UWHCA Finance Committee

December 17, 2020, 10:00 - 11:30 AM

WebEx: https://uwhealth.webex.com/uwhealth/onstage/g.php?MTID=e3ba8640b5c3d14c929778278713b9aa4

Meeting number: 120 582 7021 // Password: 121720

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UWHCA Finance Committee - December 17, 2020 - Public Meeting Notice

Agenda

10:00 AM I. Call to Order and Chair Announcements
Mr. Kenneth Mount

10:05 AM II. Consent Agenda Approval
Mr. Kenneth Mount

Attachment - Open Session Minutes from November 19, 2020
(Material to be added in advance of the meeting)

Attachment - Investment Manager Change

10:06 AM III. UW Health Consolidated Financials - YTD November 30, 2020 Report/Discussion
Mr. Robert Flannery, Ms. Jodi Vitello, Ms. Patti DeWane
(Material to be added in advance of the meeting)

10:16 AM IV. Closed Session

Motion to enter into closed session pursuant to Wisconsin Statutes section 19.85(1)(e) for the discussion of the following confidential strategic matters, which for competitive reasons require a closed session: review and approval of closed session minutes, COVID-19 situational update, and FY21 capital and operating budget update, including UPH-M Joint Operating Agreement; and pursuant to Wisconsin Statutes section 19.85(1)(g), to confer with legal counsel regarding these and other matters.

11:29 AM V. Return To Open Session

Mr. Kenneth Mount

Motion to endorse recommendation of approval to UWHC Authority Board of Directors of the FY21 UW Health Enterprise Capital and Operating Budget including UPH-M Joint Operating Agreement (January - June 2021) as discussed in Closed Session.

11:30 AM VII. Adjourn
TO: UWHCA Finance Committee

RE: Terminate Lazard Emerging Markets Select ADR and Replace the Allocation with Martin Currie Global Emerging Markets SMA

DATE: December 17, 2020

UWHCA Finance Committee -

UW Health Investment Sub-Committee is recommending that the relationship with Lazard Emerging Markets Select ADR (Lazard) be terminated and the allocation of emerging markets within the UW Health portfolio be moved to Martin Currie Global Emerging Markets SMA (Martin Currie).

During the December 2, 2020 meeting, UW Health Investment Sub-Committee evaluated this change in conjunction with its investment advisors, Graystone Consulting.

As background, Lazard’s inception date for the UW Health portfolio was March 1, 2018. During that time, the strategy has underperformed its index, the MSCI EM Net, as follows:

<table>
<thead>
<tr>
<th></th>
<th>3rd Quarter 2020</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lazard Emerging Markets Select ADR</td>
<td>3.07%</td>
<td>-18.69%</td>
<td>-8.15%</td>
<td>-4.86%</td>
<td>-10.44%</td>
</tr>
<tr>
<td>MSCI EAFE Net</td>
<td>9.56%</td>
<td>-1.16%</td>
<td>10.54%</td>
<td>2.42%</td>
<td>-1.26%</td>
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Following the presentation and discussion, the UW Health Investment Sub-Committee moved to recommend to the UWHCA Finance Committee to terminate Lazard as investment manager and move its $30.8 million mandate to Martin Currie.

Thank you,

Mr. John Litscher, Chair, UW Health Investment Sub-Committee
Ms. Christine O’Connor, Sub-Committee Administrator, UW Health Investment Sub-Committee