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EPISODE 164:

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# **Governance Over Everything: Inside the CIO Seat**

(WVU Live)



**Robert Morier:** Welcome to the Dakota Live podcast. I'm your host, Robert Morier. The goal of this podcast is to help you better know people behind investment decisions. We introduce you to chief investment officers, manager research professionals, educators, and other industry leaders to help you sell in between the lines and better understand the investment ecosystem. If you're not familiar with Dakota and our Dakota Live content, please check out our website at [dakota.com](https://dakota.com). Before we get started, I need to read a brief disclosure. This content is provided for informational purposes and should not be relied upon as recommendations or advice about investing in securities. All investments involve risk and may lose money. Dakota does not guarantee the accuracy of any of the information provided by the speaker who is not affiliated with Dakota. Not a solicitation, testimonial, or endorsement by Dakota or its affiliates. Nothing herein is intended to indicate approval, support, recommendation of the investment advisor or its supervised persons by Dakota. Today's episode is brought to you by Dakota Marketplace. Are you tired of constantly jumping between multiple databases and channels to find the right investment opportunities? Introducing Dakota Marketplace, the comprehensive institutional and intermediary database built by fundraisers for fundraisers. With Dakota Marketplace, you'll have access to all channels and asset classes in one place, saving you time and streamlining your fundraising process. Say goodbye to the frustration of searching through multiple databases and say hello to a seamless and efficient fundraising experience. Sign up now and see the difference Dakota Marketplace can make for you. Visit [dakotamarketplace.com](https://dakotamarketplace.com) today. Well, good afternoon, everyone. I am very happy to be recording live from West Virginia University. We are back on the road. This is our 6th episode of going to a university campus, speaking in front of students about the asset management industry. And as always, we are joined by very special guests who make and take time to speak to our students and to our audience about how they operate within their respective roles at their respective institutions. We're thrilled to be here in Morgantown, West Virginia. We're thrilled to be here with West Virginia University students. Last night, 18 of our students and I drove in a speeder minivan with my dog Murray, the golden retriever that's currently in the hotel, hopefully not eating all of the towels. And something interesting happened. About 40 minutes from arriving at the hotel, our transmission went out and the car broke down. So if any of you have ever been in a car where the transmission goes, the engine's roaring, the tires are still moving, but there's no power behind it. And I was thinking about that because we did make it back to the hotel, believe it or not. And I thought about that as a metaphor for what we do, which is basically that you need the power, you need this foundation, this process to move these decisions forward. And usually that relies very heavily on governance. We're going to talk about governance and what that means for each of these respective institutions. But I'm very happy that we did make it here. We did have to swap out a van. Your Enterprise rental car, I'll give them a shout out, is very wonderful. I'll be sure to tag them to this episode. So we're fortunate today to sit down with some very special investors whose job every day is to make sure that the transmission works. As well as the people who

educate the next generation of investors here in Morgantown at West Virginia University. So on one side, directly to my left, you've got the West Virginia University Foundation. Jim Bethea is our chief, your chief investment officer. I'm going to read his biography here in a minute, but before I do, I just want to quickly tell you about the organization. On one side, we have the West Virginia University Foundation, which oversees philanthropic assets supporting the university and its health system. On the other side with Craig Slaughter, the Chief Investment Officer for the West Virginia Investment Management Board, which manages retirement assets for teachers, public employees, and other beneficiaries across the state. These organizations operate with very different mandates, but share the same core responsibility, which is fiduciary stewardship of long-term capital. So I'm going to quickly read their biographies for you. Jim Bathia is Vice President of Investments and Chief Investment Officer for the WVU Foundation. Jim recently joined the Foundation after serving for 15 years as Chief Investment Officer at the University of Iowa Center for Advancement, where he oversaw the growth of a multi-billion-dollar endowment and built a reputation for high conviction manager selection and disciplined portfolio construction. In his role at West Virginia University, he is responsible for stewarding the Foundation's investment assets that support the university, its students, and affiliated institutions across the state. The WVU Foundation serves as the university's primary fundraising and investment organization, responsible for managing philanthropic capital on behalf of the institution. Today, it oversees more than \$3 billion in total assets and plays a critical role in supporting scholarships, research, academic programs, and long-term financial stability for the university. To his left, Craig Slaughter, Chief Executive Officer and Executive Director and Chief Investment Officer of the West Virginia Investment Management Board. Craig has spent decades helping modernize West Virginia's public investment system and transforming it into a sophisticated institutional portfolio. Today, he oversees a diversified investment program managing retirement assets for teachers, public employees, and other beneficiaries across the state. The board manages the investment assets of the state's public pension and trust funds, Over time, it has evolved into a globally diversified institutional allocator responsible for stewarding tens of billions of dollars on behalf of West Virginia's public workforce. And last but not least, Josh Hall. Josh, the Mylan Pushkar Dean of the John Chambers College of Business and Economics here at West Virginia University. Josh is an economist, a scholar, and an institutional leader. Who has played a major role in expanding research, experiential learning, and industry partnerships at the college. Through his leadership, the business school continues to strengthen its role in preparing students for careers across finance, economics, and the broader business world. We will also have a rotating seat. Josh has very kindly volunteered to rotate his seat with a few other guests. Craig's colleague, Luke George, who is an investment analyst for the West Virginia Investment Management Board. He's also an alumni of WVU. Annmarie Hibbert, professor and chair of the Department of Finance here at WVU. And Brant Hammer, a professor and faculty advisor for the

Student Managed Investment Fund. Thank you all for being here. Jim, thank you so much for being here. Thank you for agreeing to do this. This is a wonderful opportunity for all of us at the podcast, the students. You joined the Foundation earlier this year after spending 15 years in Iowa. It plays a very unique role now, the West Virginia University Foundation, in this ecosystem. How do you define the core mission of the Foundation's investment office?

**Jim Bethea:** Yeah, so we support the donor dollars that we get that were raised at WVU Foundation, but we also manage money for WVU and WVU Medicine. So that is about \$3.4 billion that we manage in different pools. And our mission is to provide for those two organizations.

**Robert Morier:** When you arrived here, what were you focusing on? You've got this kind of a whiteboard. I mean, obviously the foundation's been here a long time, but you now get to use your own color. You get to put your own touch on, on the portfolio. What were some of the first things that you knew you wanted to do out of the gate?

