



Florida School for the Deaf & the Blind

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MEETING MINUTES

ENDOWMENT INVESTMENT COMMITTEE

October 27, 2023, at 9:15 a.m.

Moore Hall 215

Call to Order

Mr. Hadley called the meeting of the Endowment Investment Committee to order at 9:15 a.m.

Attendance

Committee Roll Call: Mr. Ralph “Terry” Hadley (Chairman), Mr. Matthew Kramer, Ms. June Ann LeFors, Dr. Tom Zavelson

BOT Present: Ms. Christine Chapman

BOT Absent: Mr. Owen McCaul

UBS: Mr. David Hanvey, Ms. Lacey Conner

FSDB: Ms. Tracie Snow (President), Ms. Julia Mintzer (Administrator of Business Services)

Mr. John Wester (Comptroller), Ms. Alison Crozier (Exec. Director, Budget Management)

Ms. Traci Anderson (Exec. Director, Advancement)

Ms. Kim Whitwam (Director of Purchasing), Jen Hiddleson (Assistant Director of Student Bank)

Mr. Addison Burns (Assistant Director of Construction, SaFO)

Ms. Denise Fernandez (Recording Secretary)

Approval of Meeting Minutes

The April 14, 2023, Endowment Investment Committee Meeting minutes were *approved on a motion by Dr. Zavelson; seconded by Ms. LeFors.*

Public Comment

None

New Business

UBS Update (Dave Hanvey and Lacey Conner)—The UBS team presented the endowment performance and fiduciary overview.

Performance: Ms. Conner provided the following overview of each endowment.

- *Endowment I*—During September, the endowment’s MTD value was down -\$565K with a rate of return of -2.59% vs. -3.44% BM and -4.77% S&P500; YTD +2.64% vs. +3.30% BM and 13.07% S&P500, and a rolling 12 of +10.06% vs. +8.43% BM and +21.62% S&P500.
- *Endowment II*— During September, endowment II’s MTD value was down -\$322.7K with a rate of return of -2.58% vs. -3.44% BM and -4.77% S&P500; YTD +2.90%, vs. +3.30% BM and +13.07 S&P500, and a rolling 12 of +10.36% vs. +8.43%BM and +21.62% S&P500.

Compared to the S&P, the YTD data warrants special attention because 70 percent of the return of the S&P 500 comprises seven stocks, called the *Magnificent Seven*. As a result, the absence of any of the seven stocks in an investment portfolio would cause it to lag behind the

S&P 500. Maintaining an average diversified portfolio with a 60/40 split minimizes risks while producing returns, even during periods of market volatility.

Fiduciary Overview:

Mr. Hanvey reminded the committee that UBS continues to align with FSDB's investment policy and maintains a disciplined approach to investment decisions. He shared his long-term financial goal analysis and summarized UBS's philosophy governing its practices:

- UBS aims to “mitigate downside risk,” not “manage for the highest returns.” Manage for the highest risk-adjusted rate of return.
- UBS oversees market complexities by utilizing “prudent” money managers.
- UBS adheres to the “uniform fiduciary standard” and serves its fiduciary duties by complying with established principles and an internal and external controls framework.
- UBS is transparent in its communication.
- UBS aligns with FSDB and its mission, values, and objectives.
- UBS is committed to protecting FSDB endowments.
- UBS values its continued relationship with FSDB and cuts its fees by passing on annual savings as the endowment grows.

While recognizing the market volatility over the past year, and the “headwinds” from rising interest rates and inflation, Mr. Hanvey emphasized the importance of staying focused and sticking to a process that ensures a steady growth of risk-adjusted returns.

Advancement Update (Traci Anderson)— Ms. Anderson announced new strategies she and her team are implementing to attract and engage donors:

- Enhanced e-Newsletter (*6 annually*)—will provide shorter, interactive content including, but not limited to polls, surveys, and videos.
- Integrative Marketing (*3 annually*)—a new initiative that will align three email campaigns with annual appeals to enhance fundraising effectiveness.
- Giving Tuesday (*1 annually*)—marks the first attempt to solicit donations via social media. Target date: November 28.
- Charitable Giving (*3 annually*)—social media posts will be aligned with the release of each e-newsletter including, but not limited to thank you messages, videos, and donor sentiments.
- QR Code—will be accessed via FSDB's website page.

Ms. Anderson and her team strive to leave a long-lasting impact on donors through donor cultivation and stewardship.

Unfinished Business—Mr. Hadley opened to discussion, a recommendation he introduced at the April 14, 2023 meeting. He asked the committee and BOT members present whether they would be interested in making a motion that would require investment management services to undergo a periodic competitive solicitation process. He emphasized that the recommendation was a matter of best practice and not a reflection of UBS's performance. The responses were: one in favor, one neutral, and two opposed.

Chairman's Comments—Mr. Hadley lauded the presenters and briefly reminded the committee and fellow BOT members that some donors require, as a condition to contribute to the Endowment, an

acknowledgment that each Board member donates to the school. Mr. Hadley appealed to each member to donate by December 31, 2023.

Next Meeting—April 12, 2024.

Adjournment

The meeting adjourned at 10:04 a.m. by Mr. Hadley.