



**Investment Committee Meeting Agenda
Wednesday, May 1, 2024 2:00 pm
St. Luke's Episcopal Church
5923 Royal Lane, Dallas, TX 75230**

Call to order: Scott Hancock

Business

2:00 – 2:45 pm	Mercer
3:00 – 3:45 pm	JP Morgan
4:00 – 4:45 pm	PNC

Other Business

Next Meeting to determine investment advisor

Informational

Presentation Teams (p.1)

Presentation questions (p.2-3)

Minutes from the February 13, 2024 and April 10, 2024 Investment Committee (p. 4-5)

Q1 2024 EFD Investment Partner Activity Report (p. 6)

Mercer Investment Performance Review (separate packet)

Q1 2024 Performance Report (separate packet)

Adjourn

Presentation Teams

Mercer

Nick Piccarreta	Sr Investment Consultant, Not-for-Profit (filling in for Chris)
Bahman Mirzaee	West Zone, Not-for-Profit Leader
Richard Marra	Partner, Sr Director Not-for-Profit
Brian Oosdyke	Principal, Not-for-Profit

JP Morgan

Katie Myatt	Executive Director, Banker
Courtney Accarregui	Executive Director, Investment Specialist
Steve Hayward	Managing Director, Investment Specialist

PNC

Andy Mutscheller	Senior Institutional Adviser, PNC Institutional Asset Management
Cassandra Frost, CFA, CIMA, CAIA	Senior Investment Advisor, PNC Institutional Asset Management
Dale Klose	Southwest Mountain Territory Executive, PNC Bank

Questions for all presenters

From Ken:

1. State the total assets managed by your firm for tax-exempt foundations as of 12/31/2023 or 3/31/2024 if available?
2. Will your firm's policies on ESG and DEI impact your recommendations to us? If so, how?
3. What is your reaction to an approximate 50/50 ratio of Indexed to Actively Managed strategy?
4. How do you handle tactical movements in the portfolio, if any?
5. How flexible is the reporting information about portfolio performance given the fact that the foundation reports performance to its investment partners?
6. How much of your economic and market research will we be able to share with our partners? These partners are Episcopal organizations within our diocese.

From Sue:

7. Who is the local team that will be working with the Investment Committee?
8. Our office staff is small, and we'd like to know how the onboarding process will look for them?

From Pat:

9. To what extent do you make use of ETF's v Mutal Funds v SMA's (if not already disclosed in the proposal)
10. Can you quantify how much past performance value added has been to TAA (tactical allocation shifts) vs. active security selection within funds?
11. Do you often use external fund managers within your active management selection?
12. Clarify your expected internal management costs (if not already explained) in addition to your explicit consulting fee.

From John Stetter:

13. Provide access or listing of your current alternative platform investment universe.
14. Regarding meaningful tactical shifts, provide an example or two from the past 5 years that were made to clients with similar policy statements. Equity and fixed income.
15. Would the management team be comfortable with EFD investment committee directives to exclude specific allocations within our policy, similar to our exclusion of international fixed income? We did this with Vanguard, would Mercer be good with this?

From Pam/Ticoy:

Organization Specific Questions

Mercer

From Scott:

16. What would our fee be had we come to the firm directly and not through the Vanguard acquisition.

Mercer Advisors's investment management fee schedule is disclosed at Item 5 on Part 2A of its Form ADV.

Mercer Advisors's annual investment management fee ranges from .5% to 1.10%, depending upon the amount of assets placed under Mercer Advisors's management; the greater the amount of the assets, the lesser the percentage fee). Please Note: The Performance does not reflect deduction of transaction and/or custodial fees (to the extent applicable), the incurrence of which would further decrease the Performance.

JP Morgan

From John Stetter:

1. Describe the nature of the active public fixed income managers (p.5) that they discuss- for example totally flexible vs. specific credit sector specialist. Do any managers in the universe use alternative income strategies?
2. Are the tactical moves described on p. 3 within active and passive allocations?
3. Regarding alternatives discussed on p. 9, does JPM consider open end alternative funds with interval structures, say quarterly liquidity, as part of their open-end offerings?

PNC

From John Stetter:

1. Regarding tactical changes within fixed income, do you manage allocation changes between indexed and active fixed management (that PNC prefers- p.6) to get the desired emphasis, or change active manager weighting, or both?

