Committee recommends that the Board of Trustees amend the Stipulations for the Selection and Participation of Outside Members of the Investment Advisory Subcommittee ("Stipulations"), as shown on Attachment A hereto.

BACKGROUND

The proposed changes to the Stipulations would give the MSU Foundation additional flexibility in nominating outside members of the Investment Advisory Subcommittee.

cc: L. Simon, K. Wilcox, R. Noto, B. Beekman, D. Brower, M. Haas, G. Klein



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Attachment A

STIPULATIONS FOR THE SELECTION AND PARTICIPATION OF OUTSIDE MEMBERS OF THE INVESTMENT ADVISORY SUBCOMMITTEE

The Investment Advisory Subcommittee is a subcommittee of the Finance Committee. Its role is to aid the Finance Committee in the review and evaluation of investment opportunities and strategies.

The Investment Advisory Subcommittee includes select individuals who are not members of the Board of Trustees. The following stipulations apply to the participation of those outside members.

1. The Investment Advisory Subcommittee will have three outside members.
2. ~~Each time the Investment Advisory Subcommittee has a vacancy for an outside member, t~~The MSU Foundation ~~Board~~ will nominate at least two individuals to fill that vacancies for outside members of the Investment Advisory Subcommittee. The Board of Trustees, in consultation with the President and the Vice President for Finance and Operations, will select the new outside members s from those nominees.
3. Outside members will serve staggered three-year terms and may be re-appointed once.
4. Key qualifications for outside members include high ethical standards, wide-ranging institutional investment experience, ability to constructively debate issues, skill at asking pertinent questions to independently challenge investment opportunities, and established and beneficial affiliation with MSU.
5. Outside members will be required to comply with Board-approved conflict of interest standards for external members.
6. Outside members are expected to regularly attend Investment Advisory Subcommittee meetings in person or, when necessary, electronically.