

MINUTES
MCKNIGHT BRAIN RESEARCH FOUNDATION
BOARD OF TRUSTEES MEETING
Boardroom
Grand Hyatt
Dallas/Fort Worth International Airport
July 24, 2023

The Trustees' meeting of the McKnight Brain Research Foundation (MBRF) was called to order at 8:20 AM CDT on July 24, 2023.

The following members were present:

Dr. Michael Dockery, Chair
Dr. Patricia A. Boyle, Trustee
Dr. John Brady, Trustee
Dr. Sharon A. Brangman, Trustee
Dr. Allison Brashear, Trustee
Dr. Roy H. Hamilton, Trustee
Dr. Susan Pekarske, Trustee
Dr. J. Lee Dockery, Chair Emeritus (via Teams)
Ms. Melanie Cianciotto, Corporate Trustee,
Truist Foundations and Endowments Specialty Practice

The following members were absent:

Dr. Madhav Thambisetty, Vice Chair

Others attending:

Mr. Mike Hill, Truist Foundations and Endowments Specialty Practice (via Teams)
Dr. Angelika Schlanger, Executive Director
Ms. Valerie Patmintra, Senior Communications Advisor
Ms. Shelly Simpson, CFA, CAIA, Senior Analyst - Investment Strategy, Portfolio & Market Strategy, Truist Advisory Services, Inc. (via Teams)

1. Approval of Minutes

The minutes of the May 3, 2023, Board of Trustees Meeting of the McKnight Brain Research Foundation were reviewed and approved as amended (Attachment 1). The changes are:

Page 3, Item 3, paragraph 3 – Add "Cognitive Aging and Memory Interventional" before (CAMI) Core. Add parenthesis around CAMI.

Page 3, Item 4, third line, delete "etc." and add "awards"

Page 6, Item E, paragraph 2, fourth line, add "Communications" after BRG

Action Item 1: The minutes of the May 3, 2023, Board of Trustees Meeting were approved as amended (Attachment 1).

2. Chair's Report

Dr. Mike Dockery welcomed new trustees, Dr. Sharon A. Brangman, MD, FACP, AGSF, and Dr. Roy H. Hamilton, MD, MS, FAAN, FANA, FCPP.

Dr. Dockery provided an update on his conversation with Dr. Jennifer Bizon. The University of Florida McKnight Brain Institute 25th Anniversary Celebration will be held in February 2024. The UF MBI is the host of the 2024 MBRF Inter-Institutional Meeting and Dr. Dockery has asked the Leadership Council to share recommendations for the Cognitive Aging and Memory Interventional (CAMI) Core Pilot Grant Process and topics for a pre-meeting. Dr. Dockery is encouraged by what Dr. Bizon is doing with the leadership council.

In Executive Session, the trustees expressed their commendations for Dr. Schlanger's excellent work in her first year as Executive Director of the MBRF. Per Dr. Schlanger's contract, she is eligible for a \$10,000 bonus upon completion of one year of satisfactory service to the MBRF. The trustees approved payment of the \$10,000 bonus to Dr. Schlanger payable after August 15, 2023.

Action Item 2: The trustees approved payment of the \$10,000 bonus to Dr. Schlanger payable after August 15, 2023.

3. Executive Director's Report

Dr. Schlanger provided an update on her activities.

The Gerontological Society of America (GSA) invited the MBRF to participate in a podcast. Dr. Brashear and Dr. Schlanger have recorded the podcast which will be shared with the trustees once it becomes available.

Self-Management Resource Center (SMRC) has linked to the MBRF's resources through their online manual.

Jane Ransom will be retiring as CEO of the American Brain Foundation (ABF) at the end of 2023. A national search will be conducted to identify her successor.

Dr. Schlanger shared the 2023 Inter-Institutional Post-Meeting Survey Results (Attachment 2) with the trustees. The overall feedback was that attendees were very satisfied and appreciated the opportunity to network and establish new collaborations that will assist with

future research ideas development. The trustees would like to see future distributed programs list all attendees, along with biographical sketches and research interests.

