

MINUTES
MCKNIGHT BRAIN RESEARCH FOUNDATION
BOARD OF TRUSTEES MEETING
CONFERENCE CALL via Skype
July 22, 2020

The Trustees' meeting of the McKnight Brain Research Foundation (MBRF) was called to order at 9:20 a.m. on July 22, 2020.

The following members were present:

Dr. Michael Dockery, Chair
Dr. Madhav Thambisetty, Vice Chair
Dr. J. Lee Dockery, Chair Emeritus
Dr. Richard Isaacson, Trustee
Dr. Susan Pekarske, Trustee
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. Mike Hill, SunTrust Bank Institutional Investment Solutions
Ms. Amy Porter, Executive Director
Ms. Valerie Patmintra, Senior Communications Advisor

1. Investment Review

Mr. Hill presented the investment review and commented on key economic and investment factors through June 30, 2020 (Attachment 1).

A. Market Environment

- There has been unprecedented volatility year to date as well as unprecedented stimulus measures from the Federal Reserve and other Central Banks resulting in one of the most rapid Bear market recoveries in history.
- We anticipate a shorter but deeper than average recession. It will likely take until early 2022 to regain the ground lost.

B. Portfolio Review

Asset Allocation: The asset classes of the investments within the portfolio of the MBRF remain within the guidelines established by the trustees in the Investment Policy Statement of the Foundation.

Portfolio Performance: For the one-year period ending June 30, 2020, the total return for the portfolio was up 5.98% versus 3.05% for the Investment Policy Statement Index.

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

2. Efficient Frontier Analysis, Asset Allocation and Investment Policy

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, there is some adjustment within the sub asset classes of the broad class of equities. The MBRF proposed asset allocation mix would yield an expected return of 6.43%.

After review and discussion, a motion was made to accept the recommended proposed mix of asset classes for the investment portfolio of the MBRF as presented in the asset allocation study with a targeted return of 6.43%. The motion passed unanimously. Mr. Hill provided the trustees with the recommended revisions to Appendix A and Appendix B of the Investment Policy Statement. These revisions are compatible with the newly approved asset allocation mix recommendations, and also update the inflation figure obtained through the Biomedical Research and Development Price Index with an effective date of July 22, 2020. The motion passed unanimously.

Action Item 2: The trustees approved the Efficient Frontier Asset Allocation Analysis with the mix of asset classes for the investment portfolio of the MBRF to produce an anticipated yield of 6.43%.

Action Item 3: The trustees approved the revised Appendix A and Appendix B of the Investment Policy Statement as presented by Mr. Hill, compatible with the newly approved asset allocation mix, with an effective date of July 22, 2020.

3. Approval of Minutes

The minutes of the April 1, 2020, Board of Trustees Conference Call Meeting of the McKnight Brain Research Foundation were reviewed and amended as follows (Attachment 2):

Under 3. Chair's Report, the first sentence of the second paragraph was amended to read "Dr. Dockery provided an update on the Leadership Council and his conversation with the current Chair, Dr. Sacco."

In the same section, the third sentence of the third paragraph was amended to read "Mr. Raattama informed the trustees that the proposed restructuring by the University changes the structure of the current Memorandum of Understanding (MOU)..."

Under 5. Executive Director's Report, 2020 was added to the last sentence in the first paragraph to read "Christian Aguedlo, MD, was chosen and will begin in July 2020."

Action Item 4: The trustees approved the minutes of the April 1, 2020, Board with the following amendments: Under 3. Chair's Report, the first sentence of the second paragraph was amended to read "Dr. Dockery provided an update on the Leadership Council and his conversation with the current Chair, Dr. Sacco."

In the same section, the third sentence of the third paragraph was amended to read "Mr. Raattama informed the trustees that the proposed restructuring by the University changes the structure of the current Memorandum of Understanding (MOU)..."

Under 5. Executive Director's Report, 2020 was added to the last sentence in the first paragraph to read "Christian Aguedlo, MD, was chosen and will begin in July 2020."

4. Chair's Report

Dr. Mike Dockery provided an overview of the day's meeting which is being held virtually rather than in person.

Dr. Mike Dockery provided an update on the University of Florida MBI. An Amended and Restated MOU (Attachment 3) was sent to Dr. Todd Golde in early June. Dr. Dockery followed up with Dr. Golde last week and was informed that the document has been sent to their Legal Department for review. At the request of the Chair, Mr. Raattama has been in contact with Susan Goffman, the Executive Director of Legal Services with the UF Foundation, but at the time of this Board meeting no updates have been provided by the University of Florida.

Dr. Lee Dockery provided an update on the UF website (Attachment 4). Ms. Porter and Ms. Patmintra recommended changes to the website to Dr. Jennifer Bizon. Dr. Bizon has been easy to work with, receptive and grateful for the suggestions. Some, but not all, of the recommended changes were made to the website.

