



UNIVERSITY OF CENTRAL FLORIDA

# Foundation, Inc.

## UCF Foundation Board of Directors Investment Committee

Feb 15, 2024, at 10:15 AM EDT to 11:45 AM EDT  
Hybrid Meeting

### Members Present:

Stuart Heaton, *Committee Chair*, Carrie Daanen, *Committee Vice Chair*, Debbie Claydon, Jimmy Ferrell, Barry Forbes, Paul Gregg, Steve Hanson, John Mahony, Kevin Miller

### Members Absent:

Roger Zlotoff

#### I. Welcome and Call to Order

Stuart Heaton, *Chair*, Investment Committee, called the meeting to order at 10:15 a.m., stating that the meeting was covered under the Florida Sunshine Law and the public and press were invited to attend. Roll call was performed, and quorum was confirmed.

#### II. Conflict of Interest Disclosure

No conflicts of interest were declared by committee members.

#### III. Minutes

Minutes from the December 7, 2023, Investment Committee meeting were unanimously approved as written.

#### IV. Action

Weston Lewis, *Senior Vice President*, and Todd Carabasi, *Vice President*, Callan LLC presented the following items:

##### A. **DISC-1: Investment Performance for Period Ended December 31, 2023**

The committee was asked to review the portfolio performance summaries consisting of current asset allocations, market overview, fund summaries, and key performance benchmarks by Callan. Lewis reviewed Callan's 2024 work plan, capital market projections for 2024, the fourth-quarter 2023 market environment, and the investment performance review for the period ended December 31, 2023.

The work plan's focus included helping clients navigate the fiduciary process of making, implementing, and monitoring investment plans. The next meeting will include a comprehensive asset allocation review with recommendations tailored to the UCF Foundation's needs.

In the fourth quarter of 2023, Lewis highlighted the overall success of capital markets, particularly in large-cap U.S. Equity. He noted specific performance trends, such as growth outperforming value in large-cap stocks while the opposite held true in small-cap stocks. U.S. fixed income also saw a strong recovery at the end of the year.

Regarding investment performance, Lewis reported the portfolio ended the calendar year at \$248 million, representing a \$15.5 million increase from the September 30, 2023, value, primarily driven by investment returns. Despite slightly lower returns compared to the peer group, the endowment demonstrated lower standard deviation over the last five years and outperformed the total fund policy benchmark in five of the last seven quarters.

Lewis discussed fixed income performance, highlighting contributions from bank loans, high yield, and emerging markets debt. He noted that hedge funds, constituting about 5% of the portfolio, had been a driver of performance over the last three years, albeit lagging the benchmark by about 1% in the last year.

**V. Discussion**

David Smith, *Senior Vice President*, Callan LLC presented the following items:

**A. DISC-1: Private Equity Markets**

Smith provided an overview on private equity fundraising. He noted a decline in fundraising since 2021 due to various factors, including a sell-off in public markets. The distribution of capital across different categories in private equity remained consistent with historical norms.

Smith discussed global company investment highlighting a significant decline in buyout investments in terms of both the number and dollar amount of transactions. He noted that deals are still being completed, with Alphaia being the largest deal in 2023 at \$13.6 billion.

**VI. Information**

The following informational items were provided to the committee. No questions or comments were offered by committee members.

- A. INFO – 1 Investment Committee Roster
- B. INFO – 2 Board Education & Engagement Program

**VII. New Business**

No new business was presented.

**VIII. Adjournment**

Chair Heaton adjourned the meeting at 11:50 a.m.

Approved by the Investment Committee on **May 30, 2024**.

Respectfully Submitted by:

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Stuart Heaton P'17, *Chair*, Investment Committee

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