



Investments Deep Dive Minutes
UCF Foundation
September 18, 2023 | 2:00 p.m. – 3:00 p.m.
Virtual Meeting

Members Present:

Jessica Blume, Barry Forbes, John Mahony, Marc McMurrin, Kevin Miller, Steve Hanson, Provost Johnson, Jimmy Ferrell, Rob Kantor, Kevin Wydra.

Members Absent:

Chair Butler, Roslyn Burttram, Tandreia Bellamy, Jessica Blume, Clint Bullock, Carrie Daanen, Linh Dang, Cathy Engelman, James Harhi, Mike Hinn, Stuart Heaton, Laurette Koellner, Chris Marlin, Caryl McAlpin, Tom McNamara, Dianne Owen, Dana Patton, Heather Pigman, Mark Plaumann, Eva Tukdarian, Kevin Wydra, Roger Zlotoff.

I. Welcome and Call to Order

Janelle Hom called the meeting to order at 2:01 p.m.

II. Conflict of Interest Disclosure

No conflicts of interest were declared by committee members.

III. Minutes

No minutes were called to review.

IV. Board Education

A. Investment Deep Dive

Joseph Mera '04, *Director of Financial Planning & Analysis* at UCF Advancement & Partnerships, presented the Investment Deep Dive, covering fund types, treasury management, investment pools, governance, endowment performance, and operating pool performance. Joseph explained the cash and investments held by The Foundation in Unrestricted funds, Donor Restricted Funds, and Pooled Endowment. The Foundation ended fiscal year 2023 with \$345 million in cash and investments.

Joseph discussed The Foundation's treasury, which operates through three banks: an operating account with Bank of America, investment accounts with US Bank, and real estate operations with Truist Bank. The Foundation provides support to the University and all Direct Support Organizations (DSOs), including Athletics, The Research Foundation, Limbitless (formerly a DSO), and Convocation/Stadium Corporations.

Joseph provided an overview of The Foundation's investment portfolio, noting that the largest pool is the endowment pool at 71%. These funds exist in perpetuity and are known as Permanently Restricted. Each year, the payout is transferred from the endowment pool to the operating pool.

Question: Earlier this year, The Foundation board approved an operating budget of \$28 million. The presentation stated an approved operating budget of \$32 million. What is the difference? Joseph provided an answer, stating that the budget of \$28 million represents the total budget of revenue and expenditures that The Foundation has, while the \$32 million refers to the cash balance in reserves.

Question: Is the University fully utilizing Workday? Joseph explained that the University has successfully migrated to Workday. The previous platform, Financial Edge, is now used solely for historical research.

Joseph discussed The Foundation's investment governance, which is overseen by the investment committee of the Foundation's Board of Directors, the investment consultant Callan Associates, and the Foundation staff. Joseph also shared The Foundation's investment diversification.

Question: Equity is your largest asset class; why do you only have five equity managers? Joseph explained that The Foundation has shifted to passive investment for long-term growth.

V. Closing Remarks and Announcements

Janelle Hom '10MA, *Director, Foundation Board Relations*, UCF Advancement & Partnerships, provided the closing remarks.


Joseph reminded attendees about the upcoming UCF Foundation Board Education Finance Deep Dive on Thursday, November 14th.

VI. Adjournment

The meeting was adjourned the meeting at 2:50 p.m.

Approved by Executive Committee on **October 26, 2023**.

Respectfully Submitted by:



Dana Patton
11/01/2023 18:27 EDT

Dana Patton '93, *Secretary*, UCF Foundation Board of Directors

Prepared by: Ronney Demosthene, *Coordinator, Foundation Board Relations*, UCF Advancement & Partnerships