

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 10, 2022

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 29, 2022 at 3:00 pm. with Mark Copeland presiding.

Roll Call revealed the following:

Present:

Mark Copeland, Chair
Calvin Brodie
William Dudley
Timothy King
Harold L. Martin, Sr.

Others Present:

Helen Buck, Associate Vice Chancellor/Comptroller
Kathy Burckley, Director of Financial Reporting
Kim Cameron, Real Estate Foundation
Robert Pompey, Jr., Vice Chancellor for Business & Finance
Hilda Pinnix-Ragland, Chair, Board of Trustees
Mindy Sanders, Internal Auditor
Kenneth Sigmon, Vice Chancellor for University Advancement

Absent:

Dennis Stearns
Daniel Lim, Real Estate Foundation
Clifford Maske, Real Estate Foundation

The meeting was called to order by Mark Copeland, followed by the reading of the Conflict of Interest Statement. A motion to approve the minutes from the April, 2022 meeting was moved and properly seconded by William Dudley and Timothy King, respectively. The meeting was yielded to Robert Pompey, Jr. The following information was shared:

Combined investments of the University, the NC A&T Real Estate Foundation, Inc, and the Foundation for North Carolina A&T State University, Inc. comprise the North Carolina A&T Investment Foundation, Inc., with assets a total of \$179.44 million at June 30, 2022. Endowment assets held total \$164.54 million. As of August 31, 2022, the investment assets declined to \$178.4 Million.

The Investment Foundation's asset market value of \$179.44 million at June 30, 2022 represents an increase of \$1.32 million increase from the \$178.12 million market value at June 30, 2021. There were approximately \$12.5 million in gifts for the fiscal year and approximately \$2.4 million in realized gains, \$3.6 million in unrealized losses and \$756K in income. Investment manager fees and our internal 1% management fee totaled \$1.99 million. The investment return for the 2022 fiscal year was a loss of (1.38%).

The endowment scholarship/professorship/chair allocations provide \$2,716,777 for spending in FY23.

The current investment manager allocation (by market value) shows the UNC Investment Fund (UNCIF) holding 71% of the investment pool and Vanguard 19%. The Foundation for NC A&T State University, Inc. currently invests their funds with PFM that accounts for 2% of the Investment Foundation and cash accounts for the remaining 8% of the overall investment.

The Investment Foundation Board approved the following actions:

- Transfer all the funds in the Vanguard Investment Fund (approximately \$32.87 Million) to the UNC Investment Fund. This was done in light of the volatile market, performance variations, and to provide additional flexibility if the Board elects to implement additional impact investing strategies. It was so moved and properly seconded by Calvin Brodie and Timothy King.
- Authorize Management to make the following impact investing allocations:
 - Fixed income investments up to a maximum of \$2 Million in Mechanic and Farmers Bank (a NC based African American Financial Institution)
 - Fixed income investments up to a maximum of \$1 Million into Latino Community Credit Union (the Latin X Population of 600 students represents a 22% increase since the Fall of 2017)
 - Fixed income investments of a maximum of \$2 Million in Minority Owned Firms Managed through Goldman Sachs
 - It was so moved and properly seconded by Calvin Brodie and William Dudley.
- The Investment Foundation will also receive an update on the Resurgent Mixed-Use Project that's being led by the North Carolina A&T Real Estate Foundation at the November Meeting for the purpose of authorizing an investment in this project.

Finally, the Investment Foundation received an update on the University restricted scholarships, new gifts and related spending.

A motion to adjourn was moved and properly seconded by William Dudley and Calvin Brodie.

With no further business, the meeting adjourned at 4:47 pm.

Recorded by:

Daphne M. Rogers