UNC Investment Fund, LLC

Annual Report
FISCAL YEAR 2014
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Overview

The Fund

The UNC Investment Fund, LLC (“Fund” or “UNCIF”) is the commingled vehicle created to invest the assets contributed to it by its 27 member institutions ("Members"). The Fund’s Members are limited to eligible entities affiliated with the University of North Carolina system. The University of North Carolina at Chapel Hill Foundation Investment Fund, Inc. (“Chapel Hill Investment Fund”) is the Fund's controlling Member with its Board of Directors (“Board”) responsible for the Fund’s governance.

A complete list of the Fund’s Members can be found on page 32.

By investing in the Fund, Members receive the following:

• Investment management and oversight by a team of professionals dedicated to achieving the Fund’s objectives and focused on protecting the Fund’s assets during periods of market weakness
• Access to superior external investment management firms
• Competitive fees
• Highly diversified portfolio of investments allocated across investment managers, asset classes, and geographies
• Proven long-term investment track record generated with moderate volatility

The Investment Objectives

• **Primary Objective:** Support the current and future needs of the Fund’s Member institutions by generating, each year in perpetuity, a predictable and stable stream of spending distributions while also preserving purchasing power (net of inflation) after accounting for spending distributions.

• **Secondary Objective:** Achieve a rate of return, net of all fees and expenses, that exceeds the Fund’s primary benchmark, the Strategic Investment Policy Portfolio (“SIPP”). More information on SIPP can be found on page 11.

The Fund’s asset allocation framework, as defined by SIPP, is principally implemented through investments in external investment managers.

The Management Company

The UNC Management Company, Inc. (“Management Company”) has been appointed by CHIF’s Board to provide investment management services to the Fund including administration and performance reporting. The Management Company works closely with the Board and its Executive Committee requiring their direction and approval for:

• Determination of asset allocation
• Hiring and termination of external investment management firms
• Purchase or sale of assets
We are pleased to report that for the fiscal year ended June 30, 2014 (FY 2014) the Fund generated a healthy 15.7 percent return. This return exceeds the 15.0 percent return of the Fund’s Strategic Investment Policy Portfolio (“SIPP”) benchmark and, more significantly, contributes to the Fund’s long-term return objective. However, with domestic and global equity market indices returning 24.6 percent and 23.6 percent, respectively, the Fund and its SIPP benchmark lag a more traditional 70 percent stock / 30 percent fixed income portfolio which generated a 17.2 percent return for the year. Despite this, we believe positioning the Fund to participate in equity market rallies, while protecting value in periods of market weakness, to be the best posture for it to meet its return objective of maintaining the purchasing power of its underlying funds after accounting for spending distributions and inflation. The Fund’s long-term results support this, with the Fund generating a 9.2 percent ten-year annualized return versus 7.8 percent for the S&P 500 Index.

During the year, the Fund’s assets increased by $593.3 million to reach $4.14 billion by year end. Over the past five years, the Fund has grown by more than 80 percent (an increase of more than $1.88 billion) with an annualized investment return of 10.3 percent over the five year period. Fund growth is the result of both investment gains and additional contributions from Fund Members.

While most asset classes, particularly equities, rallied during fiscal year 2014, we remain acutely aware that financial markets are inherently uncertain and could be subject to steep declines at any point in time. With this in mind, we maintain our commitment to the Fund’s investment philosophy of investing for the long term in a portfolio of exceptional investment managers diversified across asset classes, strategies, and geographies, and with a significant allocation to alternative assets. We have remained consistent with our investment philosophy over time and, as such, this approach has been tested and proven across varying market conditions.

This annual report not only details the Fund’s performance during the past fiscal year, but also provides an overview of the Fund’s investment approach, asset allocation, and historical performance. Speaking for the entire Chapel Hill Investment Fund Board as well as the staff of the UNC Management Company, we are grateful for the continued support from our Member institutions and their donors.
One of the distinguishing features of the Fund is the oversight and governance provided by the Board of Directors of the Chapel Hill Investment Fund, its controlling Member. The Board, focused on the long-term strategy of the Fund, convenes three times a year to discuss and debate asset allocation, investment policy, and to monitor performance. The Board’s Executive Committee meets more frequently to review more intermediate-term recommendations of the Management Company. With its collective financial market expertise and extensive degree of experience, the Board serves as an invaluable resource to the Management Company in its mission to deliver exceptional risk-adjusted returns.

