



2026 ANNUAL CONFERENCE OAKLAND, JANUARY 11 - 13

AUXILIARY ORGANIZATIONS ASSOCIATION

THE NEXT ERA OF AUXILIARIES
SHAPING TOMORROW



Creating the Next Era of Investment Governance

January 2026

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Today's Speakers



Jim Scheinberg

Managing Partner and CIO
North Pier Search
Consulting



Ian Hannah

COO & Secretary
Sonoma State University
Foundation

North Pier has collectively administered over 150 oversight, evaluation, and search projects totaling more than \$200 billion for institutional investors.

Why You're Here

As a Board / Committee or staff member for a foundation,
as a fiduciary you are required to provide oversight to a pool of assets.

Today's discussion will help you understand how to provide that oversight effectively, including:

- 1 The **different types** of effective foundation oversight.
- 2 **When and how** to apply each type of oversight.

Some Reasons to Evaluate Your Investment Program & Partners



Staff /
Committee /
Board turnover



Extensive amount of
time has lapsed from
last evaluation or RFP



Major M&A with
incumbent consultant /
OCIO



Change in
program goals and
objectives



Inconsistent,
unexplainable, or
unacceptable performance

Key CSU AOA Considerations

- Active, informed board oversight is required. Directors must act with reasonable care and appropriate inquiry. Passive reliance on legacy structures or long-tenured advisors is inconsistent with the law.
- Boards may rely on investment professionals only if they reasonably assess competence and reliability.
- The law strictly regulates self-dealing and conflicted relationships.
- Good results alone do not satisfy fiduciary duty. Boards must be able to demonstrate that decisions were prudent, informed, and mission-aligned.



Today's Takeaways

Today's takeaways will help your institution create and maintain a framework for ongoing oversight and stewardship of your foundation, including:



- ✓ Oversight types / cadence recommendations
- ✓ Oversight best practices
- ✓ Pitfalls and blind spots to avoid
- ✓ Expert resources
- ✓ Benefits of Good Governance

Types of Effective Oversight



**Ongoing Oversight
Disciplines**



**Periodic
Evaluation**

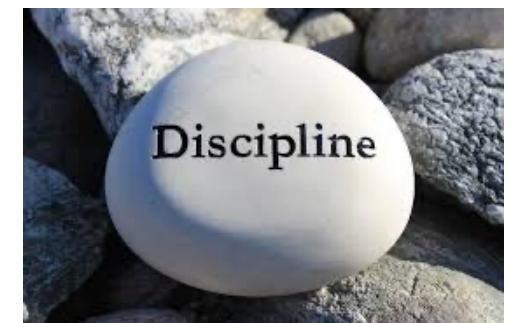


**Search
(RFP / RFI)**

Ongoing Oversight Disciplines

What is ongoing oversight:

- ✓ Regularly poll your committee on consultant / OCIO satisfaction.
- ✓ Regularly review your governance documents (i.e., charters and Investment Policy Statements) and assess adherence.
- ✓ Interview your consultant / OCIO to surface changes in staff, business model, client base, legal disclosure, etc.
- ✓ Make sure benchmarks are effective and appropriate based on your policy and objectives.
- ✓ Ensure peer groups provide appropriate comparisons for your organization's type, size, objectives, and risk budget.
- ✓ Establish a written oversight policy and / or calendar.



Ongoing Oversight Disciplines

When to apply ongoing oversight disciplines:

✓ Annually:

- Inquire about organizational or staff changes at consultant / OCIO firm.
- Review program fees and manager costs and discuss any significant increases. (Benchmark if possible.)
- Compare performance attributes to readily available but applicable benchmarks and peer cohorts.
- Review annual firm disclosures:
 - SEC Form ADV part II for Registered Investment Advisors



Ongoing Oversight Disciplines

Internal oversight questions to periodically ask your investment committee:

1. How satisfied are we with our consultant / OCIO relationship?
2. Does our consultant / OCIO speak at a level that we understand?
3. Does our consultant / OCIO regularly provide appropriate peer group comparisons?
4. Does our consultant / OCIO provide liquidity analysis?
5. What kind of support or analysis does our consultant / OCIO provide regarding projecting using updated capital market forecasts?
6. Is your consultant / OCIO effectively supporting operations, audit and donor support?



