

# UMW Foundation Presentation to University Budget Advisory Committee January 24, 2022

Jeff W. Rountree '91  
Chief Executive Officer  
UMW Foundation

Gregory A. Branner '85 CPA  
Chief Financial Officer  
UMW Foundation



# UMW Foundation Statement of Purpose

“Organized and incorporated in 1975, the UMW Foundation is an independent and separately incorporated 501(c) (3) organization and is responsible for receiving, managing, and administering donations of cash, securities, real and intellectual property, and other private resources for the support of the University of Mary Washington; and managing such gifts in accordance with donor intent and its fiduciary responsibilities.

Furthermore, in connection with its asset-management and real estate management activities, the Foundation retains personnel experienced in planning for and managing private contributions and works with the University to assist and advise in such activities.”



# UMW Foundation Elevator Speech

*“The UMW Foundation, a not-for-profit 501c(3), serves as the private asset manager for the University of Mary Washington.”*

*“The Foundation manages all of the University’s privately donated cash and investments and is heavily engaged in real estate acquisition, development and management on behalf of the institution.”*

*“The Foundation is the University’s family office managing nearly \$200M in private assets.”*





FY21

# UMW Foundation Total Assets \$132 Million (Draft Audited F/S)



\$72 Million  
Cash & Endowments



\$60 Million  
Real Estate Portfolio



# UMWF Officers & Executive Committee



**Edward V. Allison Jr.**  
Board Chairman



**Dori Eglevsky**  
Board Vice Chairman  
Chairman, Operations/Finance Cmt. Vice-Chairman, Audit Cmt.



**Robert J. Barry Esq.**  
Board Secretary  
Vice-Chairman, Audit Cmt.



**Dr. Troy D. Paino**  
President, UMW



**Kathleen Shepherd Mehfood '70**  
Immediate Past Board Chairman



**Michael A. Ciriemi '98**  
Chairman, Investment Cmt.



***Jeff W. Rountree***

Chief Executive Officer  
President, Eagle Property Holdings LLC



***Peggy Simpkins CPS***

Executive Assistant to CEO



***Greg Branner CPA***

CFO, UMWF; Treasurer, UMWF Board



***Ann Hodges***

Senior Accountant



***Shannon C. Williams CPA***

Controller



# UMW Foundation Staff



# ANNUAL BUDGET

## FY22 REVENUES OF \$9.71 M

\$\$\$\$\$	Income-Producing Property
\$\$\$\$	Investment Income
\$\$\$	Unrestricted Gifts
\$\$	Endowment Management Fee
\$	Interest and development fees



# ENDOWMENT SPENDING

## \$2.21 MILLION IN FY22

- 450+ endowments and 550+ individual awards
- Permanent funds of \$25,000+
- Critical to attracting the best students and the finest faculty
- Endowments can include:
  - ✓ Merit or need-based scholarships.
  - ✓ Professorships, Endowed Chairs, Research Fellowships.
  - ✓ Programs





# **UMW Foundation**

## **Endowment Funding & Management**

- The UMW Advancement Office performs all fund raising with contributions going to the UMW Foundation for investment and management.
- All investments are managed in accordance with the Foundation's Statement of Investment Policy.
- The Foundation's Investment Committee (IC) is charged with managing the endowment assets.
- UMWF retains professional independent investment advisors, Artemis Wealth Advisors LLC, to assist the UMWF with these responsibilities.



# **UMW Foundation**

## **Statement of Investment Policy**

- UMWF's Statement of Investment Policy (SIP) governs the management of the Foundation's investment portfolio.
- The SIP states that the overall financial objectives of UMWF are:
  - To support the current and future operations of UMW.
  - To support UMW's student scholarship and academic programs.
  - To preserve the purchasing power of the Foundation's endowment.
- The investment objectives are long-term in nature and designed to ensure the sustainability of the endowment portfolio over time.
- The SIP also defines portfolio composition and asset allocation.
- The SIP also includes a summary explanation of the UMWF endowment spending policy.