**Jim Bethea:** Well, first thing I want to do is meet the constituents. We've got two outside constituents. And so I went from one board that I worked with at Iowa to three boards that I work with. Here at WVU Foundation, and it was meeting those players. What are their concerns? What are their issues with the portfolio? What do they want to hear from me? How often do they want to hear from me? It is, it's a lot, you know. So now I have 12 board meetings and other meetings throughout the year, and it's really getting to understand those folks and, and just reach out to them, reach out to the university. What do they need? What does the College of Business need from me? And, and organizationally too. What questions are donors asking you? What do we need to talk about with them? And that was the big piece of it at the beginning, was just trying to understand that. How do people think about risk? What are their concerns in the portfolio? And then talking with the staff, getting to know my staff. I didn't know them. I knew a couple of them, but didn't really know the other folks on the team. So we're a team of 7, and so I had you know, was that 4 new people to meet with and getting to know them and what their roles are and what do they like about the job, what do they not like about the job, and how can we craft it so that, you know, we want them to grow and we want them to be happy and progress in their careers, hopefully WVU Foundation. But just trying to understand that and really getting around that, then it becomes a portfolio, right? And so we'd gone through asset allocation studies with all the different portfolios that we run. So we run 5 different portfolios. We've gone through asset allocation studies with all of those, and now it gets into where do we need to find— where are there holes in the manager lineup? Where do we need to allocate capital? Once we've done a pacing study from the private capital perspective, what are the openings in that? And it's now we're kind of going through that process of

help me understand the managers. What is the role of each asset class? And then kind of figure out what we want to do going forward.

**Robert Morier:** That's great. Thank you. Getting the students involved a little earlier. You've got 7 on the staff now. You're going to have an eighth. So you're thinking about hiring or you will be hiring an investment analyst. So for the students who are thinking about a career in investments, what are some of the characteristics that you're looking for in that hire?

**Jim Bethea:** Yeah, I think the biggest thing is growth mindset. So you always need to be constantly asking, you know, wanting to learn, questioning what you've done or the decisions that you've made before, you know, 3, 5 years ago. Is that consistent? We've seen this before with active management worked for a long time and then it didn't. Hedge funds worked for a long time and then they didn't. Private equity worked for a long time. We'll see if it still is. Just because capital's going to someplace and it's the easy thing to do, maybe that's not where you should be spending time. You should spend time in active management now in the public equity space because not everybody's looking there. That's really what you need. It's constantly learning. You see that if you study for the CFA exam, you're learning for 3 years there a lot and really, you just need to keep doing that the rest of your career. The markets change all the time. We saw this after COVID when, you know, private or VC was—venture capital was the greatest thing in the world. And now, you know, you're not getting liquidity from that portfolio. So things change and you have to be able to adapt to those changes. So it's that growth mindset of, of do I know really what's going on in the portfolio and kind of skate to where the puck is going, not to where it is right now.

**Robert Morier:** Yeah. Thank you for sharing that. Craig, you did hire a West Virginia University graduate 3 years ago, Luke George. He's going to be joining us. What were some of the characteristics that you were looking for or saw in him that you could give some advice to the students in the room?

**Craig Slaughter:** Well, one thing that's probably not going to help necessarily, but is important to know is in an organization is fit is really, really important. The type of person they are, just their character, their personality, all that sort of thing. So Luke fit really well. But aside from that, I mean, he demonstrated a real focus on the investment industry. I mean, throughout, he'd shown that he was interested in it very early. He'd progressed, he'd gone through all the steps and was WVU School. He'd done everything he could to prepare himself. And He just came in. He seemed prepared for the interview. I mean, it's like with anything. I mean, everything you're faced in life, the better you prepare, the better you're going to be able to deal with it. And it showed. And so we took a chance on him, and it was a great hire.

**Robert Morier:** Thank you for sharing that. For the students and for our audience as well, could you describe the fiduciary responsibility of managing public pension capital for the state of West Virginia?

**Craig Slaughter:** I guess I'd first like to start with just what is a fiduciary? And I mean, I'm not sure if all of you all know, but, you know, in law, actually, I have a law degree also. So in law, it's actually, you know, being a fiduciary is one of the highest duties in the law. And it's because you're acting on behalf of someone else. You're not acting on behalf of yourself. You got to subvert your goals, your desires, whatever, to the needs of another party. And that's what makes it so difficult because we're all naturally self-interested. But you got to get beyond that. So with the investment management board, most of our assets, 80% of our assets are defined benefit pension plans. And those, which means they have, there's a whole slew of beneficiaries, teachers, public employees, janitors, cops, firemen, just pretty much runs the gamut. And they're all relying on this pension. And so our duty is to those people to make sure we do the best job we can to make sure that this fund has the assets available to pay their benefits when the time comes.

**Robert Morier:** For the students who might be less familiar with what a chief investment officer does for a state pension fund, what does a typical day look like for you?

**Craig Slaughter:** Well, for me, it's actually pretty— there's no typical day, I would say. Maybe for some chief investment officers, it's a little different. I serve all the— you mentioned CEO, executive director, See, I really wear a number of hats. So a lot of my job is managing the relationship with the board and other stakeholders that are interested in what we do, you know, legislators, the beneficiaries, taxpayers, so forth. I mean, communicating with all those people is a big part of my job, but then also overseeing the investment staff. I'm fortunate that I have really a very seasoned, experienced group of investment professionals. I could really let them run, run on their own quite a bit. They don't need a lot of hand-holding from me at all. In fact, some of them are probably better investors than I am.

**Robert Morier:** So thank you for sharing that. Josh, how important is it for universities like West Virginia to expose students to the real-world investing, somewhat of what Brandt's doing, but exposing them to capital markets and the ability to be able to look at an investment in a way that these institutional investors do as well.

**Josh Hall:** Yeah, I think it's super important. I mean, anybody, you know, all the— if you think about the top kind of investment firms, what do they all hire out of their internship program?

**Robert Morier:** Why?

**Josh Hall:** You've got to kick the tires. And if we're doing our job here in the Chambers College, we're providing them as much of an opportunity here to show what they can do so they can get that internship or get that initial job. I mean, ideally, you, you come to that interview and this person's like, well, this, this, this feels like a fit because they feel like they're already on my staff because of what they know and what they understand. And, and the more we do that across all our disciplines, the better off we are and the better off our students are.

**Robert Morier:** What does experiential education mean to you here?

**Josh Hall:** Well, we're very— I'll use an example of the student-managed investment fund. I think our fund is unique because it's both a class and a paid job. As a paid job, they're hired as analysts. They receive performance bonuses. It's an attempt to try to mimic as much a real job as— because I mean, and they are getting paid and we're fortunate enough to have a donor who is willing to pay that because he feels that important, that aspect of it is so important to him and to the students. So we try to get as much because then you have to defend your answers, right? Our students do presentation to the original 10 investors on the fund every year. And those are some hard questions. These are people who've been very successful and you got to get up there and defend what might not have in retrospect, been a great decision. But you can, if you could articulate why you made that, it's that type of thought process that Jim was talking about earlier that, you know, you always have to have that critical mindset.

