

**ENDOWMENT BOARD COMMITTEE OF THE BOARD OF TRUSTEES AND THE NORTH CAROLINA A&T INVESTMENT FOUNDATION**

North Carolina Agricultural and Technical State University  
Greensboro, NC

February 27, 2020

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MINUTES

The Endowment Committee of the Board of Trustees convened on Thursday, February 27, 2020 in the Chancellor's Boardroom of the Dowdy Administration building at 4:15 pm. with Mrs. Hilda Pinnix-Ragland presiding.

Roll Call revealed the following:

Present:                Mr. Calvin Brodie  
                              Mr. Mark Copeland  
                              Mr. William Dudley  
                              Mr. Tim King  
                              Mrs. Hilda Pinnix-Ragland  
                              Mr. Dennis Stearns

Others Present:        Mrs. Kathy Burckley, Director of Financial Reporting  
                              Mrs. Kim Cameron, Real Estate Foundation  
                              Mr. Scott Hummel, Associate Vice Chancellor/Comptroller  
                              Mr. Robert Pompey, Jr., Vice Chancellor for Business & Finance  
                              Mr. Kenneth Sigmon, Vice Chancellor for University Advancement

Absent:                 Mr. Kenneth Dimmock  
                              Mr. Jeff Harding  
                              Dr. Harold L. Martin, Sr., Chancellor

The meeting was called to order by Mr. Robert Pompey, Jr. It was moved and properly seconded by Mr. Tim King and Mr. Mark Copeland to approve the minutes from the November, 2019 meeting. The following information was shared:

Combined investments of the University and the NC A&T Real Estate Foundation comprise the North Carolina A&T Investment Foundation, Inc., whose assets totaled \$87.26 million at 12/31/20.

The Investment Foundation's asset market value of \$87.26 million at December 31, 2020 represents a \$7.11 million increase from the \$80.15 million market value at June 30, 2019. This is an 8.87% increase for the first half of the fiscal year resulting from gifts totaling \$2.87 million, unrealized market gains of \$3.85 million, and realized gains and income of \$1.25 million. Investment manager fees and our internal 1% management fee were the only detractors (\$760,000). The current year \$2.1 million scholarship/professorship/chair budgets will be deducted in the third quarter.

University endowments account for \$68.32 million, or 78.3% of the assets under Investment Foundation management. The Real Estate Foundation investments (\$18.94 million) include endowments of \$6.28 million and additional restricted and unrestricted funds of \$12.66 million.

Pooled investments held with managers total \$87.09 million. The investment pool's current investment manager allocation (by market value) shows the UNC Investment Fund (UNCIF) holding 55% of the investment pool and Vanguard 41%. Cash accounts for the remaining 4% of the investment pool.

Our Vanguard investment manager Jim Gorman presented a portfolio review. Amid a positive investment environment, Vanguard returned 8.6% for the six-month period ended December 31, 2020. Corresponding returns from the UNC Investment Fund (UNCIF) and the State Treasurer's Short-term Investment Fund (STIF) were 4.6% and 2.05% respectively.

The NACUBO-TIAA Study of Endowments (NTSE) included 785 participants for the year ended June 30, 2019. Since 2014, we have moved to 571 in size (from 644; 590 in 2018). While overall returns for FY 2019 came in at 5.3%, funds in our size range of \$51 – \$100 million returned 4.9% for 1-year. In contrast, the University plus Foundation returned 5.46% for FY 2019. In our April meeting, we will take a closer look at the NACUBO-TIAA study.

In light of the market volatility as a result of the corona virus pandemic, the Endowment Committee members requested to hear presentations from both managers in the April meeting related to fund performance, the economy, and private equity investment opportunities. The Committee also agreed to review the current investment allocations and manager performance at the April Meeting.

With no further business, the meeting adjourned at 5:40pm.

Recorded by:

*Daphne M. Rogers*