

ENDOWMENT BOARD COMMITTEE OF THE BOARD OF TRUSTEES

North Carolina Agricultural and Technical State University
Greensboro, NC

February 20, 2014

MINUTES

The Endowment Committee of the Board of Trustees convened on Thursday, February 20, 2014 in Conference Room 424-A of the Dowdy Administration building at 3:00 pm with Mr. Spence Broadhurst presiding.

Roll Call revealed the following:

Present:	Mrs. Pamela McCorkle-Buncum Mr. Spence Broadhurst Dr. Harold L. Martin, Sr., Chancellor Mr. Dennis Stearns Mrs. Patricia Miller Zollar
Others Present:	Mrs. Kathy Burckley, Director of Financial Reporting Mr. Robert Pompey, Jr. Vice Chancellor for Business & Finance Ms. Nicole Pride, Chief of Staff Mrs. Daphne M. Rogers, Recorder, Business and Finance
Absent:	Mr. D. Hayes Clement Mr. Emerson Fullwood Mr. Douglas Smith

The meeting was called to order by Mr. Spence Broadhurst followed by the roll call. An approval of the minutes from the last meeting was deferred until having a quorum. Mr. Broadhurst yielded the meeting to Mr. Robert Pompey, Jr. He began with the point of pride by saying there is a picture in the Investment Annual Fund Report of one of our students in the School of Nursing Department. Brigadier General Clara Adams Enders, a University Alum, was also featured in this publication.

Mr. Pompey stated that the total combined market value of the Endowment, including the Foundation, as of December 31, 2013 was approximately \$40.1 million, an increase of nearly \$2.8 million from June 30, 2013. The growth is primarily attributed to gifts of \$1.4 million and investment gains of almost \$2.8 million. The Endowment distributed \$1.1 million to the spending funds for scholarships and other academic support.

For the period ended December 31, 2013, the Endowment return was 8.2%. This return was primarily the result of the 8.8% return on the UNC Investment Fund and 7.6% return on the Schwab funds. The UNC Investment Fund comprises roughly \$21 million or 58% of the total

endowment assets. The Schwab Funds comprises approximately \$14 million or 39% of the total endowment assets.

Mr. Stearns provided the Endowment Committee with an extensive review of the Schwab funds. Mrs. Zollar also wanted to hear Mr. Stearns thoughts on asset allocation. Following the discussion, Mrs. Zollar said that in the April meeting, the Endowment Committee will review the asset allocation and get an update on all existing and potential managers.

Mr. Pompey added that as of December 31, 2013, there were no endowments under water. There is approximately \$1.2 million in the STIF account. An increase of one million dollars will go in the account within the next week bringing the total to \$2.2 million. Mrs. McCorkle-Buncum asked if this would be in scholarships. Mr. Pompey answered yes.

Mrs. Zollar entertained a motion to move the allocation of excess available endowment cash to the Schwab S&P Exchange –Traded Fund. It was moved and properly seconded by Mr. Spence Broadhurst and Mrs. McCorkle-Buncum, respectively. The motion passed unanimously.

Mrs. Zollar entertained a motion for the allocation of a 1% management fee to all endowments. This fee will be used to support strategic investment initiatives. The University Management will prepare metrics aimed at assessing the success of our various fundraising efforts and share these with the Advancement and Endowment Committees. It was moved and properly seconded by Mr. Broadhurst and Mrs. McCorkle-Buncum. The motion passed unanimously.

Mr. Broadhurst entertained a motion supporting the development of a foundation to invest endowed and other invested funds of the University and its affiliated entities. It was moved and properly seconded by Mrs. Zollar and seconded by Mr. Dennis Stearns. This recommendation was presented as a part of the Foundation Assessment for the Investment Foundation to be adopted. The motion was passed unanimously.

Following this dialogue, the minutes from the November 2013 meeting were approved with a full quorum.

With no further business, the meeting adjourned at 4:41 p.m.

Recorded by:

Daphne M. Rogers