**Robert Morier:** Thank you so much. Jim, how important is governance structure when you think about building a successful endowment portfolio?

**Jim Bethea:** Yeah, I think when CIOs get together, and we often do, endowment CIOs get together, there's two things we talk about: governance and staffing. Very rarely do we talk about, hey, what's your favorite private equity fund? Governance is a huge piece of it. When I was interviewing here, it was help me understand your governance process. It became clear there's management's responsibility, which is the investment side, and there's the board's responsibility, which is to help us and guide us and govern us, but it's not to tell us go out and buy Apple stock. We don't buy stocks individually, but sometimes I've heard of things like that of go invest in that fund or go do something that maybe the staff doesn't want to do. And so that's a big piece of it. There's this concept of governance alpha where if it is go find this fund, that's a lot of friction. You have to figure out how to do that. And then you really, quite honestly, if I was a staff member in that situation, why bother? If your board is going to tell you what to do, why would you really want to work for that organization? What does your CIO do? What's my role in that situation? You don't really need a CIO if your board's acting as CIO. And then one of the things you have to think about from a board, well, we meet with 3 different boards. They meet

with us 4 times a year. We have anywhere from 15 minutes to 2 hours to talk to them each quarter about what we're doing. It's really hard then for them to say, you should do it this way. That's not really their role, but sometimes when you think it is, that's where you get into some problems. I know that's happened at other organizations. Sometimes when you see a CIO leave, that's why. The other CIOs know, probably don't apply for that job because there's some issues going on. It is a very small group. I think when I got into this industry in 2010, there were 100 endowment CIOs. There are roughly 100 endowment CIOs today. A lot of those folks are the same players and we all kind of know each other. And so that, like I said earlier, that's what we talk about is governance. And so that is very crucial to what we do.

**Robert Morier:** Thank you for sharing that. Craig, how do you design a portfolio? More specifically, making decisions for the long term while still being cognizant of those short-term political pressures that exist being part of a state pension fund?

**Craig Slaughter:** I think the most important thing is to isolate those political pressures or wall yourself off from them. One of the key things I— one of my mantras in the very beginning when I was trying to build this out was governance was the key. And it's true of any organization. Good governance is the key to long-term success. And for all the reasons Jim just outlined, I don't need to go into that in more detail. It's probably a little different in the public fund space because you have, or probably even more important, I should say, you got that element of politics. And I kind of drop back and say, kind of point out that there's a— well, to highlight that, there's this concept of time horizons in the investment universe. And the problem with what happens with politics and public pension plans is a time horizon mismatch. To the extent you have politicians who have a role in the governance process, their time horizon is very short. Short term. I mean, literally tomorrow, because they're always thinking about the next election. Pension plans have infinite time horizons. It's probably the most long-dated managed asset you could manage, which provides a lot of advantages in creating an investment portfolio, but you got to be able to take advantage of those. If you can't take advantage of that because of politicians, then you've basically destroyed that advantage. And public fund land, it's a huge problem. And it's again, probably what causes the most, half or more of the public plans to underperform. They end up having inconsistent portfolios. They can't keep staff, so they keep having turnover. That turnover generates changes in the portfolio. And my personal philosophy is consistency in a portfolio long-term is the key to success. There's probably a million ways to manage a portfolio, but the key is being able to do it the same way with the same philosophy over time. So creating a structure that insulates the investment process from politics is the critical point.

**Robert Morier:** On that point, how do you balance consistency with evolution? So as markets evolve, as strategies evolve, as technology has evolved very quickly in

the last 18 to 24 months, how do you balance the evolution of what you see aesthetically with the foundation of the consistency that you were just talking about?

**Craig Slaughter:** Well, when I talk about consistency and philosophy, I'm talking about it in a very general sense. And part of it is in the way you approach the issues that arise in an investment landscape, how you do asset allocation, what factors you consider, I mean, how the governance, how the decisions are made. And if you stick with that, whether you— how you want to weigh the risk and return dynamic in the investment portfolio, because you need to have— some people in my space worry more about risk than others. And so they'll structure a portfolio a certain way. Now within that concept, with innovation, the changes in capital markets, there are different ways to reduce or enhance risk. And likewise on the return side, reduce or enhance return. But the question is, which one are you focusing on most? And that's what I mean by the philosophy is you know, how that all plays out for the total portfolio.

**Robert Morier:** That's helpful. Thank you. Josh, Craig mentioned innovation. What does innovation look like here at the university within the business school?

**Josh Hall:** Yeah, I mean, we, we have innovation in our entrepreneurship and innovation program. We have an incubator, but I really think things are changing so fast, right? We're very proud here that our placement at graduation, and I always talk about that, I never talk about 6 months, people always want to talk about 6 months. And I'm like, who wants their kid living on their couch for 6 months, right? Graduation's going up for 10 years. But I mean, we look out in the world and you're like, well, how can we keep targeting that? We know what's worked in the past, much like investing, but what's going to work in the future? And I think you can only do that by continuing to retool. You know, just last year we had a faculty member actually not take a sabbatical, but to go into a firm. And better understand the changes they were seeing. We have our finance faculty, we pay for them to go get additional certifications and things they, they feel they need. So it's really about trying to be like any organization and have that, that growth mindset and, you know, understand what your purpose is. Your purpose is to help your students who are paying you tuition to get jobs, and to do that you need to be as one step behind that cutting edge.

**Robert Morier:** But we're going to talk a little bit about the investment partners, Jim. Institutional investors ultimately rely on external managers across public markets, private markets, alternative strategies. When you're evaluating a new manager or strategy, what are those characteristics that you're looking for in a partner? We talked a little bit about— Craig talked a little bit about fit with an employee. Does that fit also remain consistent with your asset management partners you have on board?