Dr. Schlanger provided an update on the Cognitive Aging Summit (CAS) IV planning. The CAS IV will be March 20 – 21, 2024, and held in Bethesda, MD. The National Institute on Aging (NIA) and Foundation for the National Institutes of Health (FNIH) are working on developing a theme for the summit, related to Heterogeneity in Aging. The summit will encompass an assessment of the progress and gaps in the field of cognitive aging and exploration of the direction for future progress. Dr. Schlanger reminded the trustees to review the invite list for the summit, and let her know if anyone should be added.

As a follow up to the May Board of Trustees' meeting, Dr. Schlanger and Ms. Cianciotto interviewed three attorneys as possible legal counsel for the MBRF. The attorneys interviewed were:

Rob Wall – Akerman
Kelly Helmuth – Holland and Knight
Kristina Raattama – Independent Practice

Dr. Schlanger shared that all are seasoned attorneys with decades of experience, specifically working with public charities. All are very personable and have a team that supports them, so there's additional expertise and capacity when needed. Balancing affordability with expertise, the top two choices are Rob Wall and Kristina Raattama. Dr. Schlanger's and Ms. Cianciotto's recommendation is to work with Rob Wall. This allows the MBRF to retain the same firm and for a seamless transition. The recommendation to retain Rob Wall, of Akerman as our legal counsel was voted on and approved by the trustees. Dr. Dockery suggested inviting Rob Wall to the October Board of Trustees' Meeting so the trustees can meet him in person.

Action Item 3: The recommendation to retain Rob Wall, of Akerman as our legal counsel was voted on and approved by the trustees.

Dr. Schlanger shared the Executive Director Performance Goals 2023 – 2024 (Attachment 3) with the trustees. Dr. Dockery asked the trustees to review the goals and provide him with any feedback which he will then share with Dr. Schlanger.

4. Corporate Trustees' Report

- A.** The trustees reviewed the projected minimum distribution calculation for information (Attachment 4).
- B.** The trustees reviewed the Gift & Grants Report for information (Attachment 5).
- C.** The trustees reviewed the Travel Award Report for information (Attachment 6).

D. Ms. Cianciotto shared the Final 2022 Operating Expenses Report with the trustees (Attachment 7).

E. Ms. Cianciotto shared the 2023 Inter-Institutional Meeting Budget to Actual Expenses with the trustees (Attachment 8).

Action Item 4: The trustees reviewed, for information, the projected minimum distribution calculation (Attachment 4).

Action Item 5: The trustees reviewed, for information, the Gifts and Grants Report (Attachment 5).

Action Item 6: The trustees reviewed, for information, the Travel Award Report (Attachment 6)

Action Item 7: The trustees reviewed, for information, the 2022 Operating Expenses Report (Attachment 7).

Action Item 8: The trustees reviewed, for information, the 2023 Inter-Institutional Meeting Budget to Actual Expenses (Attachment 8).

5. Compensation Review

Ms. Cianciotto presented updated compensation information compiled from information obtained from Exponent Philanthropy and the Council on Foundations (Attachment 9). The trustees discussed their current level of compensation. The nature of the work continues to emphasize the scientific 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 critical trustee functions 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 scientific 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. In addition to the four Institutes, the trustees monitor and interrelate with these projects and programs sponsored by the MBRF including the McKnight Scholars, the Foundation for the National Institutes of Health/National Institute on Aging (FNIH/NIA), American Academy of Neurology/American Brain Foundation (AAN/ABF) and others.

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. Each trustee must have either a Medical Degree or a Ph.D. Degree in one of the Basic Sciences or an equivalent degree in fields thought to be of benefit in advancing the Mission and Purpose of the MBRF. 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 9: The trustees received the updated compensation information compiled from information obtained from Exponent Philanthropy and the Council on Foundations (Attachment 9) 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.

6. BRG Communications Planning Process and Timeline

Ms. Jane Barwis, Mr. Shannon McDaniel and Ms. Nicole Grady from BRG Communications (BRG) joined the trustees' meeting to provide an overview of their planning process and timeline for developing and launching a comprehensive communications campaign to educate the public on cognitive aging and raise the visibility of the Foundation. The Trustees provided input to include the term "cognitive aging and memory loss" in the campaign and to educate the audience on cognition and cognitive health, as a specific component of brain health. BRG will also support Ms. Patmintra in increasing the MBRF's presence in the community and engage researchers for our scholarships and other grant opportunities. BRG will be gathering information, doing interviews and landscape analysis in August and September, presenting their report to the Board in October 2023, with plans to initiate in January 2024.

