INSTITUTIONAL POLICY AND PLANNING COMMITTEE
MEETING MINUTES
DECEMBER 1, 2023

Present: Adrian Bautista, Marc Conner (Chair), Nick Junkerman, Masako Inamoto, Dan Konstalid, Michelle Hubbs, Nathaniel Lowell ’24, Josh Maxwell ’26, Dorothy Mosby, Lori Parks, Beth Post, Jess Ricker, Tarah Rowse, Rodrigo Schneider, Joseph Stankovich, Elizabeth Stauderman, Dwane Sterling, Smriti Tiwari (Vice Chair), Amy Tweedy, Sarah Delany Vero, Dominique Vuvan, Joshua Woodfork, Carey Anne Zucca

Absent: Tim Harper.

The Meeting was called to order by Chair Conner at 10:34 a.m.

1. **Environmental, Social, Governance (ESG) & Diversity, Equity, and Inclusion (DEI) Crewcial Partners Update**

VP for Finance and Administration Daniel Konstalid reported on the College’s endowment portfolio as it related to Environmental, Social, Governance (ESG) principles. He explained there are ESG factors that investment managers increasingly keep front of mind when they make individual security selections for portfolios and that we participate in a number of those portfolios. Our partners are our investment advisors who make recommendations to the Board of Trustees Investment Committee regarding what funds we should make placements with and those managers in turn select underlying securities. The vast majority of those investments are in co-mingled funds. When managers make these selections, they are following an ESG framework. A wide variety of issues fall under ESG that are in addition to, but not a replacement for, financial analysis. ESG is not a screen but rather a framework for investors to make active selections among investment opportunities for the endowment.

What Skidmore has been looking to do is track over time the extent to which the underlying managers in our endowment indicate that they use an ESG framework. One of our criteria is that they select individual holdings in their portfolios that in turn we will own a share of. As a percentage of the dollar value of our endowment, about 11% of our holdings have been selected by those underlying portfolio managers using the ESG framework. Not necessarily part of ESG but closely connected to it, the industry is also increasingly tracking the extent to which the managers participating in the investing universe are firms with 50% equity ownership by women or ethnically diverse individuals. As a backdrop, the industry estimates that about 1.5% of the investment industry assets are overseen by these diverse managers. As defined, in comparison for our portfolio, about 11% of the assets under Skidmore management are ultimately being supervised by diverse managers. In addition, our endowment included commitments to make placements in the future. We make commitments to involve ourselves in partnerships that have not drawn down on our commitments, and an additional 2.5% of our portfolio will be under the supervision of diverse managers. We are ahead of the vanguard in these two measures.

Director of Sustainability Programs and Assessment Tarah Rowse asked if we are doing any negative screening at all regarding areas we don't want to be in as well as trying to do impact investing to intentionally choose companies that have positive social and environmental impacts. VP Konstalid responded that we do not use screens to trap or keep anything from entering our portfolio. The Trustee Investment Committee ultimately decides who determines who the managers are. It operates under an investment policy statement that guides the rules of our endowment, including manager selection and guidelines for managers. Those guidelines are broad and indicate that managers have to use at least standard guidelines for security selection and monitoring of portfolios. It does not prescribe particular guardrails for them in terms of what they can and cannot invest in. There are no screens in the portfolio. While we don't have a particular guideline for impact investing, the investment committee has selected two private equity investments in the sustainability arena participating in two different funds of Generations Sustainability, which are impact investors. These two funds invest in three outcome domains. Global Planetary Health, People Health, and Financial Inclusion. In terms of Planetary Health, they look at companies that have positive impacts on greenhouse gas, pollution avoidance. In efficiency of health they are looking to improve global access and outcome, and from a financial inclusion standpoint, similarly looking to widen access and individual earnings growth across the globe. While the Investment Committee has not set formal guardrails, this demonstrates that it is on their minds when investing.

2. Budget Update

VP Konstalid provided an update on the budget process. He explained we are working towards three deadlines for the Board of Trustees that will result in the adoption of a budget for next year. The first deadline comes at the end of January with the Board's Budget, Finance and Infrastructure Committee (BFI) and the full Board invited to a "workshop meeting" to give them a sense of how we see next year's budget unfolding, focusing on our recommendations for increases to tuition, room, and board and the General Salary Adjustment (GSA) for next year. No action will be taken at this meeting as it is a background meeting intended to share thinking.

The second deadline is the February Board Meeting which takes place the third week of February, when we are going to ask the Board to approve the two parameters. That will allow us to both continue planning for the budget as well as be in a position to communicate to students and families our charges for next year. The third deadline is in May around Commencement, when we will have another discussion with the Board involving the entire Operating and Capital Budget, including the impact of the GSA and tuition increases that they would have approved at the February meeting. During the January and February meetings, we provide a sense of what the budget will look like in total so they can make an informed decision about discrete parameters.