**Jim Bethea:** Yeah, I think to some degree it does. You're not working for them, so their culture might be different than your culture, but you do want to make sure—we're \$3.5 billion, so we're a small organization, maybe a large asset manager from an endowment perspective, but small compared to probably what you manage. And so we're not going to get—if you go with a larger firm, we're not going to be their first phone call. And so trying to figure out what the information flow can be. How can they help us get information about what they're seeing in the market? And we can use that to what we're seeing elsewhere. And does that make sense? We— when I was at Iowa, we were hearing from our portfolio managers in the private equity space. Nobody's moving. We can't get CEOs to go take a job somewhere else. And then we saw that organizationally we couldn't get anybody to move to Iowa City. It was very difficult to get people to move to Iowa City when you got a 2.25% mortgage. It's really difficult to take that 6% mortgage rate. I just did it. So I know, I know that. And so, so you got to find that fit of do you like the people? Everybody says like, would you go out to dinner with them? Would you have a beer with them? That's kind of true. At the end of the day, I think that's a sliding scale because if they make you money, you really don't care. You do on some level. But I think it just— that's more kind of people like— it's a flowery talk that people like to hear. But you have to have a fit. You know what works? For our organization might not work for Pitt. It probably won't 'cause they're Pitt. But you know, that's just, everybody's different. You know, every endowment is kind of trying to get the same target return, but the way, you know, our strengths are different from somebody else's strengths. And I kind of think about it as endowments, every endowment's kind of a small endowment office. Even if you talk with University of Chicago with 20-some-odd people, they'll say they're small. So you do probably, 2 or 3 things well. And so figure out what those 2 or 3 things are for your organization and what is the fit for that. If you are really good at selecting private equity managers, lean into that, do more of that, but then don't try and force something else into the portfolio. And so you're trying to find what that fit is, not necessarily from a cultural standpoint, that's part of it, but also does it make sense? What are the strengths of the organization? If you're Stanford and you have a lot of alums in the VC space, you're probably going to have a lot of VC in your portfolio. And so figure out what those are. What are your alumni networks bringing to you? And so all that's different for every organization. It's different even for Craig and his team. And so that's what you're trying to find is— and really, even from an asset allocation standpoint, people always ask, what's your asset allocation? The asset allocation that works for you is the one you can tolerate through all cycles, right? What is your risk tolerance? We all kind of have the right return. So what do you, what does that manager look like for you? It's going to be different. And so that's really what you're trying to do is find what that fit is. And it's going to be different everywhere.

**Robert Morier:** What does that process look like? Maybe a search that you did recently, a search that might be up and coming. So if you put the students in the room with you, what's the discussion look like? What asset class have you identified and where does the work begin? We teach a manager research and due diligence class at Drexel University. We hand them the asset managers. So they don't have to go out and look for them, but they're real asset managers with real answers and real marketing and real pitchbooks and good stories. So how do you start that process? And just really quickly, if you don't mind, what does it look like as it flows through?

**Jim Bethea:** Yeah, the hardest part is get to that process of who are the 2 or 3 managers you're looking at. And that's different in different asset classes. If you're looking at public equity markets, there's probably some database that you can go to and sort by some criteria, whether that's 3-year return or 5-year return, or what does that look like? You want quant manager, active management, fundamental. And so that's a lot of it. And so a lot of the team will go out and meet with other peers. What do you like? What do you think? Who's the best in that space? And so that process will look different as private equity because there's not a lot of databases. It's opaque. Everybody claims they're closed until miraculously they're raising capital and everybody's open. And if the returns are bad, they're going to be really open. And so it's going through that to get to that space of now what do I look at critically? In the private equity space, I always make this joke whenever I hire a new analyst. They meet with buyout managers, they'll talk about proprietary sourcing. It's like, everybody, I got this great thing. I do proprietary sourcing. It's amazing. It's like, okay, you hear it once. We'll see how interesting it is when you hear it 50 times. Not everybody can do sourcing the same way and have it be proprietary. And eventually you learn nobody's doing proprietary sourcing. So you kind of figure out what that is, what's that fit for you, and then kind of have that internal process of what this looks like. Do you like the manager? Why do you like the manager? And it's really trying to figure out like, what is their process? Is it repeatable? And are they actually adding value? Everybody wants to buy low and sell high. That's really hard to do in practice. And so trying to figure out what they are doing. And quite frankly, you don't have enough data points to know whether the manager's doing it from skill or luck. You think of like a private equity firm, you're on fund 3, you've made 50 investments, you're starting to get some statistical significance to what you're actually doing and everything's a little bit different. So you really don't know. It's, it's kind of a guessing game. This is a very gray job. It's not black and white. And so that makes it very hard. You're trying to figure out, do you like the people? Is it repeatable? Do you believe in the story? You're never going to know until, you know, if it's private equity, 10, 15 years down the road. But you have to be comfortable and get everybody on board with your decision. And it's really just kind of having that faith in that manager because it isn't, it isn't a science.

**Robert Morier:** Craig, you've done a lot of work in alternatives with hedge funds in particular. You're working with significantly more capital than the West Virginia University Foundation. Has that, or can it prevent you from working with those managers who are smaller, more nimble? How do you design the portfolio potentially knowing that you might lose access because of your size relative to other plans? Like a smaller endowment that can be arguably a bit more nimble?

**Craig Slaughter:** Actually, I would argue that, you know, our size, which is about \$30 billion, is, is really kind of in the sweet spot. We're not too big that we get priced out of every— or just, or just don't even— can't really look at small managers. And again, we're not so big that we move the market either. Like CalPERS, which California Public Employees, I forget where they are, \$400 billion, \$500 billion. I mean, when they sneeze, the market pays attention. And they really have terrible returns also.

**Jim Bethea:** It's the governance, I think.

**Craig Slaughter:** Yeah, it is the governance.

**Robert Morier:** I think we've lost California and Pitt, University of Pittsburgh, so far.

**Craig Slaughter:** And yet we're large enough that I really pretty much feel like every manager in the world will take our call because they know we have enough dollars to allocate. So we like small managers, and we have a mixture of both, but it just depends on what we're looking for. And ideally, we like to get them when they're a little young and small and then grow with them because they're usually very focused when they're young and small, so to speak. And they're generally better managers.

**Robert Morier:** It begs a fun question for our students. It's 5:15 at the end of this day. How many emails did you receive in your inbox from the beginning of the day to the end of the day?

**Jim Bethea:** I think it's usually 100. It's probably more today because we just posted a position for an investment analyst, and I got a lot of emails for that. But so there's a slight uptick. But on an average day, it's 100 emails.

**Craig Slaughter:** Probably a little less for me because we got a robust spam filter.

**Robert Morier:** That's good. How do you— you know the saying, how do you drink water from a fire hose? You have so much information coming. I know you both have very sharp staffs that do a lot of that work for you that can cut through the noise, but that's still a ton of information. And, you know, we're in an information

generation now where every student in this room is just being flooded with so much. So how do you do it when you're a fiduciary, when that decision is more than just, you know, what are you going to watch next or where are you going to go tonight? It really has meaning. And it all does. But in particular, when you're representing other people's capital.

**Craig Slaughter:** Pick and choose. I mean, and I've kind of learned found a few sources that really work for me that I find I can trust and trust their thinking and people who I think really bring something extra to the table. And I ignore everything else. And of course, I read the papers, read New York Times, The Wall Street Journal kind of gives me a good balance of what's going on in the world and how 2 sides look at it.

