

Valencia Foundation
Report to the Board of Trustees
October 2015

Foundation Engages SEI as Investment Adviser

Valencia Foundation is contracting with SEI Investments Management Corp. (NASDAQ: SEIC), of Oaks, PA, based on the following principles:

- SEI will provide Outsourced Chief Investment Officer (OCIO) services for the foundation's investment pool of approximately \$65 million as of Oct. 1;
- the OCIO model of investment management gives SEI discretionary authority over managers and portfolio services within approved asset allocation ranges; and
- portfolio risk-tolerance decisions and overall strategy will be approved by Valencia Foundation board in a process that will occur over the next few months.

TRS has served as portfolio adviser since 2008 and participated in an RFI/RFP process that included 20 firms, of which four were interviewed by the finance committee.

Moving from a traditional investment adviser model to an OCIO model, which is common among \$75-million to \$150-million endowments, benefits Valencia through:

- ability to take advantage of market changes more nimbly;
- improved risk management;
- better alignment of portfolio with spending needs; and
- more time for the finance committee to focus on strategic oversight.

SEI has more than 150 nonprofit clients, including several universities and institutionally-related foundations, with \$77.5 billion in institutional assets under management. A significant number of institutions have been clients for at least a decade.

What the Endowment Funds

As of July 31, the endowment's value was \$64.2 million. The funds' purposes are designated by donors: \$36.3 million to scholarships; \$19.6 million to academics; \$5.8 million to faculty chairs; and \$2.6 million to programs. Each year, Valencia Foundation seeks to disburse 4 percent of the rolling-average value of the past four years, which is moving to a seven-year rolling average during the next three years.

New Chief Development Officer Opportunity Available

In preparation for the upcoming major gifts campaign, the foundation seeks a fundraising officer to help lead development efforts and a team of three other advancement professionals who will coordinate annual giving, major gifts and campaign logistics.

Taste for Learning

It is not too late: Please visit www.aTasteforLearning.com or email the foundation's Taste lead, Julie Wright, juliewright@valenciacollege.edu. Taste events have raised \$2.5 million so far.

Upcoming meetings

- Saturday, Nov. 7: **Taste for Learning**. Rosen Shingle Creek Resort
- Saturday, Dec. 5: **Donor Recognition Gala**. Loews Royal Pacific
- Thursday and Friday, Jan. 28 and 29: **Valencia Foundation board planning retreat**. Dalí Museum, St. Pete