7. Investment Review

Mr. Hill presented the investment review and commented on key economic and investment factors through June 30, 2023 (Attachment 10).

A. Market Environment

- The S&P 500 is up 16.9% year-to-date. The top ten stocks accounted for 78% of the year-to-date return. The remaining 490 stocks account for 22% of the year-to-date

return. Returns were again uneven, showing disparities among styles, market caps and sectors.

- In June, the Federal Reserve raised rates for an eleventh time since March 2022 in its effort to slow inflation. The lagged impact of Federal Reserves aggressive rate hikes, tighter credit availability and a consumer who is spending down savings keep us prudently cautious going into the second half of 2023.

B. Portfolio Review

Asset Allocation: The asset classes of the investments are 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, 2023, the total return for the portfolio was minus 10.62% versus 14.39% for the Investment Policy Statement Index.

A question was raised about the underlying holdings of the Private Equity held in the portfolio. There is concern private equity investments have had detrimental effects in the provision of quality healthcare. Mr. Hill will reach out to HarbourVest and SVB to find out if any of the funds the MBRF invests in have healthcare exposure and report back to the trustees.

Action Item 10: Mr. Hill will reach out to HarbourVest and SVB to find out if any of the funds the MBRF invests in have healthcare exposure and report back to the trustees.

8. Efficient Frontier Analysis, Asset Allocation and Investment Policy

Ms. Simpson presented the Efficient Frontier Analysis. Ms. Simpson 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. The Trust recommended asset allocation mix would yield an expected return of 6.75%.

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 6.75%. 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 24, 2023. The motion passed unanimously.

Action Item 11: 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 return of 6.75%.

Action Item 12: 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 24, 2023.

9. Committee Reports

A. Membership and Governance Committee

Dr. Sue Pekarske provided the trustees with the updated Membership and Governance Committee Activity Timeline (Attachment 11). The committee last met March 31, 2023. For reference, Dr. Pekarske also shared the Process for Trustee Recruitment, Election and Re-Election document (Attachment 12). The trustees discussed the potential timeline for recruitment of an additional trustee. The process could begin later this year with the goal of bringing a new trustee on in the first quarter of 2024. The committee will meet to discuss the recruitment process by reviewing the previous list of trustee candidates.

B. Finance Committee

Dr. Brashear provided the trustees with the updated Finance Committee Activity Timeline (Attachment 13). The committee has not met since January 24, 2023, but reviewed several proposals by email. Dr. Brashear shared the proposed Budget Request for the Society for Neuroscience (SfN) Poster Session (Attachment 14). The committee recommends approval at the Tier 2 Level of \$26,800. It should be noted that this amount includes the event planner's time and travel expenses. A motion was made to accept the recommendation of the committee. The motion passed.

Action Item 13: The trustees accepted the recommendation of the committee to approve the Tier 2 Level of \$26,800 for the 2023 SfN Poster Session.

Dr. Brashear shared the proposed Budget Request for the 4th Resiliency and Reserve Workshop (Attachment 15). The committee recommends approval of the \$30,000 request consistent with past levels of commitment. A motion was made to accept the recommendation of the committee. The motion passed.

Action Item 14: The trustees accepted the recommendation of the committee to approve the \$30,000 request for the 4th Resiliency and Reserve Workshop.

Dr. Brashear shared the proposed Indirect Costs Policy (Attachment 16). After discussion, the decision was made to change the draft policy to state the MBRF does not pay indirect costs. A motion was made to accept the policy once amended with language to reflect his change. The motion passed.

Action Item 15: The proposed Indirect Costs Policy (Attachment 16) was approved as amended.