Listed above are the Directors as of June 30, 2014.
Portfolio at a Glance

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market Value ($ millions)</strong></td>
<td>$4,137.3</td>
<td>$3,554.0</td>
<td>$3,175.5</td>
<td>$2,903.7</td>
<td>$2,535.4</td>
</tr>
<tr>
<td><strong>Fund Return</strong></td>
<td>15.7%</td>
<td>12.1%</td>
<td>2.1%</td>
<td>15.3%</td>
<td>6.8%</td>
</tr>
<tr>
<td><strong>SIPP Benchmark Return</strong></td>
<td>15.0%</td>
<td>10.4%</td>
<td>4.7%</td>
<td>20.2%</td>
<td>10.9%</td>
</tr>
<tr>
<td><strong>Fund Asset Allocation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Biased Equity</td>
<td>29.8%</td>
<td>29.0%</td>
<td>24.5%</td>
<td>24.3%</td>
<td>19.7%</td>
</tr>
<tr>
<td>Long/Short Equity</td>
<td>19.1%</td>
<td>18.3%</td>
<td>17.8%</td>
<td>19.5%</td>
<td>22.2%</td>
</tr>
<tr>
<td>Diversifying Strategies</td>
<td>9.6%</td>
<td>10.6%</td>
<td>13.4%</td>
<td>14.2%</td>
<td>15.6%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>8.0%</td>
<td>8.3%</td>
<td>8.8%</td>
<td>7.2%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Private Equity</td>
<td>17.6%</td>
<td>18.1%</td>
<td>17.8%</td>
<td>17.1%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>6.8%</td>
<td>7.5%</td>
<td>7.2%</td>
<td>7.4%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Energy &amp; Natural Resources</td>
<td>6.5%</td>
<td>7.0%</td>
<td>7.2%</td>
<td>7.2%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Cash</td>
<td>2.6%</td>
<td>1.2%</td>
<td>3.3%</td>
<td>2.8%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>
Fiscal Year 2014 Overview

Against the backdrop of improving economic conditions and continued accommodative monetary policy, most major asset classes experienced gains for the fiscal year ended June 30, 2014. Equities, particularly U.S. equities, were the best performing asset class for the year as the S&P 500 Index returned 24.6 percent continuing the equity bull market first started in March 2009. Developed equities outside the U.S., as measured by the MSCI EAFE Index (Europe, Australia, Far East), also performed well returning 23.6 percent. The MSCI Emerging Markets Index returned 14.3 percent. Within fixed income markets, high yield bonds performed well with the Barclays U.S. Corporate High Yiel Index returning 11.7 percent as demand for the asset class remained strong. The broader fixed income market, represented by the Barclays U.S. Aggregate Bond Index, however, returned 4.4 percent for the year. Hedge fund and commodity indices generated positive returns that lagged behind the strong equity market returns for the year, with the HFRI Equity Hedge Index up 12.4 percent and the S&P GSCI Commodity Index up 10.4 percent.

Helped by the strong returns seen across asset classes, the Fund posted a solid 15.7 percent return for the 12-month period ended June 30, 2014. The Fund’s primary objective is to maintain the purchasing power of its underlying funds after accounting for spending distributions and inflation over the long term. Returns in excess of 8.5 percent are deemed to have achieved this target. In addition to contributing to the Fund’s long-term return objective, the fiscal year 2014 return of 15.7 percent exceeded the Fund’s primary benchmark, the Strategic Investment Policy Portfolio Index (“SIPP”) which returned 15.0 percent. The Fund’s performance, however, trailed a more traditional stock/bond portfolio with the Global 70/30 Index (consisting of 70 percent MSCI All Country World Index (“ACWI”) and 30 percent Barclays U.S. Aggregate Bond Index) recording a 17.2 percent return. Relative to other endowments, the

![Asset Class Returns vs SIPP Benchmarks](image)

Each of the Fund’s seven major asset classes produced positive returns for fiscal year 2014 with equity strategies delivering strong performance.

