

MINUTES
MCKNIGHT BRAIN RESEARCH FOUNDATION
BOARD OF TRUSTEES MEETING
August 13, 2014

The Trustee's meeting of the McKnight Brain Research Foundation (MBRF) was called to order at 12:30 p.m. on August 13, 2014 in Bethesda, Maryland in the Board Room B of the Hyatt Regency Bethesda, Maryland.

The following members were present:

Dr. J. Lee Dockery, Trustee
Dr. Michael Dockery, Trustee
Dr. Nina Ellenbogen Raim, Trustee (via conference call)
Dr. Gene G. Ryerson, Trustee
Dr. Robert Wah, Trustee
Ms. Melanie Cianciotto, Corporate Trustee
SunTrust Bank Institutional Investment Solutions

Others attending:

Mr. Henry H. Raattama, Jr., Legal Counsel
Mr. Michael Hill, Managing Director, SunTrust Institutional Investment Solutions (via conference call)

1. Investment Review

Mr. Hill presented the investment review and commented on key economic and investment factors for the fourth quarter (Attachment 1).

A. Market Environment

- Equity markets tacked on additional gains in June aided by improving economic trends as well as newly announced stimulus measures from the European Central Bank and dovish comments from U.S. Federal Board Chair Janet Yellen. Emerging markets, bolstered by strong returns in Brazil, India and Russia outperformed, while U.S. stocks set another record high.
- Interest rates rose modestly across the yield curve in June with all U.S. Treasuries from 6-months to 30-years showing a slight increase. Year to date, the Barclays 10-year Treasury Bellwethers Index has returned 6.1%, while the Barclays Aggregate Bond Index rose 3.9%.
- The Hedge Fund Research Inc., (HFRI) Fund Weighted Composite Index underperformed stocks but outpaced core bond returns both during June and the quarter.

Action Item 1: The trustees received the investment review for information (Attachment 1).

2. Efficient Frontier Analysis

Mr. Hill presented the Efficient Frontier Analysis. Mr. Hill explained to the trustees the capital market assumptions for various bond and stock indexes, as well as non-traditional asset classes and discussed how the estimated investment return is factored into the proposed allocation. The proposed allocation incorporates the changes from the Efficient Frontier Analysis. Within the equity asset class, the changes are extremely small. There is some tweaking within the sub asset classes of the broad class of equities and the addition of International small cap equity. There are no changes within the fixed income class and a slight increase in private equity.

The MBRF proposed asset allocation mix would yield an expected return of 6.98%. Mr. Hill noted that inflation as measured by the Biomedical Research and Development Price Index (BRDPI) has been revised to 2.2 % for the twelve months ending September 30, 2015.

After review and discussion, a motion was made to accept the McKnight proposed mix as presented in the asset allocation study with a targeted return of 6.98%. The motion passed unanimously. The corporate trustee in consultation with Mr. Hill and legal counsel recommended that Appendix A and B of the Investment Policy Statement be revised to be compatible with the recommendations and the current 2.2% inflation rate. The motion passed unanimously. A third motion was made to approve the amendments to the Investment Policy Statement with an effective date of August 13, 2014. The motion passed unanimously.

Action Item 2: The trustees approved the Efficient Frontier Asset Allocation Analysis with the mix of asset classes to produce an anticipated yield of 6.98%.

Action Item 3: The corporate trustee in consultation with Mr. Hill and legal counsel recommended that Appendix A and B of the Investment Policy Statement be revised to be compatible with the recommendations and the current 2.2% inflation rate.

Action Item 4: The trustees approved the amendments to the Investment Policy Statement with an effective date of August 13, 2014.

3. Approval of Minutes

The minutes of the April 23, 2014 meeting of the McKnight Brain Research Foundation were reviewed. The minutes were approved as presented (Attachment 2).

Action Item 5: The trustees approved the minutes of the April 23, 2014 meeting as presented (Attachment 2).

4. Minimum Distribution Calculation

The trustees reviewed the projected minimum distribution calculation for information (Attachment 3).

Action Item 6: The trustees reviewed the projected minimum distribution calculation for information (Attachment 3).

5. Eighth Inter-Institutional Meeting Proposed Budget

The trustees reviewed the proposed budget submitted by the University of Miami for the Eighth Inter-Institutional Meeting (Attachment 4). After review and discussion, the trustees approved the budget not to exceed \$100,000.

Action Item 7: The trustees approved the proposed budget for the Eighth Inter-Institutional Meeting (Attachment 4) not to exceed \$100,000.

6. Travel Award Program Update

The trustees discussed the proposal to establish an Inter-Institutional Neuroimaging Core between the four McKnight Brain Institutes (Attachment 5). After discussion, the trustees approved a block grant for the requested amount of \$931,760 to be spread over three years commencing January 1, 2015 and concluding December 31, 2017. An Inter-Institutional Neuroimaging and Brain Aging Registry Account will be established. The senior scientists will be required to notify the corporate trustee of the MBRF who among them has the authority to receive funds to be disbursed from the Inter-Institutional Neuroimaging and Brain Aging Registry Account. The MBRF will require periodic progress reports at least annually regarding the status of the Inter-Institutional Neuroimaging Core and Brain Aging Registry.

