

**STATE UNIVERSITY SYSTEM OF FLORIDA
FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.**

November 4, 2021

SUBJECT: Amended Investment Policy Statement

PROPOSED FOUNDATION ACTION

Approve the amended Investment Policy Statement from four percent disbursement to six percent

AUTHORITY FOR BOARD OF GOVERNORS FOUNDATION, INC. ACTION

Florida Board of Governors Foundation, Inc. By-laws

BACKGROUND INFORMATION

In June 2014, the Board approved an Investment Policy Statement (IPS) to govern the investment management of the five million donated by the Helios Foundation. CapTrust is the Financial Advisor and Charles Schwab is the fund's Investment Manager.

Under the CapTrust's leadership, the five million endowment has averaged 8.25% annual growth over the last five years. The endowment has a balance of approximately \$6.8 million.

The IPS spending policy calculates the annual distribution based on four percent of the average market value of the previous three years' year-end evaluations (page 6 of the IPS). During discussions with representatives of the Helios Foundation, they expressed a desire to distribute more scholarship funds to students. In consultation with CapTrust, and concurred by Helios representatives, they agreed that changing the distribution to six percent would allow for an approximate annual disbursement of approximately \$400,000, up from the current disbursement of approximately \$235,000.

Supporting Documentation Included: 1. Amended Investment Policy Statement
2. Second Quarter Review

Facilitators/Presenters: Tim Jones