

## **ENDOWMENT BOARD COMMITTEE OF THE BOARD OF TRUSTEES**

North Carolina Agricultural and Technical State University  
Greensboro, NC

April 24, 2014

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### MINUTES

The Endowment Committee of the Board of Trustees convened on Thursday, April 24, 2014 in Conference Room 424-A of the Dowdy Administration building at 3:00 pm with Mrs. Patricia Zollar presiding.

Roll Call revealed the following:

Present: Mrs. Pamela McCorkle-Buncum  
Mrs. Karen Collins  
Dr. Harold L. Martin, Sr., Chancellor  
Mr. Douglas Smith  
Mr. Dennis Stearns  
Mrs. Patricia Miller Zollar

Others Present: Mrs. Kathy Burckley, Director of Financial Reporting  
Mr. Scott Hummel, Associate Vice Chancellor/Comptroller  
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. Spence Broadhurst  
Mr. D. Hayes Clement

The meeting was called to order by Mrs. Zollar followed by the roll call. An approval of the minutes from the February 20, 2014 meeting was moved and properly seconded by Mrs. Buncum and Mr. Fullwood. Mrs. Zollar yielded the meeting to Mr. Robert Pompey, Jr. The following information was discussed:

Mr. Pompey began discussion of the status of the endowment performance. The total combined market value of the endowment, including the North Carolina A&T Foundation, Inc. as of February 28, 2014, was approximately \$41.1 million, an increase of approximately \$3.8 million from June 30, 2013. The increase is primarily attributed to gifts of approximately \$1.8 million and investment gains of approximately \$3.0 million. The endowment distributed \$1.1 million to the spending funds for providing scholarship and other academic support. The 2015 allocation will be \$1.4 million. This compares favorably to a \$512 thousand distribution in FY 2013. For the period ended February 28, 2014, the endowment return was 9.8%. This return was primarily the result of the 10.5% return on the UNC Investment Fund and 10.8% return on the Schwab

funds. Mr. Fullwood asked if the increase is for twelve months. Mr. Pompey said it is through February. Our goal is to have a \$75 million endowment by the year 2020. Chancellor Martin stated that part of our challenge is greater spending needs. Mrs. Zollar stated that she would like cash to be less than 1% of the endowment portfolio.

The Committee reviewed and held significant discussion about performance of our endowment funds and the management. It was agreed that the University, in concert with the Endowment Committee, should evaluate the feasibility of contracting with a consultant to assist in the management of our investments. At the September 11, 2014 meeting, the Committee will review potential fund managers for their asset management and/or consulting/advisory expertise. Firms of interest include: SEI, Cambridge Associates, Global Endowment Management, and Fund Evaluation Group (FEG) and Vanguard. This will probably require that the Committee Meeting start at noon in September.

Following this dialogue, Mr. Pompey gave a high-level summary concerning our strategic priorities.

With no further business, the meeting adjourned at 4:34 p.m.

Recorded by:

*Daphne M. Rogers*