**Episcopal Foundation of Dallas
Investment and Finance Committee Meeting
Minutes
Tuesday, February 13, 2024 4:00 p.m.
5923 Royal Lane, Dallas, TX 75230**

Committee Members:

Present: Scott Hancock (Committee Chairman), Pat Carrigan, Alan Dunlop, Sue Gray, Ken Hanks, and Andy Welch

Others Attending: Pam Jamieson, Executive Director, Ticoy Young, Accounting Manager, Chris Moore, Vanguard Senior Investment Consultant and Bahman Mirzaee, Vanguard Head of Nonprofit-West

Scott Hancock, Chairman, opened the Investment and Finance Committee meeting at 4:02 p.m.

The minutes from the November 1, 2023 Investment and Finance Committee were previously approved.

Vanguard Senior Investment Consultant Chris Moore reviewed the Foundation's quarterly performance. The overall portfolio market value on December 31, 2023 was \$48,085,932. The pooled portfolio was \$45,434,591 and St. John's (50/50 allocation) was \$2,651,341.

Accounting Manager, Ticoy Young reviewed the Investment Partner reports for 4Q 2023 and YTD 2023, noting deposits and withdrawals made by the partners.

Scott informed the committee that RFP letters have gone out to the following firms: CapTrust Dallas, Houston Trust, JP Morgan Private Bank, Luther King, Vanguard/Mercer, and True North Advisors. It was suggested that we also include PNC and Sue Gray will provide the contact information.

The committee then reviewed the current Investment Policy. On a motion duly made, seconded, and unanimously carried, the committee approved two clarifying changes to the policy. The policy will be forwarded to the full board for approval.

Other Information for the Committee includes waiting on funds to transfer from St. John's Episcopal Church and St. James Day School, Texarkana. The first Donor-Advised Fund in the amount of \$50,000 was received in December 2023.

With no further business, the meeting was adjourned at 4:58 p.m.

**Episcopal Foundation of Dallas
Investment and Finance Committee Meeting
Minutes
Wednesday, April 10, 2024 4:00 p.m.
5923 Royal Lane, Dallas, TX 75230**

Committee Members:

Present: Scott Hancock (Committee Chairman), Pat Carrigan, Alan Dunlop, Sue Gray, Ken Hanks, and John Stetter.

Others Attending: Pam Jamieson, Executive Director and Josh Zorsky, potential board member.

Scott Hancock, Chairman, opened the Investment and Finance Committee meeting at 4:01 p.m.

A special meeting of the Investment Committee was called for the purpose of reviewing the RFP responses for an investment adviser, and to find two – three finalists to present to the committee. The firms under consideration were: Houston Trust, JP Morgan Private Bank, Luther King, Mercer/Vanguard, True North Advisers, and PNC. Houston Trust and True North Advisers were eliminated due to fees and lacking OCIO services.

The criteria for review were cost, performance, and intangibles – or how the organization fit with EFD priorities and values. The information below was reviewed:

Firm	Fees/bps	Performance:	1 Year	3 Year	5 Year	10 Years/SI
Mercer	18		17.51	3.94	9.79	7.54
JPM	36		14.60	2.70	7.80	5.70
LKCM	51		11.63	4.34	10.29	7.84
Houston Trust	27		11.52	6.65	9.32	7.80
True North	61					
PNC Hypothetical	23		18.26	5.00	10.33	7.67
PNC 75/25			17.91	3.55	9.22	6.55

After discussion, it was determined that we will invite Mercer, JP Morgan Bank, and PNC to present. Pam will contact the firms and schedule them to present at our scheduled Investment Committee Meeting on May 1, 2024 beginning at 2:00 p.m.

An action item for the committee is for each member to submit possible questions specific for each individual firm to Pam who will consolidate the questions for the committee.

With no further business, the meeting was adjourned at 4:47 p.m.

