

Advancement | UCF Foundation, Inc.

BOARD OF DIRECTORS Investment Committee Meeting Minutes

Tuesday, September 22, 2020
10:00 a.m. – 12:00 p.m.

LOCATION: Virtual Meeting

ATTENDEES: Carrie Callahan, *Chair*, Roslyn Burttram, Debbie Claydon, Jimmy Ferrell, Paul Gregg, Tom McNamara, Jason Reilly, Chris Tomasso, Eva Tukdarian

ABSENT: Barry Forbes

STAFF: Hina Behal, Jennifer Cerasa, Glen Dawes, Bill Dean, Lauren Ferguson, Ashley McConnell, Joseph Mera, Mike Morsberger, Robert Taft (UCF Audit)

GUESTS: Rick Ciccione (NEPC), Kristin Reynolds (NEPC), Steve Hanson, Thomas Rudy

The following is an excerpt of a duly noticed public meeting of the University of Central Florida Foundation, Inc., at which a quorum of the committee was present:

Chair Callahan called the meeting to order at 10:00 a.m.

Chair Carrie Callahan noted that the meeting was covered by the Florida Sunshine Law and that the public and press were invited to attend.

ACCEPTANCE OF MINUTES

A motion was made by Paul Gregg and seconded by Jimmy Ferrell to approve the minutes of the Investment Committee meeting held on June 2, 2020. The motion passed unanimously.

INVESTMENT PERFORMANCE REVIEW

Kristin Reynolds presented investment performance for the period ended June 30, 2020. It was noted that the Endowed Funds Investment Pool market value was \$168,061,881, having returned 11.7% in the fourth fiscal quarter, ending a volatile year with a 1.8% return. The Endowed Funds portfolio was up slightly from the start of the fiscal year.

Potential changes in asset allocation were discussed, including the elimination of explicit mandates to Global All Asset and Hedge Funds by consolidating these classes under a “Multi-Asset” name and reducing the target allocation. These changes would reflect NEPC’s views on the permanence of low interest rates and the ability to capture the equity risk premium and multi-asset opportunities in the current market. The Committee opted to postpone the formal consideration for an amendment to the Investment Policy Statement until the next meeting.

FLORIDA UPMIFA REVIEW

Joseph Mera reviewed the Florida Uniform Prudent Management of Institutional Funds Act (UPMIFA). Mera noted that the UCF Foundation is compliant with the requirements set forth in UPMIFA.

NACUBO SURVEY RESULTS

Mera presented the results of the annual survey of higher education endowments performed by the National Association of College and University Business Officers (NACUBO). The survey respondents include both public and private institutions from the U.S. and Canada, and provides information on endowment performance, spending levels, and fees among other questions relevant to endowments. It was noted that the University of Central Florida's endowment ranking and comparison to other respondents served only as a talking point and was not intended to provide benchmarking information.

NACUBO's unprecedented mid-year follow-up survey at the close of the first quarter of calendar year 2020 revealed institutional practices in the wake of a global health crisis. Many institutions had taken action to reduce expenses associated with endowment management including intensified review of management fees, re-evaluation of spending policies, and portfolio rebalancing.

INVESTMENT CONSULTANT RFP

The Committee agreed to postpone the outstanding Request for Proposal (RFP) for an investment consultant in June 2020 due to the impact of COVID-19 on the economy and increased volatility in the markets. It was noted that RFP would reopen in January of 2021. Final consultant selection was expected in spring of 2021 with the new contract taking effect at the start of Fiscal Year '22.

COMMITTEE PERFORMANCE ASSESSMENT PLAN

It was stated that at the request of Chair Callahan, UCF Foundation staff together with NEPC intended to issue a questionnaire to Investment Committee members as a means of capturing the Committee's risk sensitivities in conjunction with the investment policy. The results of the survey will be presented at a future meeting.

PUBLIC COMMENTS

There were no public comments.

There being no further business, Chair Callahan adjourned meeting at 12:00 p.m.

Respectfully submitted,



Carrie Callahan 01/26/2021 11:26 EST _____

Carrie Callahan '92, *Chair*
Investment Committee
UCF Foundation, Inc.

Prepared by: Ashley McConnell, Executive Assistant, UCF Foundation

Approved by Investment Committee on 12/08/2020.