

WINSTON-SALEM STATE UNIVERSITY

**Board of Trustees Endowment Committee
Chancellor's Conference Room
Thursday, June 5, 2014**

MINUTES

***ACTION ITEM**

Call to Order: Chairman Debra B. Miller called the Board of Trustees Endowment Committee meeting to order at 8:00 a.m.

Roll Call: Linda McCullough

Present: Mrs. Debra B. Miller, Chairman
Chancellor Donald Reaves
Mr. Tony Ebron
Mr. Harvey McIntyre
Interim Vice Chancellor Randy Mills, ex-officio
Vice Chancellor Michelle Cook, ex-officio

Absent: Mr. William G. Benton
Mrs. Peggy Carter
Mr. Scott Wiernan

A quorum was established.

Staff Present: Mr. Frank Lord
Mr. Gordon Slade

Guest: Mr. John Hinton, Winston-Salem Journal News Reporter

***Approval of the Agenda**

- Mr. McIntyre moved and Mr. Ebron seconded the motion to adopt the agenda. The motion passed.

***Approval of Minutes**

- Mr. Ebron moved and Mr. McIntyre seconded the motion to approve the minutes of the March 20, 2014 meeting. The motion passed.

UNC Management Company Presentation (Endowment Fund Update)

- Due to scheduling, UNC Management Company could not be present. Hence, Mr. Lord, University Controller, provided the Endowment Fund update:
 - The UNC Investment Fund recorded an 11.5% net return for FYTD 2014 (9 months to 3/31/14). This return exceeds the primary long-term objective (CPI + 5.5%) and is in line

with the Strategic Investment Policy Portfolio (SIPP) and the median BNY Mellon Endowment and Foundation universe returns.

- The Fund's 1- year 12.8% return outperforms the 12.4% SIPP return and our benchmarks.
 - The Fund's 3 and 10 year returns are strong both on an absolute and relative basis.
 - Six of 7 asset classes beat their benchmark over the 3-year period.
 - The Private Portfolio appreciated by 7.2% in the March 2014 quarter bringing the FYTD 2014 return to 14.5%.
 - The portfolio was significantly cash flow positive for FYTD 2014.
 - *Logistics for the FY 2014 UNC Investment Fund Investor Webcast will be forwarded to the BOTE Committee upon receipt from UNC Management Company, Inc.
- A copy of the *UNC Management Company, Inc. Investment Report dated June 5, 2014* filed for reference.

Enhanced Revenue/Integrated Planning and Budgeting:

University Endowment Financial Statements 3rd Quarter Ending March 31, 2014

Mr. Lord reported the following:

- WSSU Endowment Fund Fair Market Value of \$24,440,700 was noted as the largest in history.
- Net Realized and Unrealized Gains (losses) \$1,705,893
- Cash gift receipts \$1,047,000
- Restricted cash for spending \$3,980,834
- WSSU Endowment principle balance invested with UNC Management trust account \$18,214,499.

Foundation Endowment Financial Statements 3rd Quarter Ending March 31, 2014

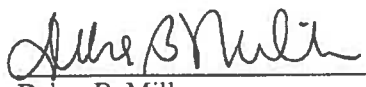
Mr. Gordon Slade, University Advancement Finance Director, reported the following:


- Foundation Endowment Fund Fair Market Value \$8,854,114
- Cash gift receipts \$115,230
- Unrealized gains \$926,111
- Restricted cash for spending \$244,922
- Permanently restricted cash to be invested \$193,404
- Foundation Endowment principle balance invested with UNC Management trust account \$7,235,087.

A copy of all financial statements and supporting documents are filed for reference.

Adjournment

With no other business for discussion, Chairman Miller called the meeting to adjourn at 8:25 a.m.


Debra B. Miller
Chairman, Board of Trustees


Linda W. McCullough
Recorder