**Episcopal Foundation of Dallas
Statement
For the period 01-01-2024 through 03-31-2024**

	GLID	GLID Fund Name	Beginning MV	Deposits	Withdrawals	Interest & Dividends	Realized Gains	Unrealized Gains	Management Fee-EFoD	Management Fee-Vanguard	Ending MV
Agency - Pooled											
	1001	Frank Hughes Estate - St. Luke's	957,853.48	0.00	(12,956.00)	3,618.40	7,645.14	41,279.87	(1,317.03)	(427.19)	995,696.67
	1004	Amistad Mission	1,865,194.91	0.00	0.00	7,122.92	14,954.04	81,712.06	(2,564.61)	(843.31)	1,965,576.01
	1008	Episcopal Health Foundation of Dallas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	1010	Alice L. Bomar Trust - St. Paul's	45,912.17	0.00	0.00	175.33	368.10	2,011.36	(63.13)	(20.76)	48,383.07
	1011	Church of the Incarnation Pension Trust	2,244,448.84	0.00	0.00	8,571.25	17,994.69	98,326.72	(3,086.08)	(1,014.79)	2,365,240.63
	1012	Our Merciful Saviour Episcopal Church	90,049.94	0.00	0.00	343.88	721.97	3,944.99	(123.82)	(40.71)	94,896.25
	1015	Annie Harris Norton Fund - Trinity Church	6,034.24	0.00	0.00	23.05	48.38	264.34	(8.30)	(2.73)	6,358.98
	1016	St. Alban's Scholarship Fund	15,355.83	0.00	0.00	58.64	123.11	672.73	(21.12)	(6.94)	16,182.25
	1018	St. John's Episcopal School	3,883,478.54	60,000.00	0.00	15,013.47	31,294.63	173,291.88	(5,339.72)	(1,783.08)	4,155,955.72
	1020	St. Mark's Episcopal Church	251,220.79	0.00	0.00	959.37	2,014.14	11,005.70	(345.43)	(113.58)	264,740.99
	1025	St. Peter's Foundation	317,214.08	0.00	(5,000.00)	1,200.42	2,534.05	13,769.50	(436.17)	(143.42)	329,138.46
	1027	Parish Episcopal School Fund	1,157,999.37	0.00	(750,444.00)	2,133.53	7,293.55	11,193.01	(1,592.23)	(182.94)	426,400.29
	1030	Good Shepherd Episcopal Church	80,616.25	0.00	0.00	307.85	646.33	3,531.72	(110.85)	(36.45)	84,954.85
	1031	Petrash Scholarship Fund - St. Luke's	18,829.27	0.00	0.00	71.90	150.97	824.88	(25.89)	(8.51)	19,842.62
	1033	The Santiago Foundation - St. James'	962,312.65	0.00	0.00	3,674.94	7,715.26	42,157.81	(1,323.16)	(435.09)	1,014,102.41
	1034	St. Augustine's Episcopal Church	459,103.50	0.00	0.00	1,753.26	3,680.83	20,112.80	(631.26)	(207.58)	483,811.55
	1036	St. Matthew's Cathedral Revolving Fund	851.60	0.00	0.00	3.25	6.83	37.31	(1.17)	(0.39)	897.43
	1037	St. Matthew's Cathedral Endowment Fund	3,997,860.55	0.00	(65,167.00)	15,139.61	31,944.42	173,462.52	(5,496.99)	(1,802.34)	4,145,940.77
	1038	Holy Nativity Episcopal Church	122,779.78	0.00	0.00	468.88	984.37	5,378.84	(168.82)	(55.51)	129,387.54
	1040	ECR - Building Fund	265,049.99	0.00	0.00	1,012.19	2,125.01	11,611.54	(364.44)	(119.84)	279,314.45
	1041	St. Luke's Episcopal Church Restricted Endowment	1,337,871.19	0.00	(44,983.01)	5,009.40	10,642.59	57,435.19	(1,839.55)	(604.39)	1,363,531.42
	1042	St. Luke's Scholarship Funds - McLaurin	147,201.17	0.00	0.00	562.14	1,180.17	6,448.72	(202.40)	(66.55)	155,123.25
	1044	St. Thomas the Apostle Episcopal Church	347,545.68	0.00	(15,000.00)	1,294.28	2,758.82	14,843.78	(477.87)	(157.14)	350,807.55
	1047	St. Andrew's Episcopal Church, McKinney	329,881.95	0.00	0.00	1,259.77	2,644.81	14,451.74	(453.58)	(149.15)	347,635.54
	1048	St. James Episcopal Church, Dallas	760,588.10	0.00	0.00	2,904.58	6,097.95	33,320.50	(1,045.80)	(343.89)	801,521.44
	2002	E.D. Farmer Foundation	2,690,783.74	0.00	0.00	10,275.74	21,573.13	117,880.16	(3,699.78)	(1,216.59)	2,835,596.40