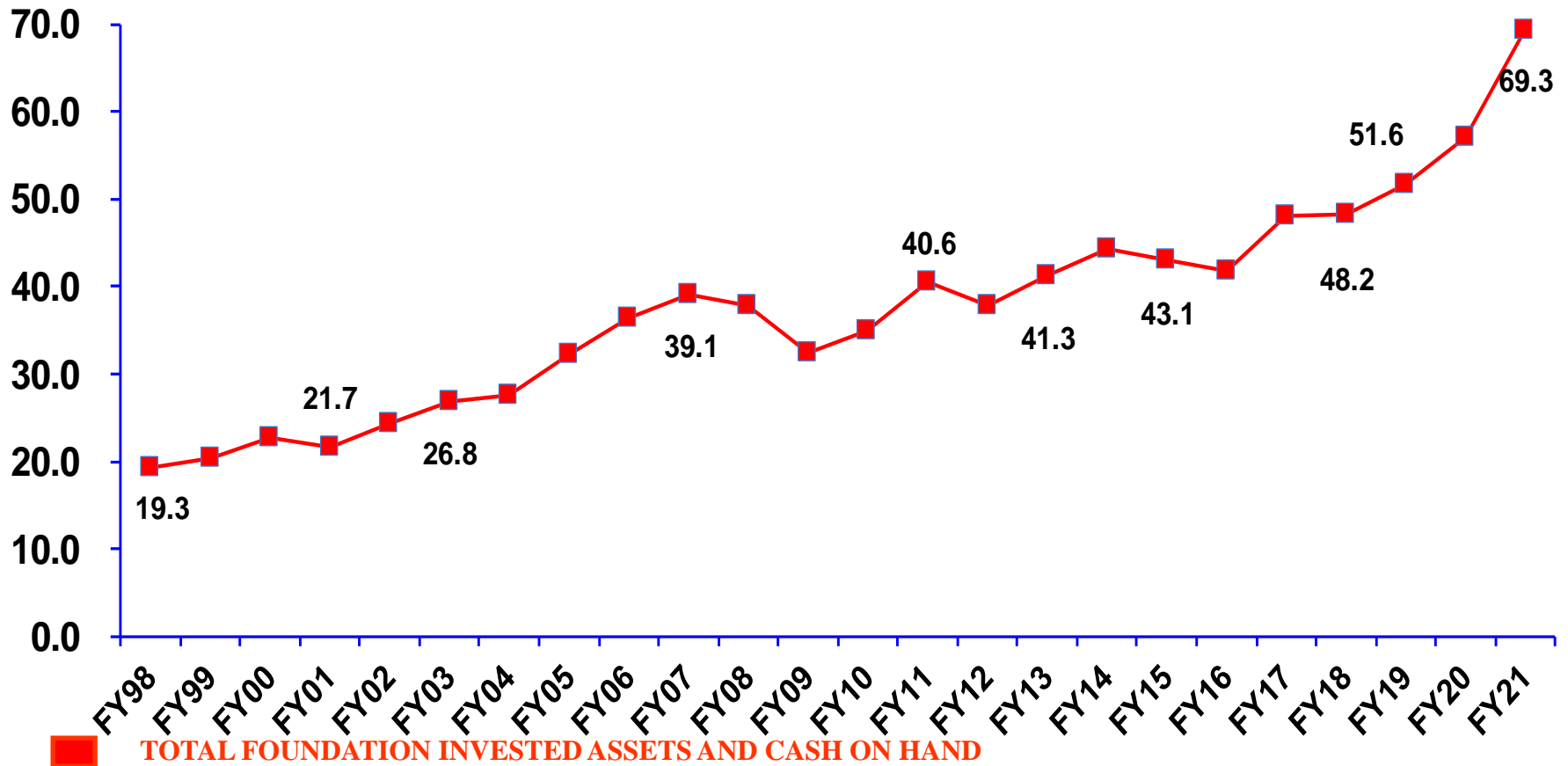


# ENDOWMENT

## Portfolio Investments and Cash

(as of June 30, 2021)

Millions



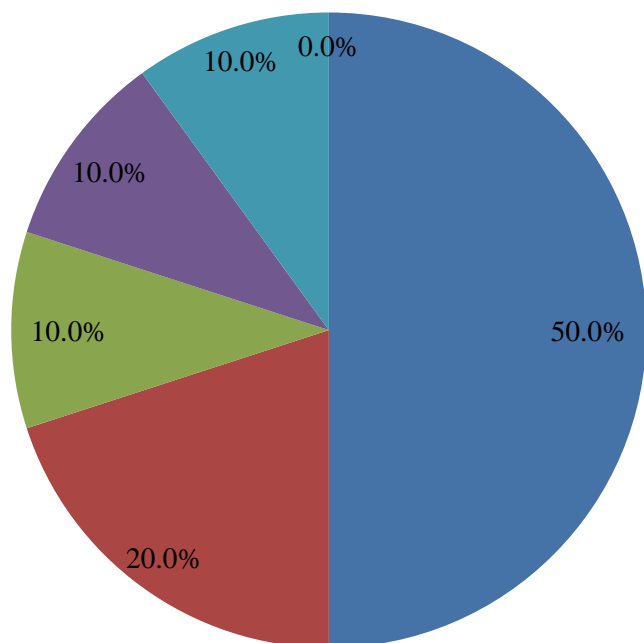
All amounts are as of June 30 (fiscal year-end)