- **UNCIF Asset Class**
- **SIPP Benchmark Component**
Fund’s return narrowly trailed the 16.0 percent median return of the BNY Mellon Endowment & Foundation Universe.

Each of the Fund’s seven primary asset classes produced a positive return for the year with five of seven outperforming their respective benchmarks. Long Biased Equity was the top performer generating a 23.3 percent return for the 12-month period versus 22.9 percent for the MSCI ACWI. Within Long Biased Equity, the Emerging Markets sub-asset class returned 27.1 percent versus 14.3 percent for the MSCI Emerging Markets Index highlighting the importance of manager selection. Energy & Natural Resources was also a solid performer for the year both on a relative and absolute basis, returning 16.9 percent versus 2.9 percent for the benchmark. The Fund’s Fixed Income allocation also generated strong relative performance returning 11.6 percent for the year compared to 6.8 percent for its SIPP benchmark.

During the year, as a result of positive investment performance as well as additional contributions by Members, the Fund’s market value grew by $593.3 million to exceed...
$4 billion as of the fiscal year end. Figure 3 on page 8 details the more than $1.88 billion dollar increase in the Fund’s market value over the past five years.

Geopolitical events and uncertainties across the Middle East and Ukraine have dominated news headlines. In the past, significant geopolitical events (such as 9/11) have had a dramatic impact on equity markets, however, the impact has been short-lived. U.S. equity markets, not without uncertainties of their own, have been a source of relative calm globally. The United States economy is poised for continued growth at levels well ahead of most developed global economies. The labor market is showing signs of increased strength (though longer-term unemployment issues remain) and is in far better condition than in Europe where unemployment rates in excess of 10 percent are not uncommon.

While global equity markets have retreated and some of the enthusiasm from earlier in the year has faded, the S&P 500 Index is currently not far off its record high. Valuations are at or above historical median levels, but selective investments in equities remain compelling as interest rates normalize and corporate fundamentals remain solid. It is this sort of environment that tends to favor active management to generate excess returns. Within fixed income markets, interest rates remain low, but the U.S. Federal Reserve is expected to start raising rates in calendar year 2015. The timing and financial market impact of the Fed’s actions remains a significant topic of debate and uncertainty.

Entering fiscal year 2015, we continue to identify and monitor the return drivers and risks of the Fund’s underlying managers and how those components work into the aggregate portfolio. The Fund’s asset allocation targets were set with a long-term time horizon with ranges that give us the flexibility to make tactical allocations when necessary. We also remain focused on sourcing the best underlying managers who have proven track records of generating returns across market environments for the Fund.
Investment Principles

The Fund’s primary objective is to support the current and future needs of its Member institutions by generating each year, in perpetuity, a predictable and stable stream of spending distributions while also preserving purchasing power (net of inflation) after accounting for spending distributions. More simply, the Fund, over the long term, has to return approximately 8.5 percent to achieve its primary objective: the spending rate (usually around 5.5 percent) plus inflation (around 3 percent).

While this objective is straightforward in its concept, it is a challenge to achieve. To meet this goal, the Fund’s investment philosophy has been built around three core principles.

1. MAINTAIN LONG-TERM PERSPECTIVE – By taking a long-term view, the Fund can benefit from inefficiencies that arise from the short-term focus of many market participants.

2. PARTNER WITH BEST-IN-CLASS INVESTMENT MANAGERS – The Fund invests its assets in third-party investment managers. The UNC Management Company is steadfast in its pursuit of exceptional investment managers. Our research process takes us across the globe as we seek to partner with those managers that possess highly specialized skills, an ability to think independently, and who have a demonstrated track record of adding value.