C. Education Committee

Dr. Brady provided the trustees with the updated Education Committee Activity Timeline (Attachment 17). Dr. Brady reviewed the three strategies stemming from the SCP scoping document that were reviewed and approved during the February 16, 2023, board meeting. Dr. Brady asked Dr. Schlanger to share updates on the Foundation's progress related to these three initiatives and her outreach to possible partners. The three proposed strategies are:

- 1) Partner with a public health/community health education initiative to infuse cognitive aging/brain health into its offerings. [Targets Consumers]
- 2) Bolster public education aspects of existing evidence-based interventions focused on cognitive aging and dementia in primary care. [Targets Primary Care Providers (PCPs)]
- 3) Frame and launch a public information campaign for PCPs focused on cognitive aging, lifestyle change and dementia prevention. [Targets PCPs]

Related to these strategies, Dr. Schlanger presented an overview of existing brain health programs and resources that are available for consumers and healthcare providers. She also shared a partnership map to update the trustees on significant outreach that has been done to likeminded organizations to share the mission of the MBRF and explore possible synergies related to educating consumers and healthcare providers. She concluded by outlining several significant national collaborative initiatives related to advancing and promoting brain health. There has been significant momentum in the field of brain health, with many recently launched initiatives (AAN Brain Health Summit, AARP Brain Health Action, etc.) as well as existing organizations having entered the space (the Milken Institute, the Alzheimer's Association, etc.).

The trustees discussed ideas for moving forward, including potential partnerships with the right entities, recruiting more cognitive neurologists to the field, and leveraging the significant research that has been funded by the MBRF. The main questions raised included what the main objectives and role of the MBRF should be in an increasingly crowded field.

Dr. Schlanger referenced the Education Initiative Proposals (Attachment 18) submitted by Self-Management Resource Center (SMRC) and the University of Washington to launch a national, evidence-based brain health education program that would leverage partnerships with Centers for Disease Control (CDC) and state and local organizations, such as public health departments, nonprofits, and healthcare institutions. The proposals were reviewed and discussed by the Education Committee at its July 11, 2023, meeting. The Board agreed with the Education Committee's recommendation to pause this initiative while re-evaluating the Foundation's goals and objectives.

Dr. Brady provided the trustees with the Education Initiative Guiding Questions document (Attachment 19) to help share the strategy and objectives for the Education Committee.

The trustees concurred that now is a good time for strategic planning for the foundation, which will inform the direction of the Education Committee and its initiatives. Dr. Schlanger and Ms. Cianciotto will request strategic planning proposals from several consultants and share this information with the finance committee.

Action Item 16: Dr. Schlanger and Ms. Cianciotto will request strategic planning proposals from several consultants and share this information with the finance committee.

D. Communications Committee

Dr. Boyle provided the trustees with the updated Communications Committee Activity Timeline (Attachment 20). Since the last trustees' meeting, the contract with BRG Communications has been signed and the Cognitive Aging Brochure Explained has been uploaded to the website.

Ms. Patmintra provided the trustees with the 2023 2nd quarter Website and Media Tracking Report (Attachment 21). With support from Google ads and the Mental Health Awareness Campaign, both quarters of 2023 have outperformed the 2022 quarterly average.

Ms. Patmintra provided the trustees with the May 2023 Social Media Campaign Report (Attachment 22). Both the MBRF Website and Facebook page reached new highs in May. There were nearly 40,000 visitors to the website and 800,000 people reached through Facebook.

Ms. Patmintra provided the trustees with the Navigation Bar Test Results and Recommendations (Attachment 23). The user testing did not determine a clear winner for the website navigation between the two proposed versions that were shared, however; several themes did emerge from the comments that are worth noting as new content continues to be developed for the site. They are: current navigation is intuitive and easy to use, the website has a clean and attractive design, lack of understanding in the difference between cognitive and brain health, some content has become hard to find as the website has grown, consider

adding a feature that allows the user to adjust the font size to enhance visibility and the need for a clear and easy-to-find page highlighting the research we support and translating it for the public to understand. Updates to the navigation bar based on the user testing and prior feedback from the Communications Committee will go live later this week. The results of the Navigation Bar Test will be shared with BRG Communications.

E. Research Committee

Dr. Mike Dockery provided the trustees with the updated Research Committee Activity Timeline (Attachment 24).

Dr. Schlanger shared the proposed Pilot Grant Reporting Structure (Attachment 25) with the trustees. The Pilot Grant Reporting Structure was approved as presented.