We have been spending some time with many groups trying to make sure we have made good assumptions around those major drivers. As an example, our finance team has spent time talking with Admissions colleagues about what our enrollment, pricing, and financial aid assumptions should be for next year. We have spent time with our Advancement colleagues discussing what reasonable fundraising assumptions are as they relate to the budget. Just this week we spent time with the Human Resources team looking at some of the underlying assumptions around salary and benefits. At the same time, we have also been discussing these assumptions with the President's Cabinet and we have had several sessions with the IPPC Subcommittee on Budget and Finance on this as well, including revenue assumptions and expectations. That subcommittee has two more meetings and will spend them discussing the expense side of the budget, including compensation and other expenses. We will look to pull this all together so we are ready to have these in place to discuss with the BFI committee and the Board itself in January and February.

3. **Strategic Planning**

VP for Strategic Planning and Institutional Diversity Joshua Woodfork explained that Campus Master Planning was a big process coordinated with a task force and a steering committee. Vision and Values was led by President Conner hosting sessions with faculty, staff, and students and two surveys to get input on what we think is special about Skidmore. VP of Communications and Marketing Elizabeth Stauderman and her team are working to have a multi-layered, interactive website for the Spring where one can see all Visions and Values material laid out. We discussed in the fall that IPPC would be the body to guide our strategic planning process. The first thing we need to come to agreement on is whether this will be a five-year or 10-year plan window. President Conner has suggested that post-covid-19 a five-year window will allow us to be nimble and focused within the shifting higher ed landscape. We also need to think about the interplay with our Middle States Reaffirmation of accreditation process. Remember, we are thinking that the Middle States process will allow us to explain what and how we have been doing, while the strategic planning process will be about what we want to do next, and the Campaign will be about funding our strategic goals. Thinking about this interplay, how do we want to ask people to participate in this process?

Some pieces have emerged as strategic initiatives for our consideration for institutional planning, including:

- Creativity and academic excellence
- Increasing the Endowment for need based financial aid
- The residential student experience
- Diversity, Equity, and Inclusion (DEI)
- Sustainability

We are thinking about creative and academic excellence and what is the interplay there between creativity and our motto "Creative Though Matters" and thinking about academic excellence? Next, increasing the endowment for need based financial aid and the discussion we just had regarding our budget and how we are affordable and accessible and how we think about who is representing our students and families. Regarding the student/residential experience, SGA President Lowell and Dean Bautista and the Subcommittee on Student Affairs have been thinking about this in Campus Master Planning and we received a lot of student feedback. The Board of Trustees has taken a tour of our residence halls which was very revealing in where we are in terms of the residential experience. Some of our residence halls need significant renovation work and where does that put us in the marketplace? What does it mean to be a compositionally diverse community, have equity and inclusion in our practices, and to have such lofty goals and then actually live out these ideals? In regard to sustainability, what are next goals around our lived environment, what have we achieved? What does our long-term economic stewardship look like?

IPPC members agreed that a five-year window was reasonable considering the pace of change. VP Stauderman asked what someone would get out of the college experience that is distinctive to Skidmore? Director of Financial Aid Beth Post commented that she is in support of need-based financial aid, asking are we going to increase the percent on aid and if that's the measurable goal? SGA President Lowell stated that this planning gives Skidmore a great opportunity to set an example of our guiding principles and goals both internally and externally. It is great to see the residential/student experience on this list. President Conner mentioned academic excellence and posed the questions, what is distinct about Skidmore and how does academic excellence display itself and what does the faculty want academic excellence to look like in five-years?

VP Woodfork spoke to our last strategic planning process reminding the committee we had a call for white papers, an academic summit in January for faculty, round tables with students, faculty and staff, office hours, individual surveys, and engagement with alumni, the Board of Trustees, and the local community. If we ask people to come to additional meetings what would that look like in the Spring semester? What does constituency engagement look like? Director Post suggested making our staff meetings more meaningful and engaging. General Counsel and VP of Human Resources Sarah Vero pointed out that there are many views on the topics we need to discuss as a staff and making sure we are hearing these voices. It was suggested that we consider both constituency and division meetings and that we create Zoom options for people who work remotely. SGA President Lowell suggested that surveys are very helpful in gathering information, the SGA Senate is a good place to gather input, and recently it has been helpful to go to the clubs directly for feedback. VP Woodfork thanked IPPC for these helpful ideas on community engagement and looks forward to further discussion.

4. **Call for Agenda Items**

No new agenda items.

5. **Other Business**

None.

The Meeting was adjourned at 11:46 a.m.

Please inform the President's Office of any suggested changes to these minutes.