

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

November 11, 2021

MINUTES

The joint meeting of Endowment Committee of the Board of Trustees and the North Carolina A&T Investment Foundation Board convened on Thursday, September 23, 2021 via zoom at 3:00 pm. with Hilda Pinnix-Ragland presiding.

Roll Call revealed the following:

Present:

Mark Copeland
William Dudley
Timothy King
Harold L. Martin, Sr.
Hilda Pinnix-Ragland

Others Present:

Helen Buck, Interim Associate Vice Chancellor/Comptroller
Kathy Burckley, Director of Financial Reporting
Kim Cameron, Real Estate Foundation
Sheena Cobrand, Legal Affairs
Willie Deese, Real Estate Foundation
Melissa Holloway, General Counsel
Daniel Lim, Real Estate Foundation
Clifford Maske, Real Estate Foundation
Michael Pippen, Greensboro News & Record
Robert Pompey, Jr., Vice Chancellor for Business & Finance
Kenneth Sigmon, Vice Chancellor for University Advancement

Absent:

Calvin Brodie
Dennis Stearns

The meeting was called to order by Hilda Pinnix-Ragland, followed by the reading of the Conflict of Interest Statement. A motion to approve the minutes from the April, 2021 meeting was moved and properly seconded by Mark Copeland and Timothy King. A roll call of this approval was yielded unanimously by the Trustees. After the Delegation of Authority presentation given by Melissa Holloway, the following information was shared:

Combined investments of the University, the NC A&T Real Estate Foundation, Inc. and the recently added Foundation for North Carolina A&T State University, Inc. comprise the North Carolina A&T Investment Foundation, Inc., with assets that total \$178.12 million at June 30, 2021. Endowment assets held total \$157.3 million.

The Investment Foundation's asset market value of \$178.12 million at June 30, 2021 represents an \$89.14 million increase from the \$88.98 million market value at June 30, 2020. This is a 100.2% increase since the last fiscal year. This is as a result of gifts totaling \$49 million, investment appreciation of \$41.4 million, and realized gains and income of \$1.5 million.

Investment manager fees and our internal 1% fee (\$1.06M) and the current year \$2.42 million scholarship/professorship/chair budgets were the only detractors.

University endowments account for \$149.9 million, or 84.18% of the assets under Investment Foundation management. RE Foundation investments (\$24.68 million) include endowments of \$7.39 million and additional restricted and unrestricted funds of \$17.29 million. Assets of the Foundation for NC A&T State University, Inc. are not yet pooled with our investment advisors, but they account for \$3.49 million of our total assets at June 30, 2021.

Assets held with investment managers total \$174.39 million. The current investment manager allocation (by market value) shows the UNC Investment Fund (UNCIF) holding 68% of the investment pool and Vanguard 26%. The Foundation for NC A&T State University, Inc. currently invests their funds with PFM (2%). Cash accounts for the remaining 4% of the overall investment.

In addition to its pooled endowments (\$149.71 million) the University holds \$234,217 in endowment assets within the Investment Foundation that are not part of the investment pool. Real estate (\$115,400) and the College of Business & Economics (COBE) Students' Investment Fund (\$118,817) bring the University total endowment balance to \$149.94 million.

The endowment scholarship/professorship/chair allocations continue to grow, providing \$2,716,712 for spending in FY2021-22, an addition of \$221,312 more than in FY2020-21.

The Committee received an update on the status of restricted scholarships and the plans for the MacKenzie Scott gift. We will continue to receive quarterly updates.

Finally, the subset of the Committee will begin a vetting process of investment managers for the purpose of potentially recommending new managers in the November meeting.

A motion to adjourn was moved and properly seconded by Mark Copeland and Willie Deese. A roll call of this approval was yielded unanimously by the Trustees.

With no further business, the meeting adjourned at 4:48 pm.

Recorded by:

Daphne M. Rogers