

MINUTES
MCKNIGHT BRAIN RESEARCH FOUNDATION
BOARD OF TRUSTEES MEETING
April 29, 2015

The Trustee's meeting of the McKnight Brain Research Foundation (MBRF) was called to order at 12:20 p.m. in Miami, Florida in the Azalea Room of the Hyatt Regency Miami located at 400 S. E. Second Avenue.

The following members were present:

Dr. J. Lee Dockery, Trustee
Dr. Michael Dockery, Trustee
Dr. Nina Ellenbogen Raim, Trustee
Dr. Gene G. Ryerson, Trustee
Ms. Melanie Cianciotto, Corporate Trustee

SunTrust Bank Institutional Investment Solutions

Others attending:

Mr. Henry H. Raattama, Jr., Legal Counsel
Mr. Mike Hill, SunTrust Bank Institutional Investment Solutions (via conference call)
Mr. Dan Ledbetter, Lighthouse Funds (via conference call)

1. Approval of Minutes

The minutes of the February 19, 2015 Board of Trustees Meeting were reviewed and approved as amended. The minutes of the April 6, 2015 Trustees Conference call were reviewed and approved as presented (Attachment 1).

The trustees reviewed the responses to the requests for additional information from the University of Miami (UM) and the University of Alabama at Birmingham (UAB) (Attachment 2). The trustees expressed concerns regarding the response from the UAB suggesting a restructuring of the recruitment guideline to fill the two vacant chairs in the department of psychiatry. The trustees perceived the proposal would de-emphasize the clinical translational research components of the qualifications of individuals to fill these two important vacant positions. Dr. Lee Dockery will develop the narrative for the letter to UAB and expressing the concerns of the trustees and a letter to be sent acknowledging the response from UM.

Action Item 1: The trustees approved the minutes of the February 19, 2015 Board of Trustees meeting as presented and approved the minutes of the April 6, 2015 Trustees conference call as presented (Attachment 1).

Action Item 2: The trustees reviewed the responses to the requests for additional information from the University of Miami (UM) and the University of Alabama at Birmingham (UAB) (Attachment 2).

Action Item 3: Dr. Lee Dockery will develop the narrative for the letter to UAB expressing the concerns of the trustees and a letter to be sent acknowledging the response from UM.

2. Investment Review

Mr. Hill presented the investment review and commented on key economic and investment factors for the first quarter (Attachment 3).

A. Market Environment

- The Federal Reserve's perceived hesitation, along with reduced growth and rate outlooks seemed to confuse markets. The S&P 500 Index was up .95%. Domestic equity returns were led by the growth style while small cap stocks outperformed large cap stocks for the quarter.
- The commodities slump continued in March with the Bloomberg Commodity Index dropping 5.9% for the quarter. The S&P 500 traded in a broad range with over 30% of the trading days have seen up or down moves of at least 1%. The 10 year U.S. Treasury yield fell to 1.92% by the end of March. The Barclay's Aggregate Bond Index gained 1.6% for the quarter.
- SunTrust investment managers still favor U.S. equities and believe opportunities exist in the international equity space. A core position in high quality bonds with a focus on investment grade corporates, mortgage backed securities and treasuries is still recommended. In alternative allocations there continues to be advantages for hedged equity managers as stock correlations decline and market volatility increases allowing those strategies to capitalize.

B. Lighthouse Update

Mr. Ledbetter provided the trustees an update on the Lighthouse funds currently held in the MBRF portfolio. The returns in the Lighthouse Diversified Fund were driven primarily by the equity strategies. The Lighthouse Long/Short Fund had good returns due to Europe and Asia. The Lighthouse Credit Opportunities Fund struggled in the first quarter of 2015 as there continues to be a significant amount of liquidation. An interest rate spike should not hurt this portfolio.

Action Item 4: The trustees received the investment review for information (Attachment 3).

3. IOM Study Report

Molly V. Wagster, Ph. D., Chief, Behavioral & Systems Neuroscience Branch Division of Neuroscience, National Institute on Aging (NIA), joined the trustees to discuss the IOM Study

Report (Attachment 4). Dr. Wagster, representing the NIA as one of the co-sponsors of the Study, has expressed an interest in taking a leadership role in working with all the study sponsors on ways to disseminate the report.