Benefits of Ongoing Oversight Discipline

Benefits:

- Minimizes surprises.
- Holds partners accountable.
- Fosters culture of transparency, accountability and continuous improvement.
- Ensures diverse perspectives are heard.
- Builds committee cohesion and alignment.



Periodic Evaluation

Key components include:

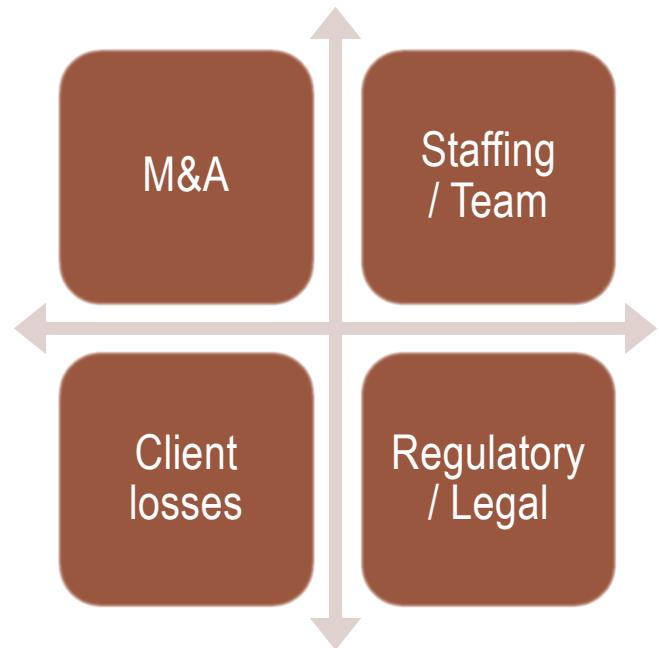
- Committee update on current **fiduciary best practices** and industry trends and standards.
- **Full governance** procedure, policy adherence, and efficacy review.
- In-depth **due diligence** on current consultant / OCIO and custodian.
- Robust implementation and **independent performance analysis**.
- Objective consultant / OCIO **service assessment**.
- Benchmarking **investment and advice fees** / negotiation if needed.
- Refine stakeholder and vendor **reporting & communications** and reaffirm agreements.
- Determine if **additional action** is required.



Periodic Evaluation

When to conduct an evaluation:

- ✓ Following a prudent process, we recommend conducting an evaluation every **3-7 years**.
- ✓ After substantial change at your organization:
 - Significant Board / staff turnover
 - Means, needs, or objectives
- ✓ Questionable or unacceptable performance or implementation.
- ✓ Meaningful changes at your service provider.



Periodic Evaluation

Benefits:

- Enhances committee alignment and focus.
- Fosters a culture of continuous improvement and accountability.
- Strengthens governance practices.
- Often provides enhancements in service and costs.
- Validates or redevelops benchmarks.
- Independently assesses performance.
- Compares implementation / allocation to appropriate peers.
- Assesses services and fees versus current marketplace.
- Memorializes institutional knowledge.

*Most importantly,
periodic evaluation
(re)establishes
confidence in your
program and partners.*



Case Study



Sonoma State University Foundation:

Experience/Timeline:

- 2004-2011: Commonfund (Investment Advisor)
- 2011: Graystone/Morgan Stanley (Investment Management Consultant)
- 2018 used a firm (RVK) to educate our investment committee and Foundation staff of various investment models
- 2019 OCIO contract with Graystone/Morgan Stanley
- 2024 hired North Pier to conduct evaluation of current OCIO and investment program



Sonoma State University Foundation:

Key Takeaways:

- Importance of educating Finance/Investment Committee on various investment models
- Boils down to level of discretion
- Foundation staff and Investment Committee/Board members make-up and desired functions
- Keep in mind CA McKee Act
- Prudent practice and benefits of periodic third-party evaluation of investment program
- Balancing factors for when RFP is appropriate

Continuum of Investment Management Models



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Search (RFP)

What does a consultant / OCIO search entail?