3. MANAGE RISK THROUGH DIVERSIFICATION – We strive to make the best investment decisions all of the time but accept that this is not possible given the certain uncertainty of financial markets. Risk management is a core tenet woven throughout our investment process with diversification serving as one of the primary tools to achieve it. We believe investing across asset classes, geographies, and investment managers positions the Fund to achieve long-term success by limiting drawdowns associated with poor market conditions and the occasional inability of some investment managers to meet their targets.
FISCAL YEAR 2014 ANNUAL REPORT

Strategic Investment Policy Portfolio & Asset Allocation

Fundamental to the Fund’s Investment Objectives is the Strategic Investment Policy Portfolio (“SIPP”) established by the Board. SIPP provides asset allocation guidelines for the management of the Fund in accordance with its long-term return objectives and risk tolerance. SIPP is a broadly diversified portfolio with exposure to seven primary asset classes each of which is further divided into sub-strategies. SIPP establishes strategic asset allocation targets and tactical asset allocation ranges for the Fund’s seven primary asset classes. Each asset class is measured against a benchmark index which, when aggregated, serves as a method of assessing the Fund’s overall performance. SIPP reflects the long-term time horizon of the Fund. As such, modifications tend to be gradual with significant revisions occurring infrequently.

Key characteristics of SIPP include:

• Diversification across asset classes to allow the Fund to achieve its objectives through varying market environments
• A reliance on equity-related investments, both in public and private markets, to achieve long-term return objectives
• A significant allocation to private securities to capture the illiquidity premium associated with them
• Emphasis on equities over fixed income securities to reflect the Fund’s sensitivity to inflation

Each of the seven underlying asset classes within SIPP provides different benefits to the overall portfolio across different market environments. The Fund allocates to the different asset classes through investments with a number of investment managers chosen following a rigorous selection process. A brief description of each of the asset classes, including the investment strategy used and the types of investments typically held, follows.

LONG BIASED EQUITY
A traditional asset class characterized by ownership of publicly traded equity securities listed on global equity markets. This asset class is further divided into the following geographic sub-asset classes: domestic equity, developed markets international equity, emerging markets equity, and global equity.

LONG/SHORT EQUITY
An asset class characterized by a manager’s ability to buy and/or sell short individual publically listed equity securities that the manager believes the market has mispriced relative to their fundamental intrinsic value. The long and short positions are generally independent of one another and portfolios typically result in an overall net long exposure to equities. This flexibility is intended to add value and/or decrease risk.

DIVERSIFYING STRATEGIES
An asset class that includes investment strategies that tend to be uncorrelated with major equity market indices. Diversifying Strategies consist of the following three sub-strategies: multi-strategy, credit long/short, and macro/commodities.

FIXED INCOME
A broad and traditional asset class that generally comprises investment strategies (almost always including debt instruments) that are focused on income generation. The Fixed Income asset class tends to provide diversification to the portfolio acting as a complement to the Long Biased Equity asset class.

PRIVATE EQUITY
An asset class that includes equity investments and transactions in private companies (i.e. companies that are not publicly listed on any stock exchange). As the investments are illiquid, they are expected to provide higher returns than public equity investments over the long term.
### FIGURE 4
**STRATEGIC INVESTMENT POLICY PORTFOLIO**