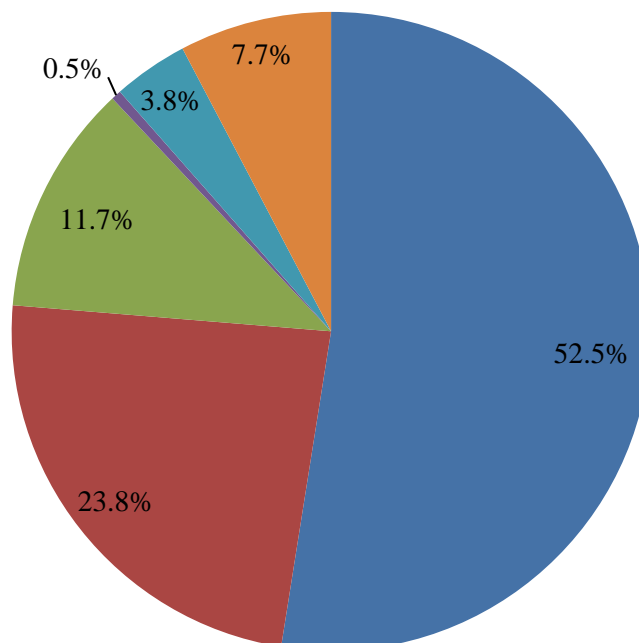
# ENDOWMENT

## Asset Allocation & Manager Targets

**Policy Target**



**Actual Allocation**



**Legend & Tactical Range**

- Public equity (40%-70%)
- Fixed income (15%-35%)
- Hedge funds (0%-20%)
- Private equity (0%-20%)
- Real assets (0%-20%)
- Cash & cash equivalents (0%-5%)

Source: Artemis Wealth Advisors, Investment Performance Report, September 30, 2021



# ENDOWMENT

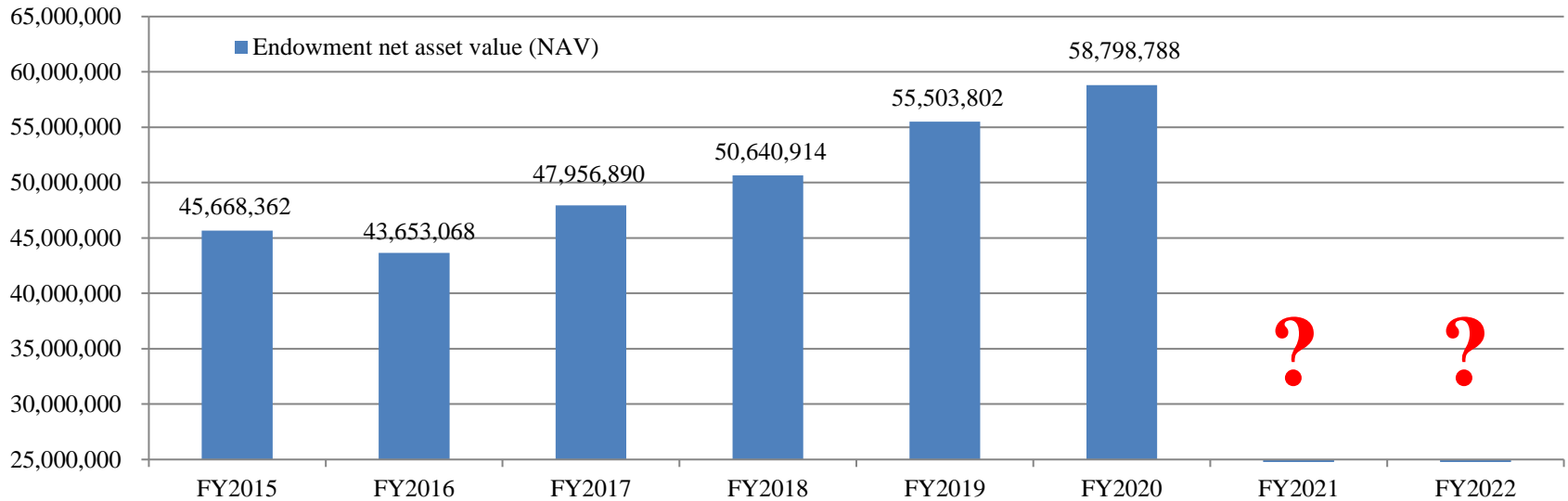
## Endowment Spending Policy (ESP)

The annual spending from endowment funds will be up to 5.0% of the average ending asset market values over the last 5 years.

