

**AGENDA ITEM 6b**

Change International Equity Manager (IE) for Endowment Fund and Reserves Fund

**RECOMMENDED DIRECTIVE:** The board hereby approves terminating Brandes Investments Partners (BIP) as International Equity Manager (IE) and replacing with Lazard Asset Management (LAM) for both the Endowment Fund and Reserves Fund.

**DISCUSSION:** Per Raymond James, Brandes Investments Partners (BIP) has underperformed its benchmark, the MSCI EAFE Index, by nearly 2% annually for the past three years. Given this sustained underperformance, Raymond James undertook a manager search analysis of alternative IE managers, and recommend the replacement of BIP with Lazard Asset Management (LAM). In addition to superior relative investment performance, LAM has an ongoing commitment to the Pacific region as they manage funds for numerous clients in the region.

Raymond James believes that this recommendation offers the opportunity to improve the performance of the endowment and reserve funds going forward, as well as fulfill the board's fiduciary responsibilities with respect to the prudent oversight of the funds.

**ACTION TAKEN:**

- Approved as presented
- Approved w/ modifications
- Disapproved
- Deferred to a later meeting

**VOTE:**

aye  nay  abstain

**DATE:** \_\_\_\_\_