Dr. Mike Dockery discussed future presentations of the Asset Allocation and Efficient Frontier Analysis with the trustees. The 2020 Asset Allocation and Efficient Frontier Analysis was presented during the July 6, 2020, Finance Committee Meeting. The committee members questioned whether or not this material should also be reviewed by the entire Board. After discussion, it was decided that the Asset Allocation and Efficient Frontier Analysis be presented to both the Finance Committee and the entire Board of the MBRF on an annual basis.

5. Executive Director's Report

Ms. Porter provided the trustees with an update on her activities. Since the last meeting, Ms. Porter completed the Goals and Timeline for Performance Evaluation document (Attachment 5) which she shared with the trustees. After discussion, it was agreed that the document will evolve as the trustees become more comfortable with its use and implementation. The document was approved as presented for use in evaluating Ms. Porter's performance for the current year.

Action Item 5: The Goals and Timeline for Performance Evaluation document was approved as presented for use in evaluating Ms. Porter's performance for the current year.

Ms. Porter shared the revised Annual Report Template and Financial Report Template with the trustees (Attachment 6). The Annual Report Template was approved as amended and the Financial Report Template will be a suggested format for the Institutes to follow.

Action Item 6: The Annual Report Template was approved as amended and the Financial Report Template will be a suggested format for the Institutes to follow.

Ms. Porter informed the trustees that the Reserve & Resilience Workshops will now be held as a virtual meeting on September 14 – 15, 2020. The MBRF supported the workshop last year for \$30,000 with these monies going to provide food and other support. The MBRF has again previously voted to support the event this year. With this year being a virtual meeting, the MBRF's support of \$30,000 will be used to fund pilot proposals to develop experimental approaches towards operationalizing and testing the proposed definitions for brain maintenance and cognitive reserve, among other related concepts as outlined in their request for proposal.

At the time of today's Board meeting, the SfN plans on holding their annual meeting in October. After discussion, it was agreed that the MBRF sponsored poster session

should be cancelled this year due to the ongoing pandemic. Ms. Porter and the Corporate Trustee will work with Vicki Hixon and the hotel to void our contract.

Ms. Porter provided the trustees with an update on the U19 Demonstration Project. At this time, in person recruitment is not possible and a strategy has been developed to help screen participants virtually. The budget that had been previously approved by the MBRF was revised and resubmitted to the MBRF for consideration. The revised budget was reviewed and approved by the Executive Committee of the MBRF and the approval was communicated to Susan Fox-Rosellini on May 22, 2020.

6. Corporate Trustee's Report

- A.** The trustees reviewed the projected minimum distribution calculation for information (Attachment 7).
- B.** The trustees reviewed the Gift & Grants Report for information (Attachment 8).
- C.** The trustees reviewed the Travel Award Report for information (Attachment 9).
- D.** Ms. Cianciotto shared the summary of the 2018 and 2019 Operating Expenses Report with the trustees (Attachment 10).

Action Item 7: The trustees reviewed, for information, the projected minimum distribution calculation (Attachment 7).

Action Item 8: The trustees reviewed, for information, the Gifts and Grants Report (Attachment 8).

Action Item 9: The trustees reviewed, for information, the Travel Award Report (Attachment 9)

Action Item 10: The trustees reviewed, for information, the Operating Expenses Report (Attachment 10).

7. Compensation Review

Ms. Cianciotto presented updated compensation information compiled from information obtained from Exponent Philanthropy and the Council on Foundations (Attachment 11). 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 at each of the four MBRF Institutes 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 the year 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, experience and education 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 the annual compensation of \$40,000 per trustee as 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 11: The trustees received the updated compensation information compiled from information obtained from Exponent Philanthropy and the Council on Foundations (Attachment 11) and unanimously approved the current level of compensation at \$40,000 annually and the continued reimbursement of any out of pocket documented expenses incurred while performing MBRF business.

8. Committee Reports

A. Membership and Governance Committee

Dr. Pekarske provided the trustees with an update of the recent meeting of the Membership and Governance Committee.

Interviews with Nominated Trustee Candidates

In order to prevent further delay in conducting interviews with the nominated Trustee Candidates, it was suggested that the interviews be held via video conferencing prior to the October meeting of the MBRF Trustees. If a nominated Trustee Candidate is chosen to join the Board and accepts, they

could attend the October meeting. Ms. Porter will poll the trustees to identify dates for the interviews.

Summary of Recruitment, Election and Re-election

Dr. Pekarske shared the Summary of Recruitment, Election and Re-Election Document with the trustees (Attachment 12). The document was approved as presented.

Action Item 12: The Summary of Recruitment, Election and Re-election document (Attachment 12) was approved as presented.

Trustee Self-Assessment Form

Dr. Pekarske summarized the Trustee Self-Assessment Form (Attachment 13) and process. The Trustee Self-Assessment form was approved as amended.

Action Item 13: The Trustee Self-Assessment Form (Attachment 13) was approved as amended.

B. Finance Committee

Dr. Ryerson provided the trustees with an update of the recent meeting of the Finance Committee.