- At prudent intervals and when conditions dictate, investment stewards should embark on an objective consultant / OCIO search.

Key components include:

- Sourcing and vetting appropriate candidates
- RFP development including criteria tailored to your organization
- RFP administration, vetting, and evaluation
- Track record analysis (for discretionary mandates)
- Due diligence
- Finalist presentation moderation
- Contract and implementation support



Search (RFP)

When to conduct a search (RFP):

- ✓ Following a prudent process, we recommend conducting a **search every 7-10 years, even when satisfied.**
- ✓ If contemplating moving to OCIO from consulting relationship.
- ✓ Shortly after a substantial change at your organization.
 - Major gift or growth that moves you up in class (e.g. @ \$25mm, \$100mm - \$250mm, \$1bln)
 - Board or IC leadership change that removes prior bias
- ✓ Undefendable poor performance or implementation.
- ✓ Meaningful changes at your service provider:
 - Game-changing M&A (who you hired gets acquired)
 - Substantial client losses
 - Regulatory / litigation concerns
 - Senior leadership upheaval



Search (RFP)

Benefits:

- All the benefits of a “Periodic Evaluation” →

Plus:

- + Market assessment of leading-edge service
 - e.g. Explore alternative service models like OCIO
- + Optimize fees and implementation costs
- + Source alternative views on asset allocation, liquidity and risk budgets, etc.
- + Comparison vs. several candidate's track records and best ideas
- + Establish stakeholder ‘buy-in’ on program and partners
- + If retained, get your incumbent's best thinking at its most competitive terms

Periodic Evaluation

Benefits:

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- Independently assesses performance.
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- Memorizes institutional knowledge.

Most importantly, periodic evaluation (re)establishes confidence in your program and partners.



North Pier | AGO | Effective Foundation Oversight



Case Study

University Foundation Consultant / OCIO Search (RFP)

Background

- A **\$50 million foundation** engaged North Pier to lead a search for a new investment advisor amid **significant organizational change**, including a transformational gift, leadership transitions, and investment committee turnover.
- The search process included consideration of and outsourcing investment management to an OCIO.

Process

- North Pier began with a focused education and discovery phase, including interviews with staff and investment committee members to align priorities and assess readiness for an outsourced model.
- A **targeted RFP** was developed and distributed to **six highly qualified firms**, including the incumbent, with emphasis on asset allocation, use of alternatives, performance, risk management, and fees.
- North Pier supported proposal evaluation, finalist selection, and reference checks, **guiding the committee through a disciplined, fiduciary-driven process**.

Results

- An **OCIO was selected** with institutional expertise aligned with the foundation's evolving objectives.
- The foundation improved liquidity planning, negotiated transparent and competitive fees, and established a more durable investment governance framework.
- The process **enhanced committee confidence** and positioned the foundation for growth and long-term mission support.



Questions & Answers

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Resources

Advisor Regulatory Due Diligence:

Form ADVs for Firms and RIA Representatives

- For Fiduciary Advisors: <https://adviserinfo.sec.gov>
- For Dually Registered or Brokers: <https://brokercheck.finra.org>

Third Party Evaluator Due Diligence:

- 25 Questions to ask your Third-Party Evaluator:

Info@npier.com

Check out Whova or email us for a copy of this presentation.

Today's Takeaways



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Thanks for your time!

For more information, contact:

Robert DiMatteo
Head of Client Development
robert.dimatteo@npier.com

Visit our website at:
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