**Robert Morier:** But, uh, yeah, I appreciate that. I'm not— I gotta ask you too, how many, how many emails do you have at the end of the day, Josh?

**Josh Hall:** A couple hundred, 250, something like that.

**Robert Morier:** You know, a lot of it's, you know, for your awareness type of thing.

**Josh Hall:** So, uh, it's, it's not too bad.

**Robert Morier:** And what type of student are, are you trying to, to put out into the market? So when you think about what, uh, Jim and Craig are doing on a day-to-day basis, the teams that they're building, and you think about your WVU students that are here in the audience, what are some of those attributes that you're hoping that they'll take out into the markets?

**Josh Hall:** Yeah, well, you know, I was listening very intently with what Jim said, and it seems to earlier about fit, right? And to me, ultimately fit is about knowing who you are and what your purpose is. It's not about a certain archetype. It's about, do you know kind of what you want and who you are and what your strengths are? So we're CliftonStrengths campus. I think that's very helpful for that starting point. I'm a Maximizer. That's my number 1. And it clarifies things for me. And I find when, by exposing students to more and more and taking on more and more, you're kind of honing who you are as, as a person to get out in the world. And, and, and we have a career closet downstairs and where, where students can apply and get a suit of their own and, and Yeah, do it when you're a sophomore. Don't do it when you're a senior because we've all seen that person show up for that interview and this is the first time they've worn a suit. And you have to get comfortable in yourself as a business person, whatever industry, whatever thing that is, and you're going to be successful. So whether it's hospitality and tourism or finance, put in the reps, kind of reflect on that and go out and, you know, be ready to work.

**Robert Morier:** That's great. Thank you for sharing that. Let's talk a little bit about asset allocation. You touched on it before, Jim. There's no shortage of significant events going on in the world, whether it's geopolitical, technology, or just things at home in our own state, our own communities, our own universities. So how do you think about asset allocation in really any environment? I was going to ask you this environment, but I have a feeling you might answer it in any environment.

**Jim Bethea:** For us, we do have 5 pools, so it's trying to understand what are the goals of those pools. So one wants a 4% absolute return, and then we've got an endowment that 7% or 8% return, arguably absolute return there too. And I would say as a long-term investor, some of this is noise, right? And so you have to figure out, is this going to be a sea change in what's going on? If it's not, then it's just noise and you can have your constituents understand what's going on, make sure, give them confidence that you're on top of this and you're thinking about this, but you're not necessarily going to go out and sell stocks just because something happens in Iran. We're not going to go long oil futures because something happens in Iran. That's not really how endowments are set up, at least not how our endowment's set up. It's making sure people understand what you're trying to do, what the time horizon is, For a lot of our pools, they've defined that time horizon. They say 5 years, okay, well, we'll try and figure this out for 5 years and develop an asset allocation that we think can last for 5 years. But we go back and we look at these asset allocations each year. We have our deputy CIO, Jen Cunanan, who runs that program for us. And it is a lot of work to go through all the different pools and running asset allocation for them and explaining to them why we're making changes. And this is what it's going to take. If you lower or increase your private equity or private whatever portfolio, it's going to take years to do that. You don't do that overnight. You don't allocate that 5% overnight. And this is how we're going to do it. This is the methodology that we're going to use to get there. How much capital are you going to put together each year? Even that's a little fuzzy because you can commit to a fund today and it doesn't start drawing capital until 2027. So you educate around that. But really, the asset allocation doesn't change much year to year. It is a long-term— as a long-term investor, it really shouldn't. If it does, we've probably done something wrong. Or again, there's been some massive change. If they ban private equity investing, we'll have to make something. I hope they don't ban private equity investing, or maybe I do. We'll see what the returns are.

**Robert Morier:** That actually raises an interesting question for both you and Craig, and I think this is actually helpful for the students as well. Are private markets still delivering the kind of value institutional investors expect, or are public markets becoming more attractive again? Not that they weren't before, but when you think about careers, I have no shortage of students who tell me they want to work in private equity and venture capital, and you have no shortage of managers who are

calling you both trying to get you to invest in a private equity or venture capital fund. But when you think about the environment today, is it the time to be deploying capital into those areas, or do you think that public markets are starting to show a different side?

**Jim Bethea:** I think you had a key piece of that question was what do people— is what they expected the return to be changed? That's not changed. What you're going to get probably has. And so I think it just— there's never been a case where an asset class has grown to the size that anything has. Anytime something just grows exponentially, returns go down. We saw that in active management. You saw it in hedge funds. You're seeing it in private equity. You're seeing it in direct lending. You're seeing it in everything. It's just inevitable. The expectation for that return, we still need the same return. That hasn't changed. It's made it a little harder. I would argue your point on active management, where active management wins is on the downside. And I've been saying it for, you know, 3 years. We're at equity market highs for 3 years in a row. At some point, we're not going to be anymore. And that's going to flip. That's when you want to have active management. So for everybody that's flipped over to 100% passive, you're going to have 100% down capture. If you have active management on some percentage, you're going to have less than 100% down capture. So you're going to add alpha there, but you have to have the wherewithal to at some point— you're never going to time it right. But at some point, maybe you then step back out of active management and use it just like you would any other investment where sometimes you're going to keep it for a long term, but sometimes you don't. You don't buy high yield when credit spreads are tight, you buy it when credit spreads are wide. Maybe you have to time some of those things. I'm not saying you should be a market timer, but maybe just think about things differently.

**Robert Morier:** Thank you. Craig, same question.

**Craig Slaughter:** I've been doing this for 30 37 years now. And I've learned that things really don't change that much. So I mean, I think— I mean, they do, but they don't. So as private equity in the private markets in general, I think it's just going to be more important that you do a really, really good job of selecting those excellent managers. And it's always been true. But it's even more true right now. I mean, we went through a period where, you know, in a way, everybody was excellent, could do well. And but, you know, quite honestly, relative to the public markets, you know, US public market, you know, they— I don't know that it was all that much different. You know, you know, we shoot for, you know, 300 basis points over the Russell 3000. Over time with our private equity portfolio. And we've been able to do that. And I think we still can do that. It's not going to be easy, but I do think maybe there's going to be more disparity between the good and the bad. So the very, very large funds, we stay away from those because I think they're going to

have a really, really hard time. But if you're in smaller bid buyout, I think there's still a lot of juice or alpha to be had.