The 5-year moving average policy is designed to minimize the peaks and valleys of the portfolio's performance.

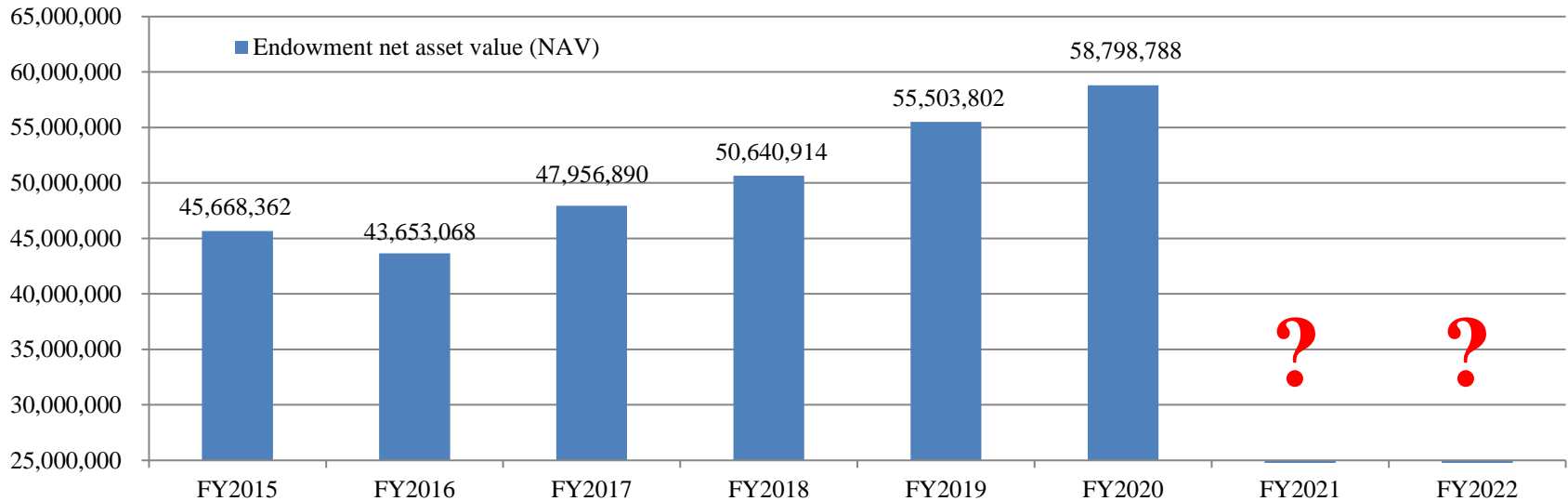


## UMW Foundation Effects of Endowment Spending Policy





## UMW Foundation Effects of Endowment Spending Policy

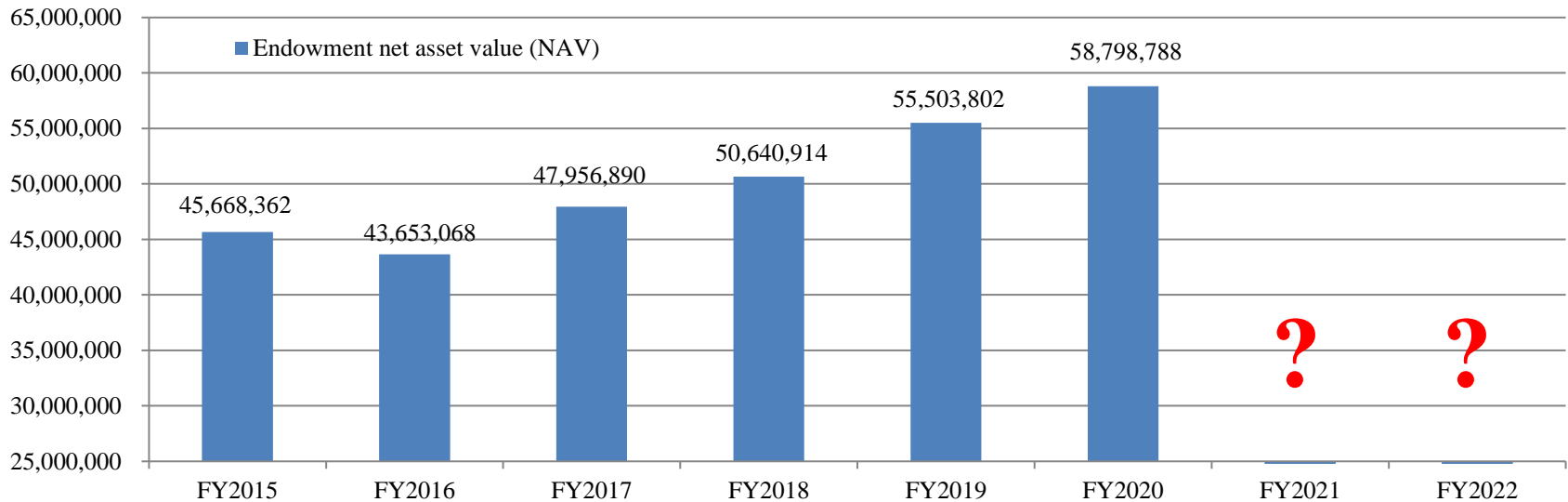


Average NAV of \$48,684,607 @ 4.0%  
=\$1,947,384

Spending policy amount for FY2021 set in November 2019  
based on average NAV for FY2015-FY2019



## UMW Foundation Effects of Endowment Spending Policy



Average NAV of \$51,310,692 @ 4.0%  
=\$2,052,428

Spending policy amount for FY2022 set in November 2020  
based on average NAV for FY2016-FY2020

