

ENDOWMENT BOARD COMMITTEE OF THE BOARD OF TRUSTEES

North Carolina Agricultural and Technical State University
Greensboro, NC

November 17, 2016

MINUTES

The Endowment Committee of the Board of Trustees convened on Thursday, November 17, 2016 in Conference Room 424-A of the Dowdy Administration building at 3:00 pm. with Mr. Robert Pompey, presiding.

Roll Call revealed the following:

Present:	Mr. William Dudley Dr. Harold L. Martin, Sr., Chancellor Dr. Bertram Walls
Absent:	Mr. D. Hayes Clement Mr. Emerson Fullwood Mr. Tim Rice Mr. Douglas Smith Mr. Dennis Stearns
Others Present:	Mrs. Kathy Burckley, Director of Financial Reporting Mrs. Melvine Grice, Recorder, Business and Finance Mr. Scott Hummel, Associate Vice Chancellor/Comptroller Mr. Robert Pompey, Jr., Vice Chancellor for Business & Finance Mr. Kenneth Sigmon, Vice Chancellor for University Advancement

The meeting was called to order by Mr. Robert Pompey, Jr. followed by the roll call. Since there was not a quorum, the minutes from the meeting in September 2016 were tabled and will be presented for vote in the February 2017 meeting.

Mr. Robert Pompey, Jr yielded the floor to Mr. Jonathon King, President and CEO, Chief Investment Officer for the UNC Management Company, Inc. Mr. King presented a review of our UNC Investment Fund portfolio and the overall performance of the fund. The fund returned - 2.28 % for the fiscal year ended June 30, 2016 (its first fiscal year loss since 2009) but has rebounded nicely and is up 4.1% for the quarter.

Our Vanguard fund manager Mr. George Toulson has left Vanguard to take advantage of an opportunity to be closer to his family in Richmond, VA. Replacing Mr. Toulson is Mr. Joseph Hess, who will attend our next board meeting.

Mr. Scott Hummel presented an update. The total combined market value of the endowment, including the Foundation as of September 30, 2016 was \$49.98 million, an increase of approximately \$1.91 million from June 30, 2016.

The increase in the University's \$44.43 million endowment of \$1.92 million (+4.5%) is primarily attributable to unrealized investment gains of \$1.73 million, gifts of \$155,000, and realized investment gains, dividends, and income of \$78,000.

The UNC Investment Fund holds approximately \$25.53 million (57%) of total endowment assets. Vanguard Funds comprise approximately \$18.47 million or 42% of the total endowment assets. The majority of the \$411,426 (1%) remaining University endowment funds reside in the State Treasurer's Short Term Investment Fund (STIF).

The University endowment is providing \$1,772,619 in this 2016-17 academic year to support scholarships, professorships, and chair positions, an increase of over \$143,000 from 2015-16.

Mr. Pompey also indicated that the Spending Policy will go to the full Board of Trustees for approval.

With no further business, the meeting adjourned at 4:15 pm.

Recorded by:

Melvine Grice