**Robert Morier:** I appreciate that. Have things changed much at the university level?

**Josh Hall:** Yeah, I mean, I think they have. You saw in the news today, and all the higher ed news is about nobody wants to be a university president anymore. And I mean, you can see why they're saying that. It is a very difficult job. You're interacting with the health system, especially a job like this. You're interacting with the health system. You have fundamental changes to the economy going on. You get this public questioning of the value of higher education. It is not an easy time, but it's a great opportunity time because, you know, you interact with the students you bring here all the time and you can see the value that good faculty, engaged students can create on the lives of people. And it's that type of thing that makes you want to come into work every day, right? And we're very grateful for the foundation, all our alumni and employees that let us. It is those foundation funds and those gifts that allow us to strategically plan, right? It allows us to take a chance on a program, A good friend of mine said philanthropy is the thing that lets you create the thing you can envision. And we've done that with a lot of things, whether it's our student-managed investment fund or this building. And we wouldn't be there without philanthropic dollars and the return on those.

**Robert Morier:** That's great. Thank you so much, Josh. All right, let's have some fun. We've talked enough about markets. We're going to have a couple fun questions for you both, for all of you actually, before we start to rotate your seat. Jim, I know you're new to the area, but what's one place if you're advising students from Philadelphia in town for the first time that you've seen in the last year that you would recommend that we see?

**Jim Bethea:** Cooper's Rock.

**Robert Morier:** Cooper's Rock. Okay. Craig, if we want to understand West Virginia, specifically the economy, in 15 minutes or less, what should we read? What should we look at? Where should we go to understand the state?

**Craig Slaughter:** Probably any Hollow would be— would work. It's not the whole state, but it does. It gives you a sense for some of the dynamics that come into play and affect politics. Unfortunately.

**Robert Morier:** I appreciate that. Josh, where should we go to dinner?

**Josh Hall:** Original Mario's Fish Bowl.

**Robert Morier:** Okay. Students, where should we go to dinner?

**Jim Bethea:** Black Bear Brewery.

**Robert Morier:** All right. Good news. We went there for lunch, so we're a step ahead. Thank you for that. Craig, first thing you look at in the morning when you're going to work?

**Craig Slaughter:** Or when I get up. No, I look at the clock to see what time it is and see if I have to get up. No, I read the paper.

**Robert Morier:** Which paper?

**Craig Slaughter:** I just read the Charleston Gazette. Well, except it only comes out 5 days a week. So 2 days a week I'm searching either the New York Times or the Wall Street Journal. You know, I follow up with those 2 papers during the day generally. But Charleston paper in the morning.

**Robert Morier:** A fun fact about your chief investment officer. What's harder, running an endowment portfolio or running a 50-mile ultramarathon?

**Jim Bethea:** In the short term, the 50-miler, because that's going to hurt for a couple of days. But endowments, the long-term thing, so that's going to hurt for your career. So yeah.

**Robert Morier:** Yeah, makes sense. Makes a lot of sense. Craig, getting back to the investment side, what's something that a manager says in a pitch meeting that instantly gets your attention?

**Craig Slaughter:** I'm probably not the best person to ask this because I let my staff do all the manager meetings for the most part. But I mean, I'm really just looking for conviction. In their philosophy. I mean, we wouldn't have brought them in if they— well, we get people come, get cold calls all the time. But I am, I'm looking for conviction and a clear, well-thought-out philosophy on how to make money.

**Robert Morier:** Okay. Makes sense. What's your ick? When the meeting starts, someone says something, oh, I can't believe they said that.

**Jim Bethea:** Whenever somebody talks about something being correlated or uncorrelated with an undefined time horizon and undefined measurement interval, it drives me crazy. And usually when they do it, they don't even say, they just say it's uncorrelated with no numbers to back it up. And we invest in a fund that they sent me an email because they didn't know who I was that said that their product

was uncorrelated to the S&P 500. And I was like, that's all it said. We have no correlation to the S&P 500. And I was like, I'm pretty sure that's a lie.

**Robert Morier:** What's one word you wish could be completely removed? Something gets overused.

**Jim Bethea:** Oh, um, you just signed a 5-year contract.

**Robert Morier:** I know, I know. I figured you're safe right now. Is it interdisciplinary? Be honest.

**Craig Slaughter:** That's a great—

**Josh Hall:** It is. Excellent. Interdisciplinary is a great one because, you know, or getting out of our silos, more of a phrase, right? And, and silos are great. You, to broaden, you have to first deepen. You have to truly understand your area before you can contribute across areas. And we try to get way too ahead of that.

**Robert Morier:** Maybe just for each of you, we have all of these students in the room. We're grateful that they all made time for us to listen to this podcast. If you wouldn't mind leaving them with a little bit of advice piece, maybe something that was said to you at some point in your career. And I always like to say too, it doesn't necessarily mean— need to be the nice stuff. Sometimes it's, it's advice that you receive that hurt. It wasn't easy.

**Jim Bethea:** Yeah, I would say don't be afraid to take risks. And it's a hell of a lot easier to take a risk when you're 22 years old than it was when you're 53. So don't be afraid to move somewhere. Don't be afraid to take a job that maybe you don't know if it's going to pan out for the long term. And, you know, you think you know what you want to do right now. When I was your age, I was an engineer. I'm not an engineer today. And so I had to pivot. And so just have that thought of like, this might not be what I want to do forever. And you're going to change yourselves. And so just be open to that.

**Craig Slaughter:** I would say, be honest with yourself. And I say that for two reasons. One is, everybody has weaknesses. At least one. And knowing what they are is really important because that's what you got to manage through your life. And hopefully you can manage it in a way that you can leverage it up to overcome it, so to speak. The other thing about that, correlated to that, is being honest about yourself and what you've done is knowing the difference between luck and skill. In this investment business, there is a huge amount of luck. And actually, we had a very honest money manager who once told me, said, you know, you won't know whether it's, you know, my success is luck or skill for 30 years statistically. So I don't know if that's really true. But yeah, it kind of highlights the whole thing. You

got to respect the fact that, you know, what's happened may just be luck and don't fool yourself.

**Josh Hall:** I would just say the ultimate cheat code is working more than other people with a purpose. If you spend the first 10 years of your career working 50% more than other people, you'll be 50% ahead of them when it comes— you'll be on year 35 and yet be only 30 years old. And opportunities come from being around. And so put the time in, but put the time in with a purpose. And I know very few people who haven't been successful doing that.

**Robert Morier:** We're grateful for the three of you for putting your time in. Thank you for being here. I think it's a good time, if you guys are all right with it, we have a few extra minutes for a couple student questions. And then what we'll do is we'll rotate that third seat. We'll do one question each. But does anybody have any questions that they've come up with that they'd like to answer?

