



UCF Board of Trustees

Budget and Finance Committee

December 5, 2024

Agenda Item

INFO-2: University Investment Report – 1st Quarter, Ended September 30, 2024

Proposed Action

This item is being presented for information purposes only.

Authority for Board of Trustees Action

Florida Statutes, Sections 1011.42(5) and 218.415

UCF Regulation UCF-4.014 Investments

UCF Investment Policy Manual

Supporting Documentation Included

Attachment A: University Investment Report – 1st Quarter, Ended September 30, 2024

Facilitators/Presenters

Gerald Hector, Senior Vice President for Administration and Finance and Chief Financial Officer

Bert Francis, Assistant Vice President for Debt Management and University Treasurer

Summary of Key Observations/Recommendations

This quarter includes the following highlights and notable changes:

- The University Structured Investment Portfolio (SIP) generated favorable returns of 2.66% for the quarter ended September 30, 2024.
- Pool I, primarily comprised of US Treasury securities, continued to deliver consistent results. These holdings yielded a consistent quarterly return of 1.31% and contributed over \$5.1 million in net interest income.
- Pool III and Pool IV generated the highest levels of return for the quarter with total returns of 3.77% and 5.39% respectively. Both pools were driven by unrealized gains on the equity portfolio with domestic equities increasing by 5.88% and international equities increasing by 5.41%.
- As of September 30, 2024, the University has liquidated the State of Florida Special Purpose Investment Account (SPIA) fund down to a minimum balance of \$2.3 million and has reinvested these funds into Pool I. The balance in Pool I as of September 30, 2024, is \$429.7 million.
- This item is provided to the Trustees quarterly for information purposes only.

Additional Background

The attached report provides an update on the university's investment portfolio for the quarter ending September 30, 2024 (Attachment A).

As of September 30, 2024, the university had the following cash and investment balances:

Bank of America operating account	\$ 1,193,382
State of Florida Special Purpose Investment Account (SPIA)	2,318,373
Bank of New York Structured Investment Portfolio	<u>815,281,918</u>
Total Cash and Investments	\$ 818,793,673

The structured investment portfolio achieved quarterly gains net of fees totaling \$20,248,689, which includes \$12,667,211 in market appreciation and \$7,809,097 in interest and dividend income.

Implementation Plan

N/A

Resource Considerations

N/A