Action Item 8: The trustees approved a block grant in support of the establishment of an Inter-Institutional Neuroimaging Core and Brain Aging Registry in the requested amount of \$931,760 for three years with defined reporting and monitoring requirements.

7. University of Miami Gift Agreement Update

The gift agreement has been finalized and signed by all of the appropriate parties at the University of Miami. Once the trustees have signed the agreements, Ms. Cianciotto will forward a completely executed copy to the University of Miami for their files. The first payment of \$1,000,000 will be made on September 30, 2014.

Action Item 9: The trustees will execute the gift agreement and Ms. Cianciotto will forward a completely executed copy to the University of Miami for their files.

8. Upcoming Dates & Events

A. October 2014 Board of Trustees Meeting

The trustees have agreed to hold the October 2014 meeting of the MBRF in Miami. The trustees will arrive the evening of October 13, 2014. The trustees will meet October 14, 2014 from 8:00 a.m. to 5:00 p.m. and have dinner at the Coral Reef Yacht Club. The trustees will visit the University of Miami on October 15, 2014 for a scientific program surrounding the installation ceremonies for the occupant of the endowed chair, pending approval of the Gift Agreement.

B. Society for Neuroscience (SfN) 2014 McKnight Poster Session

The poster/reception is an MBRF sponsored and hosted event for graduate students and faculty who will be attending the annual meeting of the SFN from each of the four institutions to which the MBRF provides funding. The reception will feature scientific poster displays from each of the four McKnight Brain Institutes. The trustees are invited to attend the event, which will be held on Sunday, November 16, 2014 at a SfN assigned hotel in Washington, DC. Dr. Gene Ryerson will be attending the reception on behalf of the MBRF Trustees.

9. New Business

Dr. Lee Dockery shared an email proposal he received from Julie Wolf-Rodda, Director of Development, Foundation for the National Institutes of Health (FNIH). The FNIH is interested in funding a second application through the Research Partnership in Cognitive Aging which would require additional funding. The FNIH invites the MBRF to consider an additional commitment of \$1,000,000 per year for five years predicated upon the ability of the National Institute on Aging (NIA) to secure matching funds in the amount of \$1.8 million per year for five years. After a lengthy discussion, the trustees declined to make the additional tentative commitment for funding a second application.

Action Item 10: The trustees declined to make an additional commitment of \$5,000,000 to the FNIH to support the tentative funding of a second application.

10. Old Business

Dr. Lee Dockery provided the trustees with an update on the University of Florida McKnight Brain Institute. Recruitment continues for the open physician scientists positions within the Cognitive Aging and Memory Clinical Translational Program (CAM-CTRP).

There being no further business, the meeting adjourned at 3:45 p.m.

Summary of Action Items:

Action Item 1: The trustees received the investment review for information (Attachment 1).

Action Item 2: The trustees approved the Efficient Frontier Asset Allocation Analysis with the mix of asset classes to produce an anticipated yield of 6.98%.

Action Item 3: The corporate trustee in consultation with Mr. Hill and legal counsel recommended that Appendix A and B of the Investment Policy Statement be revised to be compatible with the recommendations and the current 2.2% inflation rate.

Action Item 4: The trustees approved the amendments to the Investment Policy Statement with an effective date of August 13, 2014.

Action Item 5: The trustees approved the minutes of the April 23, 2014 meeting as presented (Attachment 2).

Action Item 6: The trustees reviewed the projected minimum distribution calculation for information (Attachment 3).

Action Item 7: The trustees approved the proposed budget for the Eighth Inter-Institutional Meeting (Attachment 4) not to exceed \$100,000.

Action Item 8: The trustees approved a block grant in support of the establishment of an Inter-Institutional Neuroimaging Core and Brain Aging Registry in the requested amount of \$931,760 for three years with defined reporting and monitoring requirements.

Action Item 9: The trustees will execute the gift agreement and Ms. Cianciotto will forward a completely executed copy to the University of Miami for their files.

Action Item 10: The trustees declined to make an additional commitment of \$5,000,000 to the FNIH to support the tentative funding of a second application.

Respectfully Submitted,



Melanie A. Cianciotto
SunTrust Bank, Corporate Trustee

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent data collection procedures and the use of advanced analytical techniques to derive meaningful insights from the data.

3. The third part of the document focuses on the implementation of data-driven strategies. It provides a detailed overview of how the organization plans to leverage the insights gained from the data to optimize its performance and achieve its strategic goals.

4. The fourth part of the document discusses the challenges and risks associated with data management and analysis. It identifies key areas of concern, such as data security, privacy, and the potential for bias or misinterpretation of the data.

5. The fifth part of the document provides a summary of the key findings and recommendations. It reiterates the importance of a data-driven approach and offers practical suggestions for how the organization can best implement these strategies.

6. The sixth part of the document includes a detailed appendix of data and supporting information. This section provides a comprehensive overview of the data sources, collection methods, and the results of the analysis.

7. The seventh part of the document contains a list of references and sources used in the research. This section provides a clear and concise overview of the literature and data sources that informed the analysis.

8. The eighth part of the document includes a glossary of key terms and definitions. This section provides a clear and concise overview of the terminology used throughout the document, ensuring that all readers have a common understanding of the key concepts.