**Muhammad (Drexel University):** My name is Muhammad. I'm from Drexel University. I'm studying electrical engineering computer engineering. So my question is going to be for you. You mentioned that the market has been performing strongly over the last 3 years, and because of that, you want to avoid being down 100% in the upcoming year or so. As a result, you, you also said you use management to adjust the portfolio by relocating investments into other assets or even moving to cash. So my question is, what does active management actually look like in practice, and how do you decide when to rebalance, shift into different investments, or hold cash? Another question is, in addition to that, you mentioned that you wouldn't take long leverage positions in oil, just some other country, some stuff happened around there. Since that could be considered noise rather than real risk, how do you determine whether an event like that is just short-term noise or meaningful risk that should influence your investments? For example, considering that UAE has a lot of data centers and US technology companies' headquarters there. Thank you.

**Jim Bethea:** Yeah, um, I, you know, you don't really know if something's going to be a short-term or long-term sea change until years down the road, but I think, um, Looking at oil prices, Iran has to pump oil at some point, or there's going to be some more strife going on in the country, or other people will come into the market and flood it with their oil. It's a supply and demand thing. The reason why oil prices spiked is because the supply is going to be constrained, the demand is going to be constant. We saw this during COVID too when the demand dropped, and so oil prices fell. Eventually, market participants will oversupply and price will come back into equilibrium, I would think. If we run out of oil, then obviously, that becomes a different situation. On active management, I think it's the same thing is if you're worried about the market being a little bit frothy, then you would say, let's invest in active management. Now, you'd have to have a view in that of saying that active

management over the long term doesn't work. If you think it will, and it can, but generally, it has not kept up. You know, there's kind of legal reasons why diversified fund can't own the same percentage of tech companies as the index does. And so they're going to lag when you have an environment like you've had the last 3 to 5 years where 7 stocks or 10 stocks or whatever have led the way. And so you'd have to think that would change. You know, maybe small caps start doing better than large caps. You know, that would be a reason why you might go into active management. And so you really just have to have conviction in those beliefs. But you're never going to know if you're right or if you're lucky, right? You could be wrong but lucky or have good timing or be too early and, you know, you lose your job before it works out or keep on the other side of it. You say this has more room to grow and then the market tanks. So you kind of need some luck in that. And I'm not an advocate for market timing, but just things that you're kind of thinking about is how do you change the portfolio on the edges, not 100% one way or the other. So it's not We're going to go to cash, we're going to go to equities. It's not as binary as that. Honestly, for endowments, typically it's like 1% more, 2% more. You're not taking major swings typically, but maybe you're going 5% more inactive than you were in passive. It's really more at the margins than huge binary changes.

**Brock Price (WVU Finance Major):** Thank you. Hi, my name is Brock Price. I'm a finance major at West Virginia University. So I guess my question is for both Jim and Craig. So what would be like the biggest difference between like an entry-level analyst working for an endowment versus a pension fund?

**Craig Slaughter:** Well, I'm not sure I can answer that necessarily, and it probably depends on the endowment or the pension plan because, you know, I know all my peers in the public fund space, and, you know, there's a lot of variety out there. Some of them actually manage money in-house, so they actually make buy-sell decisions. They might be hiring somebody to be an analyst, an analyst in the sense that they're looking at different companies, the actual companies themselves in the public markets, for example. Those tend to be more rare. They tend to be more like us in the sense that they're hiring money managers. Luke, who was one of our analysts, he's— a good part of your first few years is just spent shadowing our investment officers as they go talk to money managers. In our shop, we have a very flat structure. So we meet periodically, actually we meet every week and just have a conversation around the room, but then more in depth about our asset allocation and what's going on in the markets and so forth. We meet quarterly and everybody, the analysts all sit in the room. They have a vote just like everybody else. Now, people may not put as much weight on their vote, opinion, so to speak, because of the experience level, but we want to hear it. So we try to involve our analysts in the whole process from the very get-go. Just the reality is most of the time they're just shadowing and listening and watching. Then as they show some facility, like Luke starts asking questions and they're good questions, so you kind of

encourage him to do that more and so on. It's just kind of a gradual process that to some extent depends on the people.

**Jim Bethea:** Yeah, I would say we're similar in that, what an analyst would do. But that isn't to say that what we're describing or what Craig described is the way every single endowment or every single pension fund works. And so you're going to find people who are like, all you do is fill out spreadsheets, kind of like investment banking, and you're not really speaking up in the meetings. You find that in an endowment, you'd find that at a pension fund. We're probably more fun on a Saturday in the fall than Charleston is. I don't know. And you'll— so you'll have that if you go to the right endowment.

**Martin (Drexel, 4th Year Finance):** My name is Martin. I'm a fourth year finance major at Drexel. And so specifically in the endowment management, CIO industry, in regards to a lot of well-performing endowments that we see like Yale, or you mentioned Stanford, who are you modeling your game after? And is there any famous managers or anyone that you sort of try to emulate in your strategies?

**Jim Bethea:** From an endowment management perspective, I would say no, because we're not Stanford, we're not Yale. We don't have the resources that they do. We don't have the alumni networks that they do, and we don't have just, you know, there's very different things. CAPM's the same at all three of those schools, including us, but everything else is different. And so you're playing a different game in some respect that they are. The return goal's the same, but everything else is different. So we're trying to build the best portfolio for our constituents from the resources and team that we have, and that's just going to look different than anybody else. And I think that's where endowments are probably pension fund folks get messed up is you're trying to emulate somebody else and you don't have the same resources that they do. Pitt isn't as good as we are, so they can't beat us in the sports that we play against them. That's just their problem. They're just going to have to deal with it, but they're going to try. They're trying to emulate us. Maybe one day they'll get there, but that's what you're trying to do is everybody's competing for the same thing, but you're doing it in a different way.

**Craig Slaughter:** I just emphasize that there really are a lot— I really believe there are thousands and thousands of ways to manage a portfolio. So you don't have to be like somebody else. In fact, I would encourage you, suggest that as a CIO, you're really trying to think of how can I be different? Where can I find— because if everybody's doing something else, then that probably means if you can find a niche somewhere, a different mix, so to speak, you're probably buying at a lower price. In broad terms and are accessing something that's less efficient and thus allows for a greater return in the end.

**Robert Morier:** So wonderful. Thank you all so much. Well, here's the fun part, Luke. So, Luke, welcome to the show. Thank you for being here. Thanks for coming with your colleague Craig, sharing your experience in the last 3 years with a lot of the other students here who are going to be looking at the same road, maybe potentially as you. So when you take yourself back 3 years ago, how did you prepare for that interview with Craig when you thought about that role?

