

Advancement | UCF Foundation, Inc.

UCF Foundation Board of Directors

Investment Committee Meeting

Tuesday, September 14, 2021

UCF Foundation, Partnership Conference Room

12424 Research Parkway, Suite 250, Orlando, FL 32826

MINUTES

IN ATTENDANCE: Carrie Daanen, *Chair*, Rick Cardenas, Debbie Claydon, Jimmy Ferrell, Barry Forbes, Paul Gregg, Steve Hanson, Stuart Heaton, Tom McNamara, Kevin Miller, Jason Reilly

ABSENT: John Euliano

STAFF: Karen Cochran, Glen Dawes, Lauren Ferguson, Gerald Hector, Ashley McConnell, Joseph Mera, Robert Taft

GUESTS: Rick Ciccione (NEPC), Kristin Reynolds (NEPC)

WELCOME AND CALL TO ORDER

Director Daanen, Chair of the Investment Committee, called the meeting to order at 11:31 a.m., stating that the meeting was covered under the Florida Sunshine Law and the public and press were invited to attend.

ROLL CALL AND QUORUM CONFIRMATION

Roll call was performed and a quorum was confirmed.

CONFLICT OF INTEREST DISCLOSURE

Chair Daanen asked the committee members if there were any conflicts of interest to declare regarding the items of business listed on the agenda. No conflicts were disclosed.

MINUTES

The minutes from the June 2, 2021 and June 24, 2021 meetings were unanimously approved as written.

REPORTS

(DISC- 1) Investment Performance for Quarter ended 6/30/2021

Kristin Reynolds and Rick Ciccione presented investment performance for the period ended June 30,

2021. It was noted that the Endowed Funds Investment Pool market value was \$211,168,605, having returned 26.8% in fiscal year 2021. The UCF Foundation portfolio had met the ambitious return targets over the last one-, two-, three-, and five-year periods outlined in the investment strategy while having less equity exposure than peers to mitigate volatility.

Key market themes were noted to include continued effects of the COVID-19 virus from which the severity and prevalence of variants may impact the timing of a global economic recovery. Additionally, the accelerated inflation experienced in the market is often considered to be transitory and it was noted that the Federal Reserve Board is expected to let the temporary increase in prices run its course.

As the UCF Foundation concludes its contract with investment consultant, NEPC, Chair Daanen commented on the successful relationship built with NEPC since 2014. UCF Foundation staff and other committee members echoed those sentiments in working with the consulting team and thanked NEPC for their work.

NEPC consultants urged the Committee to prepare for inconsistencies in portfolio management strategy, noting it was likely that the new advisor would recommend a more conservative investment approach. NEPC asserted that the UCF Foundation should consider maintaining risk to benefit from a total return portfolio.

NEW BUSINESS

(DISC-2) Florida Uniform Prudent Management of Institutional Funds Act (UPMIFA)

Joseph Mera, Associate Director of Finance for UCF Advancement, led a routine review of Florida UPMIFA, which establishes standards of conduct in managing and investing institutional funds. The statute outlines the fiduciary responsibility of the UCF Foundation and its committees who make financial and investment decisions. It was determined that the UCF Foundation complies with the oversight requirements set forth in UPMIFA, including quarterly review of the investment activity by the UCF Foundation Board of Directors' Investment Committee.

(DISC-3) Investment Committee Performance Assessment Plan & Continuing Education

Chair Daanen stated that the incoming investment consultant, Callan, will be asked to conduct a survey of current Investment Committee members in 2022 to capture the Committee's risk sensitivities in conjunction with the current Investment Strategy. It was noted that results of the assessment are intended to guide discussions and identify education opportunities related to institutional investment management and endowments.

PUBLIC COMMENT

There were no public comments.

CLOSING REMARKS AND ANNOUNCEMENTS

No remarks were given.

ADJOURNMENT

Director Daanen adjourned the meeting at 12:41 p.m.

Approved by Investment Committee on December 14, 2021.

Respectfully Submitted by:



Carrie Daanen, *Chair*, Investment Committee

Date

Prepared by Ashley McConnell, Executive Assistant