

**STATE UNIVERSITY SYSTEM OF FLORIDA  
FLORIDA BOARD OF GOVERNORS**  
November 4, 2021

**SUBJECT:** Agnes Peebles Memorial Scholarship Trust

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**PROPOSED BOARD ACTION**

Designate the Board of Governors Foundation, Inc. to serve as the custodian of the trust assets and administer the scholarship funds, approve an Investment Advisor, and Investment Policy Statement.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Article IX, Section 7, Florida Constitution

**BACKGROUND INFORMATION**

In March 2021, the Board agreed to seek judicial modification of the Agnes Peebles Memorial Scholarship Trust. The trust restricted the ability of the trustee to sell and reinvest the securities that form the corpus (approximately \$4 M). In order to maximize the funds available for the scholarships, the Indian River School District requested the Board of Governors seek a judicial modification of the trust to remove the restriction on the ability to sell and reinvest the proceeds to provide greater flexibility to an investment advisor to diversify the portfolio.

The Court has approved the judicial modification. To assist with the appropriate administration and management of the trust assets, staff recommends the Board of Governors Foundation be designated to serve as the custodian. In addition, staff recommends that CAPTRUST be the investment advisor for this scholarship program. CAPTRUST has been the Foundation's advisor for the Helios scholarship program since 2015. During this time the \$5 million Helios Endowment has averaged 8.25% and is currently valued at \$6.7 million. The Foundation has been able to distribute \$1.1 million in scholarship funds over the last five years.

Attached is CAPTRUST's proposal for the management of the Peebles Scholarship program. Their fee structure can be found on page 22 and consists of a .50% consulting fee, along a custody and managers blend fee of \$1,600. The estimated cost based on the corpus of \$4 million is \$21,200. Also attached is an Investment Policy Statement for the Peebles scholarship program.

Staff have shared the recommendation with representatives of the Indian River School District.

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**Supporting Documentation Included:** 1. CAPTRUST Proposal  
2. Peebles Investment Policy Statement

**Facilitators/Presenters:** Tim Jones