**Luke George:** Yeah, for sure. Well, I think, you know, it's like you guys in the student fund, you like research a stock. It was really just researching what this organization even does. So it kind of come in with a certain level of expectations of kind of the role, sort of, you know, what were they hiring for? Like what were the responsibilities of the analyst? But then come in with questions I had about their investment program just so I can get a better understanding, you know, of what they do and if I fit into the role and if it was a role that, you know, I could learn a lot and progress a lot out of school.

**Robert Morier:** What's something— just as a quick follow-up, what's something that you're doing today as part of your day-to-day that you had no idea you'd be doing? It was not nearly close to the job description.

**Luke George:** Well, I never thought about the travel involved. So like, that's been pretty cool. So like I'm planning a trip in June to go to London. We have a couple of hedge fund investments out there so that, you know, I probably wouldn't have pictured myself 3 years ago when I was in your guys' spot going out to London to, you know, do due diligence on hedge funds. So that's something I would say.

**Robert Morier:** That's wonderful. Thank you so much. Thank you for coming up. I wanted to make sure we got you on camera and recorded as well as part of Craig's, especially being a WVU alumni. So we're going to ask Ann Marie to come up quickly. Professor Ann Marie Hibbert, professor and chair of the Department of Finance here at West Virginia University. I'm assuming that a lot of the students in this audience look familiar to you.

**Annmarie Hibbert:** They do.

**Robert Morier:** They do. So as you're looking at these familiar faces and you're thinking about what they heard today from these two veteran institutional investors, what are some of their comments that you also heard that you would stress to them?

**Annmarie Hibbert:** Okay, some of the things that I think are very important for them to remember is, for example, fit when they're looking, when they're seeking jobs. Not just thinking about what the employers need in terms of fit, but is that a good fit for them? The growth mindset, because that's one thing that I try to inspire

students to always think about. So I'm glad you mentioned that, Jim, that they need to continuously have a growth mindset, asking questions, being willing to put in the work, as the dean said, more working more than everybody else, because that's how they'll build a career.

**Robert Morier:** What's the advice that you give to students to help work those muscles, that growth mindset muscle? You mentioned asking questions, but what else? I always think about when we teach leadership or we teach entrepreneurship, easier said than done sometimes.

**Anmarie Hibbert:** Okay, I'll use the example of like one of our student organizations that started just, just over a year ago. We had freshmen who came in here in their first year wanting to start an organization because not being a target school, we don't get some of these big banks on campus. And they came and they're like, we want to prepare ourselves better so that so that these big banks can look at us. That sort of initiative, seeing it in first-year students and seeing how they've expanded. They reach out to alums. Talk about network. Who was it that said networking is important? I don't tell them who to reach out to. They look at the bios and reach out to, you know, Mountaineers always want to hear from their fellow Mountaineers. So these are some of the things I'm seeing in them. So I'm able to give them the lead and let them go out and grow those muscles.

**Robert Morier:** That's wonderful. Your dinner recommendation?

**Anmarie Hibbert:** Oh, what's my dinner recommendation? That's a hard one. I recently went to Oliveira's Cafe and I like that one. I really like Oliveira's Cafe. It was good.

**Robert Morier:** Oliveira's. Well, thank you so much. Thank you for being here. Well, Brant Hammer, a professor and faculty advisor for the Student Managed Investment Fund. One of our favorite parts of this series when we go on the road is speaking to the folks who run the investment fund, the students as well as the faculty advisors who put in the work and help those students get that experience. Tell us a little bit about the investment fund here.

**Brant Hammer:** So it originally started back in 2017. I was not a founder, but when I started teaching full-time in 2019, I started going on our New York City trips. And I think what really sets our student fund apart from others is it, as Josh said earlier, it's kind of designed in a way where it's taught as a job. So I try to treat them as employees as opposed to students. That way they actually have a role in their resume. It's a paid role. They're truly employees. But the fund itself is managed around— it's really broad, but primarily long-only equity. They're split into sector teams. We really recently expanded it to 20 students, so there's 2 to 4 per sector. And so the goal is that they really dive deep into that one sector based on what our

sort of macro outlook is. We'll allocate to the different sectors, and then they kind of are fully in charge of managing any of the capital that's in that part of the portfolio. We've actually found that having them specialize has resulted in roles, jobs. For instance, one of our healthcare analysts last semester got a job at a healthcare M&A fund because he was able to talk, you know, the industry language. So that's sort of really how it's managed. And then it's built around a trip each semester to New York City to network with alumni. So that they can try to tap into those opportunities.

**Robert Morier:** So what do you do when a student is demanding a higher bonus?

**Brant Hammer:** So we got this mixed up. The donor who is gracious enough to fund the salaries of the students opted a couple years ago to get rid of the bonuses and raise the salary.

**Robert Morier:** So sounds very corporate.

**Brant Hammer:** The bonuses are no longer there, but the salary went up for everybody.

**Robert Morier:** That's exciting the students so that the salary is there. I'm curious, Jim and Craig, when you hear about a student fund like this, is that something that's attractive to you as employers when you're thinking about students who have that kind of experience?

**Jim Bethea:** I was on the advisory fund of a similar program at Iowa, and I thought it was the most real-world experience you get. You're pitching something in front of, you know, 10 professionals that just, you know, what I found when I was an MBA, you go to give a presentation, it was a horrible presentation sometimes, and your peers were like, that was amazing. That doesn't happen in a student fund. When you pitch a stock and it doesn't go well, they will tell you it doesn't go well. And it's, you know, you're getting paid, but I'd rather get, you know, you're still going to get paid. But, you know, maybe you get a bad grade, but that's a lot better outcome than getting fired.

**Robert Morier:** Well, I want to take a second and thank our audience, all the students who are here today. Thank you for being here. Thank you for listening. Thank you for taking part in something that you probably didn't know much about, about 2 hours ago. Even in the industry, you didn't know as much about it, but I hope you do now. You've learned a little bit from all of this. I want to thank Josh, Craig, and Jim for being here, for being part of this experience as well. When we started this, as I mentioned before, we were going to universities. What I didn't expect is that we'd be highlighting a state. And that's really what we did today. We highlighted the state of West Virginia, and I'm proud to do that. I'm proud to be part

of this conversation. I thank you all for being here as well. Again, to our students, it's not an easy market out there. It's probably going to continue to get tough for you. You're going to hear about people who get jobs a lot easier than you do, but rest assured, if you take some of this advice that you heard today, it'll work out. So, so keep it up, keep working hard. To our audience, thank you for investing your time with Dakota. You can find this episode on [Spotify](#), [Apple](#), [YouTube](#), or your favorite podcast platform. And as always, we appreciate your time and your interest in this podcast and in this industry. So thank you all for being here. I appreciate it greatly. And that's a wrap.