ROLL CALL

AWARD CONTRACT TO RETAIN SERVICES OF INVESTMENT MANAGER
(Ariel Capital Management, LLC)

Action: Approve Retention of Ariel Capital Management, LLC, to Provide Investment Management Services

Funding: Investment Income and Appreciation on the Endowment Pool Investment Program

The Vice President for Administration recommends establishment of an investment management contract with Ariel Capital Management, LLC, for the active U.S. equity component of the endowment pool investment program and adoption of the following resolution. This recommendation is made with the concurrence of University investment staff and the University’s financial consultant, EnnisKnupp. A request for proposal process was utilized to produce this recommendation. The request for proposal was mailed to 22 investment managers and listed on the University’s procurement website. Responses were received from eight investment firms. The responses were carefully evaluated and interviews were conducted with three finalists. Ariel Capital Management, LLC, is a minority-owned business enterprise located in Chicago, Illinois.
Ariel Capital Management, LLC, has an excellent investment performance record and offered a competitive fee schedule.\textsuperscript{1}

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois Statutes, The General Rules Concerning University Organization and Procedure, and Board of Trustees policies and directives.

The President of the University concurs.

Resolution

\textit{Be it Resolved}, that the comptroller of the Board of Trustees of the University of Illinois is authorized to enter into agreements with Ariel Capital Management, LLC, to provide investment management services.

\textit{Be It Further Resolved}, that the comptroller is authorized from time to time to designate in writing to Ariel Capital Management, LLC, those officers, employees, and other agents of the University of Illinois authorized to give written or verbal instructions on behalf of the University of Illinois.

\textit{Be It Further Resolved}, that each of the foregoing resolutions shall continue in force until notice of rescission or modification is received by Ariel Capital Management, LLC.

\textsuperscript{1}The annual fee is 87.5 basis points (.875 percent) or $175,000 on a $20.0 million portfolio.