

ASSOCIATED STUDENTS OF THE UNIVERSITY OF HAWAI‘I AT MĀNOA
2465 Campus Road, Campus Center 211A
Honolulu HI 96822

Senate Resolution 01-16

**IN APPRECIATION OF MERRILL LYNCH AS THE ASUH INVESTMENT
CONSULTANT/FINANCIAL ADVISOR**

BE IT ENACTED BY THE UNDERGRADUATE SENATE:

- WHEREAS*, the Associated Students of the University of Hawai‘i at Mānoa (ASUH) Senate is the elected body representing approximately 14,000 full-time classified undergraduate students; and,
- WHEREAS*, in 1976, the ASUH owned 1,481 shares of Honolulu Stadium which were liquidated into \$839,258.77; and,
- WHEREAS*, the ASUH has invested the principal and interest of the Stadium Stock Fund over the past 39 years; and,
- WHEREAS*, the Board of Regents (BOR) policy states that, “the investment of the ASUH Mānoa Stadium Stock Fund’s asset shall be for the exclusive purpose of providing benefits to ASUH” (BORP 8.207, III, E, 1, b); and,
- WHEREAS*, “the overall fund should be managed in a well-diversified manner so that significant impairment of capital is avoided” (BORP 8.207, III, E, 1, c, 4); and
- WHEREAS*, “The ASUH Mānoa Stadium Stock Fund primarily seeks consistency of investment return through a growth and income objective with emphasis on total return” (BORP 8.207, III, E, 7, a, 1, a); and,
- WHEREAS*, along with the \$5 student government fee that is collected from all full-time classified undergraduate students each semester, the Stadium Stock Fund helps fund items including, but not limited to, campus events, scholarships, research awards, RIO funding; and,
- WHEREAS*, the value of the fund as of May 15, 2015 is \$8,336,863; and,
- WHEREAS*, the ASUH has employed Merrill Lynch since 1999, as the investment consultant/financial advisor of the fund for the ASUH Investments and Long Range Planning Committee; and
- WHEREAS*, Robert Saracco, Christopher Hochuli, and Gae Bergquist-Trommald of the Saracco Hochuli Group served as the ASUH investment consultant/financial advisor since June 1999 until December 2012; and,

APPROVED BY THE 103RD SENATE ON JUNE 24, 2015

- WHEREAS*, due changes in advisory policies regarding public entities, the ASUH decided to switch over to another Merrill Lynch advisory group; and,
- WHEREAS*, Kirk Taniguchi and Keith Tanabe of the Taniguchi Tanabe Group served as the ASUH investment consultant/financial advisor since January 2013 until April 2015; and,
- WHEREAS*, both the Saracco Hochuli and Taniguchi Tanabe Group have done an exceptional job in growing the value of the Stadium Stock Fund over the course of many years while adhering to all applicable laws and regulations, including the Hawai‘i Uniform Prudent Management of Institutional Funds Act (UPMIFA), Chapter 517E, Hawai‘i Revised Statutes.; and,
- WHEREAS*, during the regular quarterly meetings, both groups have shown an outstanding commitment to educate members of the ASUH Investments and Long Range Planning committee members on financial knowledge and economic factors that affect fund values; and,
- WHEREAS*, the Saracco Hochuli and Taniguchi Tanabe Group have successfully increased the value of the Stadium Stock Fund and further provided predictable and continuous revenue stream to help insure long-term financial stability for the ASUH; and,
- WHEREAS*, the increase in the Stadium Stock Portfolio has enabled the ASUH to give back to the university more by hosting a wider variety of events, helping students achieve their academic goals by providing further scholarships, and more; and,
- BE IT RESOLVED*, the ASUH would like to formally recognize and thank the individual Merrill Lynch financial consultant/advisors for their long-term commitment in helping our organization achieve a more financially stable state by investing the Stadium Stock Fund; and,
- BE IT RESOLVED*, the ASUH would also like to thank the individual Merrill Lynch financial consultant/advisors for providing a unique educational experience for the general members of the ASUH and members of the Investments and Long Range Planning Committee by bringing about important financial knowledge and thought-provoking discussions during meetings; and,
- BE IT RESOLVED*, the ASUH would like to express its most sincere gratitude by considering how truly a pleasure it was to be able to do business with Robert Saracco, Christopher Hochuli, and Gae Bergquist-Trommald of the Saracco Hochuli Group, and Kirk Taniguchi and Keith Tanabe of the Taniguchi Tanabe Group during the course of these many years; and,
- BE IT RESOLVED*, the ASUH would like to wish the best for Robert Saracco, Christopher Hochuli, and Gae Bergquist-Trommald of the Saracco Hochuli Group, and

Kirk Taniguchi and Keith Tanabe of the Taniguchi Tanabe Group in their professions to help many others obtain financial stability; and,

NOW, THEREFORE, BE IT FINALLY RESOLVED, that copies of this resolution shall be sent to: Merrill Lynch Honolulu Office; Robert Saracco; Christopher Hochuli; Gae Bergquist-Trommald; Kirk Taniguchi; Keith Tanabe; and the Ka Leo o Hawai'i.

Roll Call:

Aye(s): Vice President Kamoshida, Treasurer Takara, Secretary Tagaban, Seantor-at-Large Callihan, Dela Cruz, Mitsui, Nishihara, Senators Barrow, Baxa, Cheung, Hinshaw, Kim, Lao, Lawi-an, Simeroth, Shon **[15]**

Naye(s): [0]

Abstentions:[0]

Introducers: Sean Mitsui, Chairperson, Investments and Long Range Planning Committee, Senator-at-Large; Eugene Lao, Senator for the College of Arts & Sciences; Krystal Shon, Senator for the College of Arts & Sciences; Grant Takara, Treasurer