



Florida School for the Deaf & the Blind

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MEETING MINUTES

ENDOWMENT INVESTMENT COMMITTEE

April 12, 2024 at 9:45 AM

Moore Hall 215

Call to Order

Mr. Hadley called the meeting of the Endowment Investment Committee to order at 9:45 a.m.

Attendance

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

Board of Trustees: Ms. Christine Chapman, Mr. Owen McCaul

UBS: Mr. David Hanvey, Ms. Lacey O’Conner

FSDB: Ms. Tracie Snow (President)

Ms. Julia Mintzer (Administrator of Business Services)

Mr. John Wester (Comptroller), Ms. Jen Hiddleston (Assistant Director of Student Bank)

Ms. Alison Crozier (Budgets & Grants)

Ms. Traci Anderson (Advancement)

Ms. Rena Hurley and Dr. Nick McClure (Interpreters)

Ms. Denise Fernandez (Recording Secretary)

Approval of Meeting Minutes

The October 27, 2023, Endowment Investment Committee Meeting minutes were *approved on a motion by Dr. Zavelson; seconded by Ms. LeFors.*

Public Comment

None

New Business

- **Endowment Funded Special Projects (Traci Anderson and Julia Mintzer)**—Ms. Mintzer presented 187 unrestricted private funding requests worth \$1,509,185.00 for the 2024-25 term. The amount represents an 8% increase from last year’s projects and a 17% increase from the previous year. These projects are split as follows: \$958K from Endowment 1; and \$551 from Endowment 2. Ms. Mintzer emphasized that this was the first time that the full value of the average 12 trailing quarters of Endowment 2 was realized. She credited Ms. Anderson’s and Ms. Hiddleston’s combined efforts and commitment. They created a comprehensive annual “training structure” that provides staff with practical education on the private funding request process and inspires them to create value-added projects. Additionally, in their review of 2024-25 projects, Ms. Mintzer highlighted that the Advancement team and Student Bank operated well below the

threshold of 2% despite a 15% rise in endowment funding and a 12% increase in the operational budget. No projects were denied.

- **UBS Update (Dave Hanvey & Lacey Conner)**— Ms. Conner began the meeting with a performance overview on Endowments I & II.

Endowment I—During March (MTD), withdrawals were equal to approximately \$269K. Increases in dividends, interest, and fund market performance equal to roughly \$400K bringing the portfolio’s closing value to \$21.2mm at a +1.91% rate of return for the month. Compared to the benchmark and indices, the endowment’s MTD performance was +1.91% vs. +2.21% BM, and +3.22% S&P500; YTD the endowment increased +4.24%, beating the benchmark of +4.12%.

Endowment II—During March (MTD), the endowment increased in dividends, interest, and change in value equal to approximately \$244K at a +2.02% rate of return, bringing the closing value to roughly \$12.4mm. There were no withdrawals.

As of April 11, endowments 1 and 2 closed at approximately \$20.9mm and \$12.1mm, respectively. Ms. Conner noted that the market “pulled back a little” and while both portfolios were down in the MTD figures, YTD amounts did outperform the benchmark and other indices at -1.75% BM, -1.01% S&P500, and -2.16% bond market. The S&P500 index also is projected to rise to 5200 and UBS predicts a flat year.

Market Outlook—Mr. Hanvey remains highly optimistic about both endowments’ futures. UBS keeps up with current market conditions and aligns with the investment policy. He emphasized that UBS’s disciplined approach strategy and model compare favorably to the 60/40 Bloomberg Moderate model. He highlighted that UBS also:

- Refrains from overreacting to a volatile market.
- Positions products to optimize risk-adjusted rate of returns.
- Tracks industry shifts, and researches new investment options.
- Examines historical performance data and forecasts very accurate projections compared to the Financial Goals Analysis report discussed during prior investment committee meetings.

Mr. Hanvey recommends that FSDB take advantage of higher rates currently offered in fixed-income opportunities before the Fed starts cutting rate. He also suggests a “rebalancing and trimming” of current allocations. However, he anticipates volatility to pick up and strongly encourages not to overthink and outguess the stock and bond markets and the “work that has been done” to build the endowment to the current levels.

- **Next Meeting**--October 25, 2024

Action Items for Consideration

1. Approval is requested for the proposed Endowment Project Budget for 2024-2025. All projects are within the budgetary guidelines established by the Board of Trustees.

Discussion: Ms. Mintzer also lauded the Advancement team for their fundraising efforts which

will support many extracurricular programs. The approved budget will comprise 61% of non-restricted projects funded by the endowment and 39% funded by restricted donors. Mr. Hadley took the opportunity to remind each board member to remit his/her annual contribution. *Dr. Zavelson moved to approve; Ms. LeFors seconded the motion.*

2. Approval is requested to continue the UBS Client Services Agreement for the 2024-2025 fiscal year. *Mr. Kramer moved to approve; Dr. Zavelson seconded the motion.*
3. Approval is requested to continue the Truist Banking Services Agreement for the 2024-2025 fiscal year.

Discussion: Mr. Wester reported that while Truist is refining its processes, there are still challenges being faced particularly with regards to the bank's credit card services. Mr. Hadley called for a six-month review. As a result, motions were taken on the following modified action item:

Approval is requested to continue the Truist Banking Services Agreement through October 2024. *Dr. Zavelson moved to approve; Ms. LeFors seconded the motion.*

Adjournment

The meeting adjourned at 10:24 a.m. by Mr. Hadley.