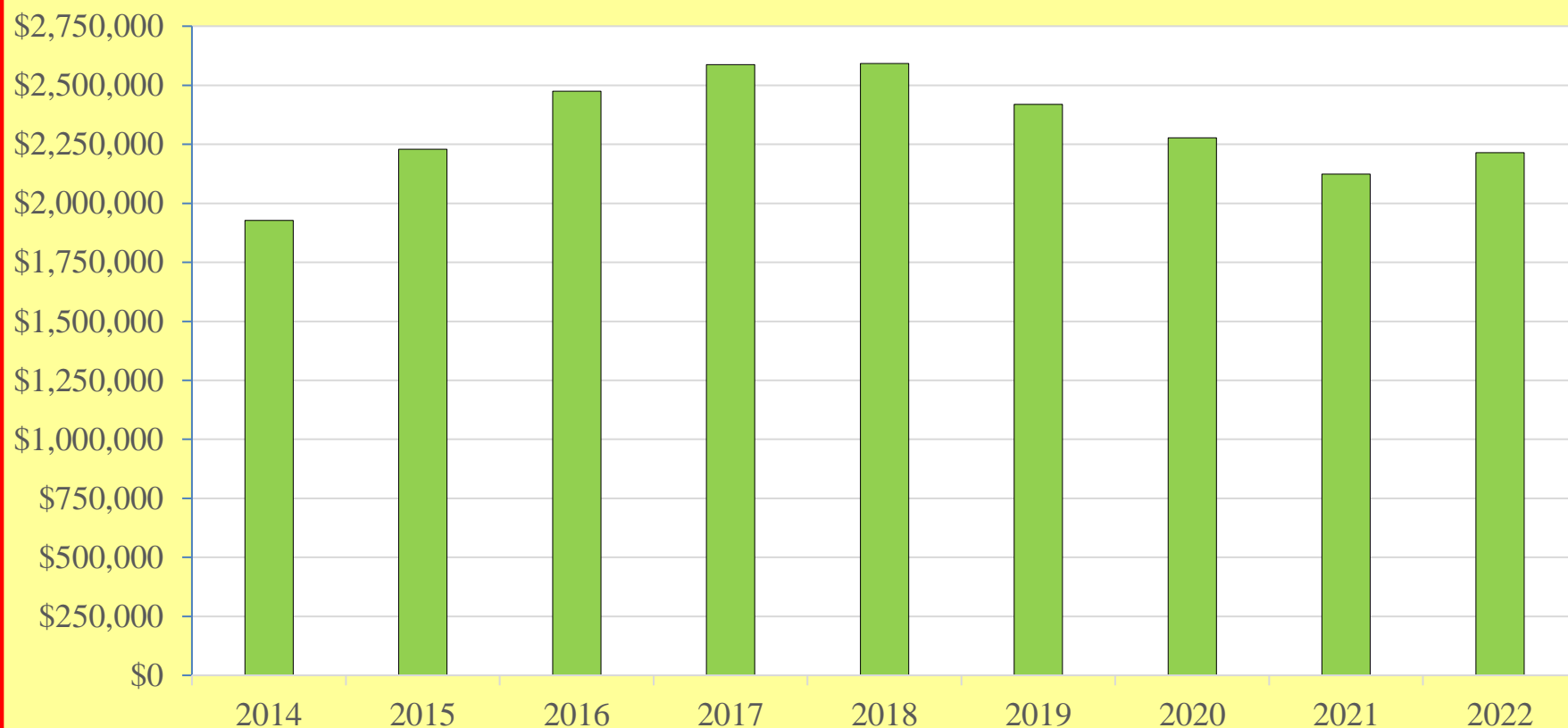




# ENDOWMENT

## Endowment Funding to UMW

**UMW Foundation Endowment Budgets**  
(Scholarship Awards and Other Endowment Budgets)



Spending Policy = 5% in years 2014-17, 4.7% in 2018, 4.3% in 2019 and 4.0% in 2020-22.



# REAL ESTATE MANAGEMENT

The Foundation acquires, sells, keeps, manages, & develops real estate for the benefit of the University.

The Foundation acquires real estate by donation & purchase.

Both conventional financing & the sale of bonds (tax-exempt and taxable) are used.

Foundation properties are managed by the University through a “Management Agreement,” or by property management companies, or by UMWF.



REAL ESTATE HOLDINGS  
PORTFOLIO



# Residential Portfolio: Multi-family Complexes (2)

280 Units/1,000 +/- beds



UMW Apartments



Eagle Landing

**SOLD**





# Residential Portfolio: Single-family UMW Use or Rental



Alvey House, Fredericksburg