Action Item 17: The trustees approved the Pilot Grant Reporting Structure (Attachment 25) as presented.

Dr. Dockery provided an update on the McKnight Clinical Translational Research Scholarships. The application is open and the deadline to apply is September 14, 2023. The applications will be reviewed in November. Dr. Thambisetty, Dr. Boyle and Dr. Hamilton will represent the MBRF on the review committee.

Dr. Dockery provided an update on the McKnight Innovator Awards. The application is open and the deadline to apply is July 31, 2023. Reviewers will be needed to represent the MBRF on the review committee. Dr. Dockery shared that the partnership with the American Federation for Aging Research (AFAR) is entering its third year and is funding the last cohort of awardees through the current grant in September. He shared that the award program is an effective way to boost a researcher's career. The board will discuss renewing the grant in the future.

The trustees reviewed the no-cost extension request from Dr. Abigail Hernandez for the "Reuniting the Brain and Body to Understand Cognitive Aging: The Nexus of Geroscience and Neuroscience" pilot (Attachment 26). The no-cost extension was approved for one year.

Action Item 18: The trustees approved a one year no-cost extension for the "Reuniting the Brain and Body to Understand Cognitive Aging: The Nexus of Geroscience and Neuroscience" pilot grant (Attachment 26).

10. Future Meetings and Events

October Trustees' Meeting

The trustees previously agreed to hold their fall Board of Trustees' meeting on October 24, 2023. Due to some scheduling conflicts, the new proposed meeting date is October 23, 2023. The trustees would like to do strategic planning as part of this meeting. It was proposed the

trustees arrive on October 22, 2023 to conduct some of the Board meeting followed by dinner. The trustees would reconvene on the morning of October 23, 2023, to conduct strategic planning. Dr. Dockery will reach out to Dr. Thambisetty to inquire if the date change will work for him. Once confirmed, an updated save-the-date calendar invite will be sent out to the trustees.

It was also decided to hold a virtual Board Meeting in February to discuss time-sensitive items, given that the next scheduled board meeting following the October board meeting will be on March 19, 2024. The date and time for the February meeting will be determined by email.

11. Adjournment

There being no further business, the meeting was adjourned at 3:00 PM CDT.

Summary of Action Items:

Action Item 1: The minutes of the May 3, 2023, Board of Trustees Meeting were approved as amended (Attachment 1).

Action Item 2: The trustees approved payment of the \$10,000 bonus to Dr. Schlanger payable after August 15, 2023.

Action Item 3: The recommendation to retain Rob Wall, of Akerman as our legal counsel was voted on and approved by the trustees.

Action Item 4: The trustees reviewed, for information, the projected minimum distribution calculation (Attachment 4).

Action Item 5: The trustees reviewed, for information, the Gifts and Grants Report (Attachment 5).

Action Item 6: The trustees reviewed, for information, the Travel Award Report (Attachment 6)

Action Item 7: The trustees reviewed, for information, the 2022 Operating Expenses Report (Attachment 7).

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Action Item 10: Mr. Hill will reach out to HarbourVest and SVB to find out if any of the funds the MBRF invests in have healthcare exposure and report back to the trustees.

Action Item 11: 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 return of 6.75%.

Action Item 12: 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 24, 2023.

Action Item 13: The trustees accepted the recommendation of the committee to approve the Tier 2 Level of \$26,800 for the 2023 SfN Poster Session.

Action Item 14: The trustees accepted the recommendation of the committee to approve the \$30,000 request for the 4th Resiliency and Reserve Workshop.

Action Item 15: The proposed Indirect Costs Policy (Attachment 16) was approved as amended.

Action Item 16: Dr. Schlanger and Ms. Cianciotto will request strategic planning proposals from several consultants and share this information with the finance committee.

Action Item 17: The trustees approved the Pilot Grant Reporting Structure (Attachment 25) as presented.

Action Item 18: The trustees approved a one year no-cost extension for the "Reuniting the Brain and Body to Understand Cognitive Aging: The Nexus of Geroscience and Neuroscience" pilot grant (Attachment 26).

Respectfully submitted,



Melanie A. Cianciotto
Truist Bank, Corporate Trustee