

UBAC Minutes
October 10, 2012

Members Present: Mukesh Srivastava, Dana Hall, Bethany Friesner, Nabil Al-Tikriti, Paul Messplay, Tamie Pratt-Fartro

- 1) Presentation by Jeff Rountree, CEO, UMW Foundation and Greg Branner, Director of Administration and Finance, UMW Foundation
 - a. Foundation exists only to support the university
 - b. Real estate acquisitions largely university-driven based on strategic plan as real estate becomes available
 - c. Two current real estate projects:
 - i. 93 room Hyatt hotel owned outright by the Foundation; will open in fall 2013
 - ii. Campus Center; building privately and sell back to the university at cost
 - d. Other examples:
 - i. Eagle Lake Outpost; 415 acres; lake, land off of 17; 4 cabins (two academic); boats, retreat cabins; a duplex; biology classes have been using it
 - ii. Own 12 acres on the Rappahannock past Duff Green Park across from the Fredericksburg Country Club; lots of other property owned by the Foundation throughout the area
 - e. Advancement Office does all the fundraising for the Foundation which manages the \$; retains professional independent investment advisors; Mangham Associates, Inc. which specializes in endowments of our size
 - f. Foundation's Purposes:
 - 1) Support the current and future operations of UMW
 - 2) Support student scholarship and academic programs
 - 3) Preserve the purchasing power of the foundation's endowment
 - g. Endowment around \$37 million; structured long-term for sustainability, so year-to-year may occasionally be down compared to sister institutions who focus may be on short-term investments and returns (NACUBO study compares institutions)
 - h. \$200 million in real estate
 - i. Investment committee works with company advisors to meet asset allocation target ranges that have a bit of flexibility in these categories: public equity, private equity, real assets, bonds and cash; Policy statement outlines this flexibility

- j. Endowment Spending Policy: ensure assets are maintained over time; average annual spending policy from endowment funds can be up to 5% which is quite uncommon; most schools spend 3% or 4%
 - k. Approximately \$1.7 million anticipated in scholarship awards for 2014; donor driven; most donors want \$ to go to scholarship; less toward professorships
 - l. No limitations with who we invest with; social agenda into an endowment doesn't make the most sense; so put \$ where it will make the most; too much at stake to detail social agendas; rarely done in institutions
 - m. Income to endowment is strictly the Advancement side of UMW
- 2) No further business or approval of past meeting's minutes as no quorum at start or completion of meeting