	2003	Endowment of the Episcopate	2,596,648.38	0.00	0.00	9,916.25	20,818.41	113,756.20	(3,570.35)	(1,174.03)	2,736,394.86
	2006	St. Paul Memorial Fund	283,527.82	0.00	0.00	1,082.75	2,273.17	12,421.02	(389.85)	(128.19)	298,786.72
	2009	Corporation of the Diocese	2,781,031.67	0.00	0.00	10,620.38	22,296.69	121,833.82	(3,823.87)	(1,257.39)	2,930,701.30
	2013	The Mausoleum Perpetual Care Fund - St. Nicholas	148,805.97	0.00	0.00	568.26	1,193.05	6,519.02	(204.61)	(67.28)	156,814.41
	2014	Memorial Scholarship Fund	698,359.12	0.00	0.00	2,666.94	5,599.04	30,594.31	(960.23)	(315.75)	735,943.43
	2019	Elizabeth Austin Miller Fund	153,867.98	0.00	0.00	587.60	1,233.62	6,740.79	(211.57)	(69.57)	162,148.85
	2020	Junker Fund	177,870.25	0.00	0.00	679.26	1,426.06	7,792.29	(244.57)	(80.42)	187,442.87
	2021	Price Fund	138,860.79	0.00	0.00	530.30	1,113.30	6,083.32	(190.93)	(62.78)	146,334.00
	2023	William B. Clayton Fund	283,243.70	0.00	0.00	1,081.68	2,270.88	12,408.57	(389.46)	(128.06)	298,487.31
	2024	Hiram and LaVerne McCurry Fund	359,263.53	0.00	0.00	1,371.98	2,880.37	15,738.92	(493.98)	(162.43)	378,598.39
	2026	Bishop Moore Endowment	57,356.53	0.00	0.00	219.03	459.86	2,512.72	(78.87)	(25.93)	60,443.34
	2028	Estate of Estelle Smith	458,054.92	0.00	0.00	1,749.25	3,672.42	20,066.86	(629.82)	(207.10)	482,706.53
	2035	Lawrence Blake Scholarship Trust	859,696.40	0.00	0.00	3,283.07	6,892.54	37,662.32	(1,182.07)	(388.70)	905,963.56
	2036	The Gathering	64,751.77	0.00	0.00	247.28	519.14	2,836.71	(89.03)	(29.28)	68,236.59
	8000	Due To/From Pooled	(525.45)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Agency - Pooled Totals:			31,416,850.99	60,000.00	(893,550.01)	117,562.08	249,791.84	1,335,936.54	(43,198.41)	(13,879.78)	32,230,038.70
Agency - SJES											
	4018	St. John's Episcopal School - Operating Reserves	2,651,341.77	0.00	(60,000.00)	13,543.12	21,944.31	61,277.23	(3,645.60)	(1,179.75)	2,683,281.08
Agency - SJES Totals:			2,651,341.77	0.00	(60,000.00)	13,543.12	21,944.31	61,277.23	(3,645.60)	(1,179.75)	2,683,281.08
Donor Advised											
	3044	Beecherl Advised Fund	369,177.12	0.00	0.00	1,409.84	2,959.84	16,173.23	(507.61)	(166.92)	389,045.50
	3045	J. C. Brown Memorial Scholarship Fund	359,881.18	0.00	0.00	1,374.35	2,885.32	15,765.96	(494.83)	(162.71)	379,249.27
	3046	Bishop Stanton Advised Fund	90,960.11	0.00	0.00	347.36	729.26	3,984.88	(125.07)	(41.13)	95,855.41
	3047	Canon Jerry & Carroll Morriss Scholarship fund	50,000.00	0.00	0.00	190.95	400.87	2,190.44	(68.75)	(22.61)	52,690.90
Donor Advised Totals:			870,018.41	0.00	0.00	3,322.50	6,975.29	38,114.51	(1,196.26)	(393.37)	916,841.08
Episcopal Fund											
	3041	Episcopal Fund	12,468,270.87	5,550.00	(273,313.50)	47,623.53	99,970.81	546,323.74	(17,143.66)	(5,637.29)	12,871,644.50
Episcopal Fund Totals:			12,468,270.87	5,550.00	(273,313.50)	47,623.53	99,970.81	546,323.74	(17,143.66)	(5,637.29)	12,871,644.50
Trustee Fund											
	3042	The Julie and Louis Beecherl Trustee's Fund	679,451.00	0.00	(4,000.00)	2,588.63	5,442.14	29,660.60	(934.23)	(306.29)	711,901.85
Trustee Fund Totals:			679,451.00	0.00	(4,000.00)	2,588.63	5,442.14	29,660.60	(934.23)	(306.29)	711,901.85
Totals:			48,085,933.04	65,550.00	(1,230,863.51)	184,639.86	384,124.39	2,011,312.62	(66,118.16)	(21,396.48)	49,413,707.21