Proposed Operating Budget for 7/1/2020 – 6/30/2021

The proposed Operating Budget for 7/1/2020 – 6/30/2021 (Attachment 14), was shared with the trustees with a recommendation for approval. It was suggested that the consulting item shown under the Operating budget be split to show the Executive Director's compensation is an item under the Operating budget and the Senior Communications Advisor's compensation as an item under the Communications section of the budget. The trustees approved the Operating budget as amended. In the future, the budget will be presented for review and approval at the April meeting of the MBRF Trustees. Ms. Cianciotto will add this to the Finance Committee timeline.

Action Item 14: The 7/1/2020 – 6/30/2021 (Attachment 14), Operating Budget was approved as amended.

Action Item 15: Ms. Cianciotto will add review of annual Operating Budget to the Finance Committee timeline.

C. Communications Committee

Dr. Isaacson provided the trustees with an update of the recent meeting of the Communications Committee.

MBRF/MBI Organizational Brochure

The trustees received the current draft of the Organizational Brochure for review prior to the call (Attachment 15). Based on feedback from the trustees, Ms. Patmintra will work with Look Think to make the brochure images more colorful while still working to complement the Foundation's brand colors. Ms. Patmintra will also review the brochure content to focus more on the Foundation's efforts outside the McKnight Brain Institutes and to include data points from the new white paper drafted by Dr. Thambisetty.

Action Item 16: Ms. Patmintra will work with Look Think to revise the organizational brochure and an updated draft will be shared with the trustees prior to the October meeting.

Update on New Website Content

The trustees received an update on new content that has been added to the website, including information on the McKnight Scholarships, the 20-year history video and recent articles and interviews featuring the trustees (Attachment 16). Dr. Isaacson also presented an overview of website traffic to date, noting that the site has been attracting approximately 200 visitors per month in 2020 without any promotion of the site.

Update on Audience Building Plan

A proposed plan to help drive additional traffic and build an audience for the website was shared with the trustees (Attachment 17). The trustees discussed ideas for new content to add to the site to help drive additional traffic, including a section of resources and information on COVID-19 and mental health, blog posts from trustees and MBI experts, and links to the NIA website for diet and exercise tips to maintain cognition.

Action Item 17: Ms. Patmintra will add content to the website with tips and information the NIA and links back to the NIA website.

D. Education Committee

Dr. Wah provided the trustees with an update of the recent meeting of the Education Committee.

Information for Primary Care Physicians

The trustees received the current draft of the Content Outline for Primary Care Physicians Area of the McKnight Brain Website (Attachment 18) for review. Ms. Patmintra will work with LookThink to develop content for the website and add a link to the National Institute on Aging (NIA) website prior to the October meeting of the trustees. The trustees also discussed how to create and deliver a Continuing Medical Education (CME) program for Primary Care Physicians focused on cognitive aging. The first step will be to obtain RFPs from vendors, including Netscape, to get an idea of the scope and cost. The trustees approved obtaining and RFP for the CME program.

Action Item 18: Ms. Patmintra will work with LookThink to develop content for the website and add a link to the National Institute on Aging (NIA) website prior to the October meeting of the trustees.

Action Item 19: Obtain RFPs from vendors, including Netscape, to get an idea of the scope and cost of to create and deliver a CME program for Primary Care Physicians focused on cognitive aging.

E. Research Committee

Dr. Thambisetty provided the trustees with an update of the recent meeting of the Research Committee

New MBRF Grant Program White Paper

The trustees received the McKnight Brain Research Foundation Mid- Career Clinical Translational Research Scientists Award in Cognitive Aging and Memory Loss white paper (Attachment 19).

Ideas for Possible Partners

The trustees discussed next steps in identifying possible partners for the Award. Ms. Porter will reach out to potential partners and set up meetings as necessary. Dr. Lee Dockery will work with Ms. Porter on this initiative.

Action Item 20: Ms. Porter will work with Dr. Lee Dockery in identifying and meeting possible funding partners.

9. Future Meetings and Events

October 2020 Trustees Meeting

Due to the circumstances surrounding the current COVID-19 pandemic, it has been decided the October meeting of the MBRF Trustees will not be an in person meeting. For this reason, the site visit to the McKnight Brain Institute at the University of

Alabama at Birmingham will be postponed. Ms. Porter will reach out to Dr. Ron Lazar to inform him of the decision.

2021 Inter-Institutional Meeting

The 12th McKnight Brain Research Foundation Inter-Institutional Meeting will be hosted by the Evelyn F. McKnight Brain Institute at the University of Miami April 28 – 30, 2021. The trustees will arrive the morning of April 28, 2021, and meet in the afternoon beginning at noon. The Inter-Institutional Meeting will begin with a reception on the evening of April 28, 2021, followed by the scientific sessions on April 29-30, 2021, adjourning at noon on April 30, 2021.

10. Adjournment

There being no further business, the meeting was adjourned at 3:25 p.m.

Summary of Action Items:

Action Item 1: The committee 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 for the investment portfolio of the MBRF to produce an anticipated yield of 6.43%.

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Respectfully submitted,



Melanie A. Cianciotto
SunTrust Bank, Corporate Trustee