67 Holly Corner, Stafford





# Commercial Portfolio: Retail Centers (3)

190,000 s.f. of space 40+ tenants



Eagle Village  
Legacy Center



Eagle Village  
New Retail





# Commercial Portfolio:

## Retail Centers (3)

190,000 s.f. of space    40+ tenants

Pizza Hut Center



Roger Dodger  
Shopping Center



# Commercial Portfolio: Office

38,000 s.f. of space



Executive Offices  
at Eagle Village



Stone House  
Athletic Department







# Sales & Acquisitions Portfolio



Ocala, FL



Georgetown, SC



Stafford, VA



Fredericksburg, VA



Rustburg, VA



# EAGLE LAKE OUTPOST



UNIVERSITY OF  
MARY WASHINGTON

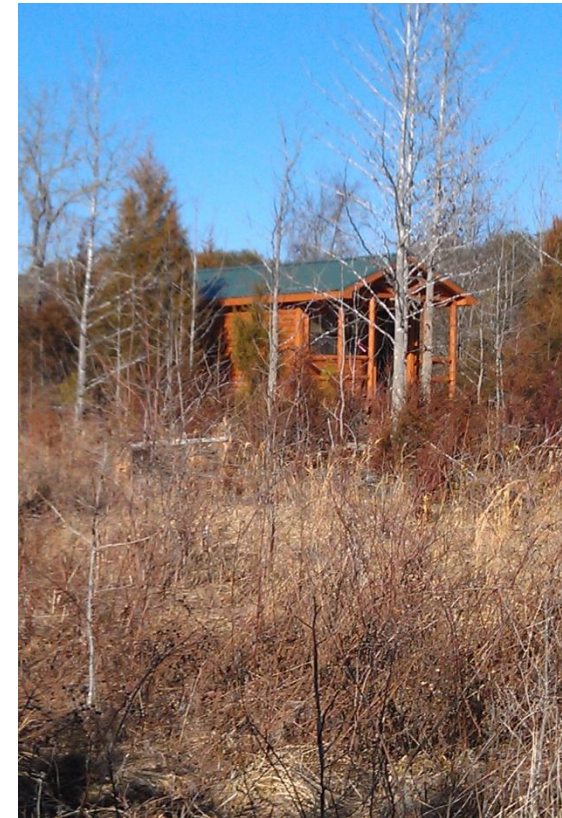
*where great minds get to work*







# Eagle Lake Outpost



Wet Lab and Community Cabin



**“We have one client, and that is the University of Mary Washington.”**

Florian “Red” Hofer  
Former Chairman of the Board

**QUESTIONS?**

[www.umwf.org](http://www.umwf.org)