Action Item 5: The trustees expressed strong support for the NIA, under the leadership of Dr. Wagster, to assume the role of managing the future activities of the co-sponsors in disseminating and implementation of the IOM Study report on cognitive aging.

4. Minimum Distribution Calculation

The trustees reviewed the projected minimum distribution calculation for information (Attachment 5).

Action Item 6: The trustees reviewed, for information, the projected minimum distribution calculation (Attachment 5).

5. Travel Award Program

The trustees reviewed the travel award program payments for information (Attachment 6).

Action Item 7: The trustees reviewed the travel award program payments for information (Attachment 6).

6. Compensation Review

Ms. Cianciotto presented updated compensation information compiled from information obtained from Exponent Philanthropy (Attachment 7). The trustees discussed their current level of compensation. The nature of the work continues to emphasize the research grant support relative to the programs funded to date in fulfilling the mission of the MBRF. The scientific research being funded by the MBRF is producing more research outcomes, which the trustees must review and monitor without any reduction in the time devoted to management of the investments. The review of currently funded research projects, requests for new grant support, on site visits by the trustees and review of scientific reports for each of the MBRF funded programs are very important functions of the trustees and require continual monitoring. In order to fulfill the purpose and the mission of the MBRF, the trustees must continuously educate themselves as to the current status and future direction of the research initiatives in learning and memory loss in the aging. The trustees continue to expand and develop research partnerships to encourage increased interest and support of research in learning and memory in the aging.

The trustees discussed the number of hours each spends on Foundation business and confirmed that each spend, on average, a minimum of 4 to 8 hours per week on Foundation matters. The trustees agreed that the \$200 per hour benchmark for trustee compensation initially agreed to in 2000 is, low by today's standards. However, the current hourly rate of \$200 is definitely within the range of the hourly charge that the MBRF would incur if it retained

persons, either as staff or independent contractors, with the necessary scientific knowledge and experience to provide the services to the MBRF provided by the trustees. Based on the amount of time devoted to the MBRF business and comparable charges for that type of scientific work and other duties and responsibilities, the trustees approved annual compensation of \$40,000 per trustee is reasonable and appropriate.

The trustees also approved the continued reimbursement of any out of pocket documented expenses, and travel costs, associated with MBRF business.

Action Item 8: The trustees received the updated Annual Compensation Survey for information and unanimously approved the current level of compensation at \$40,000 annually and the continued reimbursement of any out of pocket documented expenses incurred with MBRF business (Attachment 7).

7. Upcoming Dates & Events

A. HHS Conference on Healthy Aging

The trustees have been invited to attend the HHS Conference on Healthy Aging to be held July 27 – 28, 2015 in Chicago, IL. The trustees have agreed that the MBRF will have representation at the conference if the abstracts relating to the IOM Study on “The Public Health Dimensions of Aging” have been accepted. The acceptance of the abstracts will be announced on April 6th and the deadline to register for the HHS Conference on Healthy Aging is May 31, 2015.

B. August 2015 Trustees Meeting

The trustees have agreed to hold the August 2015 meeting of the MBRF in Orlando. The trustees will arrive the evening of August 11, 2015. The trustees meeting will be held August 12, 2015 beginning at 8:00 a.m. with breakfast in order to facilitate adjourning at 3:00 p.m. No social activities will be planned the evening of the arrival.

C. Society for Neuroscience (SfN) 2015 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. For the first time, the posters will be judged and cash awards will be made to the 1st, 2nd and 3rd place winners. The trustees are invited to attend the event, which will be held on Sunday, October 18, 2015 at a SfN assigned hotel in Chicago, IL.

D. October 2015 Trustees Meeting

The trustees have agreed to hold the October 2015 meeting of the MBRF in conjunction with a site visit to the McKnight Brain Institute at the University of Alabama at Birmingham. The trustees will arrive the morning of October 27, 2015. The trustees meeting will begin at noon

and will be followed by a social function. The scientific program/site visit will be held October 28, 2015 beginning at 8:00 a.m. and concluding at noon.

