Healthcare Panel

Children’s Hospital – Kyle Stewart, Director of Investments

Children’s Healthcare:

              Largest pediatric health system in Dallas

              New CIO, Ken Lee

              Formally used Cambridge Associates as a consultant, now the plan doesn’t use a consultant

              They manage an operating pool, endowment and foundation investment pools

Plan Statistics:

              About $2 billion in total assets

              5% annual distributions

              Currently a team of 4 with plans to grow the team to 6.

              Kyle is responsible for HFs, Private Credit and real assets

              Another colleague is responsible for privates

              Currently looking to hire someone to cover long only and another associate

              Staff has discretion

Private Assets:

              3% current allocation with the 3 year plan to increase exposure to 20%

Long Only:

              Once they hire someone to cover LO, they will be looking to review the LO allocation

Upcoming Search activity:

              Building our private equity

              Long only, looking for niche, focused, concentrated managers (they have about 50% in equities and peers range from 60-80% so they think this is a unique time to close the gap)

              Credit is becoming more interesting

Best way to interact with the team?

* This is a people business and they want to work with people they like.  Partnership is what’s important.