



UNIVERSITY OF CENTRAL FLORIDA

Foundation, Inc.

UCF Foundation Board of Directors Investment Committee

Oct 26, 2023, at 9:00 AM EDT to 10:00 AM EDT
Hybrid Meeting

Members Present:

Carrie Daanen, *Committee Vice Chair*, Debbie Claydon, Jimmy Ferrell, Paul Gregg, Steve Hanson, John Mahony, Kevin Miller, Roger Zlotoff

Members Absent:

Stuart Heaton, *Committee Chair*, Barry Forbes

I. Welcome and Call to Order

Director Daanen, *Committee Vice Chair*, called the meeting to order at 9:00 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 May 23, 2023, Investment Committee meeting were unanimously approved as written.

IV. Discussion

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

A. **DISC-1 Investment Performance for Period Ended June 30, 2023**

The committee was asked to review the portfolio performance summaries consisting of asset allocation, market overview, fund summaries and key performance benchmarks implemented by Callan. Lewis provided his presentation on the report, covering the investment performance for endowed and non-endowed assets for the period ended June 30, 2023. It was noted that the Endowed Funds Investment Pool market value as of June 30, 2023, totaled \$238 million, reflecting a fiscal year return of 7.93% and a 10-year return of 6.91%. The endowment has outperformed the benchmark in all periods covering the past five years. It was noted that the non-endowment fund totaled \$114 million at the end of the quarter. Lewis mentioned that the private markets remained relatively flat for the fiscal year, noting that it was driven by the allocation of the type of private equity.

Advisor Gregg inquired about the liquidity and performance mentioned in the presentation

within private equity. Lewis explained they are venture capital heavy, causing extended exits and volatility.

Advisor Gregg also inquired about the UCF Foundation's non-endowed fund holdings and how it compares to other institutions. Joseph Mera '03, Director, Financial Planning & Analysis, UCF Advancement & Partnerships, shared that it is high, but difficult to compare to other institutions due to how others categorize operating funds.

Director Daanen inquired about whether there will be any marginal changes that need to be addressed. Lewis shared that there will be marginal changes over the next three to five years.

Director Miller inquired about whether there will be a change to the strategy to address the fast movement of interest rates. Lewis shared that Callan has not yet changed their strategy.

Kurt Wood, *Partner & Director of Client Services*, and Randy Renfrow, *Partner & Portfolio Manager*, DRZ Investment Advisors, presented the following item:

B. DISC-2: Guest Manager: DePrince, Race & Zollo Small Cap Value

Wood provided an investment management update from the small cap equity portfolio, focused on dividend yield. It was noted that the DRZ small cap value fund reflected a 6.59% return as of June 30, 2023. The small cap equity portfolio ended the fiscal year with \$7 million in value. Renfrow noted the use of high-quality companies in the investment portfolio.

Director Daanen inquired about potential variations in the evaluation of certain sectors. Renfrow shared that there are variations among sectors such as real estate, health care and others.

V. Information

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

- A. INFO – 1 Investment Committee Annual Plan
- B. INFO – 2 Investment Committee Roster
- C. INFO – 3 Board Education & Engagement Program
- D. INFO – 4 UCF Foundation Investment Deep Dive Minutes
- E. INFO – 5 Investment Committee Annual Charter Review
- F. INFO – 6 Florida Uniform Prudent Management of Institutional Funds Act
- G. INFO – 7 Operating Real Estate Update

VI. New Business

No new business was presented.

VII. Adjournment

Vice Chair Daanen adjourned the meeting at 10:00 a.m.

Approved by the Investment Committee on **December 7, 2023**.

Respectfully Submitted by:

Carrie

A handwritten signature in black ink, appearing to be 'Carrie Daanen', written in a cursive style.

Carrie Daanen
03/11/2024 11:36 EDT

Carrie Daanen '92, *Vice Chair*, Investment Committee

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