9. New Trustee

Dr. Lee Dockery provided the trustees with Dr. Madhav Thambisetty's CV (Attachment 8). Dr. Dockery asked for official consideration of the nomination and that Dr. Thambisetty be interviewed at the August 12, 2015 Trustee's meeting in Orlando for one of the vacant trustee positions. After discussion, the trustees approved that an invitation be extended to Dr. Thambisetty to be interviewed at the August 12, 2015 trustees' meeting in Orlando.

Action Item 9: Dr. Dockery will invite Dr. Thambisetty to attend the August 12, 2015 Trustee's meeting for an interview by all of the MBRF trustees for one of the vacant trustees positions.

10. Trustee Renewal

The trustees held an executive session to discuss the renewal of the appointment of Dr. Gene Ryerson as a trustee for three more years. After discussion, the trustees unanimously agreed to renew Dr. Gene Ryerson's appointment as a trustee for another three years.

Action Item 10: The trustees unanimously approved the renewal of Dr. Gene Ryerson as an MBRF Trustee for another three year.

11. Dr. Cohen Professorship

The trustees have reviewed the contributions of Dr. Ronald Cohen to the CAM-CTRP and would like to recognize his achievements by establishing an Endowed Chair in Translational Research in Cognitive Aging and Memory. Dr. Lee Dockery will approach the appropriate individuals at UF to create the discuss creating an Endowed Chair in Cognitive Aging in Memory for Dr. Ronald Cohen out of existing MBRF funds.

Action Item 11: Dr. Lee Dockery will approach the appropriate individuals at UF to discuss creating an Endowed Chair in Translational Research in Cognitive Aging in Memory for Dr. Ronald Cohen out of existing MBRF funds.

12. 2016 Inter-Institutional Meeting

The 2016 Inter-Institutional Meeting will be hosted by the University of Arizona. Dr. Carol Barnes has provided the dates of April 13 – 15, 2016 and April 27 -29, 2016 to the Trustees and members of the Leadership Council for consideration. The trustees prefer the dates of April 27 – 29, 2016. A decision regarding the dates will be deferred until the Leadership Council meeting on May 1st.

Action Item 12: A decision regarding the dates of the 2016 Inter-Institutional Meeting was deferred until the discussion at the May 1, 2015 leadership council meeting.

Summary of Action Items:

Action Item 1: The trustees approved the minutes of the February 19, 2015 Board of Trustees meeting as presented and approved the minutes of the April 6, 2015 Trustees conference call as presented (Attachment 1).

Action Item 2: The trustees reviewed the responses to the requests for additional information from the University of Miami (UM) and the University of Alabama at Birmingham (UAB) (Attachment 2).

Action Item 3: Dr. Lee Dockery will develop the narrative for the letter to UAB expressing the concerns of the trustees and a letter to be sent acknowledging the response from UM.

Action Item 4: The trustees received the investment review for information (Attachment 3).

Action Item 5: The trustees expressed strong support for the NIA, under the leadership of Dr. Wagster, to assume the role of managing the future activities of the co-sponsors in disseminating and implementation of the IOM Study report on cognitive aging.

Action Item 6: The trustees reviewed, for information, the projected minimum distribution calculation (Attachment 5).

Action Item 7: The trustees reviewed the travel award program payments for information (Attachment 6).

Action Item 8: The trustees received the updated Annual Compensation Survey for information and unanimously approved the current level of compensation at \$40,000 annually and the continued reimbursement of any out of pocket documented expenses incurred with MBRF business (Attachment 7).

Action Item 9: Dr. Dockery will invite Dr. Thambisetty to attend the August 12, 2015 Trustee's meeting for an interview by all of the MBRF trustees for one of the vacant trustees positions.


Action Item 10: The trustees unanimously approved the renewal of Dr. Gene Ryerson as an MBRF Trustee for another three year.

Action Item 11: Dr. Lee Dockery will approach the appropriate individuals at UF to discuss creating an Endowed Chair in Translational Research in Cognitive Aging in Memory for Dr. Ronald Cohen out of existing MBRF funds.

Action Item 12: A decision regarding the dates of the 2016 Inter-Institutional Meeting was deferred until the discussion at the May 1, 2015 leadership council meeting.

There being no further business, the meeting adjourned at 3:40 p.m.

Respectfully Submitted,



Melanie A. Cianciotto
SunTrust Bank, Corporate Trustee