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Fund Allocation&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>Strategic Target</th>
<th>Tactical Range</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Biased Equity</td>
<td>29.8%</td>
<td>27.0%</td>
<td>20 – 35%</td>
<td>MSCI All Country World Index (“ACWI”)</td>
</tr>
<tr>
<td>Long/Short Equity</td>
<td>19.1%</td>
<td>18.0%</td>
<td>12 – 24%</td>
<td>Hedge Fund Research Institute (“HFRI”) Equity Hedge Index</td>
</tr>
<tr>
<td>Diversifying Strategies</td>
<td>9.6%</td>
<td>12.0%</td>
<td>8 – 16%</td>
<td>HFRI Conservative Fund of Funds Index + 1%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>8.0%</td>
<td>10.0%</td>
<td>5 – 18%</td>
<td>30% BC L-T Gov’t/Credit, 30% BC Aggregate, 20% BC HY Corporate, 20% 90-Day T-Bills&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Private Equity</td>
<td>17.6%</td>
<td>18.0%</td>
<td>14 – 22%</td>
<td>70% CA PE Index / 30% CA Venture Capital Index&lt;sup&gt;(3)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Real Estate</td>
<td>6.8%</td>
<td>8.0%</td>
<td>5 – 12%</td>
<td>90% NCREIF / 10% NAREIT</td>
</tr>
<tr>
<td>Energy &amp; Natural Resources</td>
<td>6.5%</td>
<td>7.0%</td>
<td>5 – 10%</td>
<td>50% S&amp;P GSCI / 50% Real + 3%&lt;sup&gt;(4)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Cash</td>
<td>2.6%</td>
<td>0.0%</td>
<td>0 – 10%</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> As of June 30, 2014
<sup>(2)</sup> 30% Barclays U.S. Government/Credit Long Term Index, 30% Barclays U.S. Aggregate Bond Index, 20% Barclays Corporate High Yield Index, 20% 90 Day T-Bills
<sup>(3)</sup> 70% Cambridge Associates Private Equity Index, 30% Cambridge Associates Venture Capital Index
<sup>(4)</sup> 50% S&P Goldman Sachs Commodity Index, 50% Real + 3%
REAL ESTATE
An asset class in which investment managers invest in private real estate opportunities (primarily commercial). Investments in Real Estate tend to provide a hedge against rising inflation, a source of current income, and diversification to the aggregate Fund. Also, Real Estate markets can be markedly inefficient and, as such, provide significant potential for investment gains.

ENERGY & NATURAL RESOURCES
An asset class comprised of investment managers that purchase oil, natural gas, power, and other commodities. Similar to Real Estate, Energy & Natural Resources investments provide a hedge against future inflation and can benefit from an inefficient market for such investments.

Decisions regarding the allocation to each of the primary asset classes can have a significant impact on an investment portfolio’s return and ability to achieve its return objectives within a given level of risk. Asset allocation decisions also influence the Fund’s ability to provide a sufficient level of liquidity to meet the annual payout to Member institutions and other liquidity needs of the Fund. As such, establishing the strategic asset allocation targets of SIPP is the first step of the investment process utilized to construct the Fund. SIPP, including the strategic targets and tactical ranges for each underlying asset class as well as the Fund’s actual allocations as of June 30, 2014, is illustrated on page 12.

While the strategic asset allocation targets provide long-term guidance for the Fund, the tactical asset allocation ranges established by SIPP allow the Fund to react quickly when specific market conditions present themselves, purchase assets when they seem attractively valued, and sell assets deemed overpriced. These decisions may lead to pronounced deviations from the strategic policy and should, over the long term, contribute to the Fund’s return goals.
The University of North Carolina Press, Inc.

In 2013-14, UNC Press celebrated its 92nd year with the publication of several outstanding books, including *The Storied South: Voices of Writers and Artists* by William Ferris, *Soul Food: The Surprising Story of an American Cuisine, One Plate at a Time* by Adrian Miller, which won the James Beard Foundation Book Award for Reference and Scholarship, *Talkin’ Tar Heel: How Our Voices Tell the Story of North Carolina* by Walt Wolfram and Jeffrey Reaser, *Crafting Lives: African American Artisans in New Bern, North Carolina, 1770-1900* by Catherine Bishir, *The Southern Tailgating Cookbook* by Taylor Mathis, *Saving Community Journalism: The Path to Profitability* by Penny Muse Abernathy, *The Structure of Cuban History* by Louis A. Perez Jr, and *Pageants, Parlors and Pretty Women: Race and Beauty in the Twentieth-Century South* by Blain Roberts. We also continued our highly-praised Savor the South® Cookbooks series, with volumes celebrating Okra, Pickles and Preserves, Biscuits, and Bourbon.

In the fall of 2013, UNC Press received a $250,000 grant from the Kenan Charitable Trust to support the transition to digital workflows and the creation of tools for digital dissemination. As a result, our titles are now available through several consumer ebook vendors including Amazon’s Kindle, Barnes & Noble’s Nook, and Apple’s iBookstore, and through institutional ebook vendors like Books@Jstor, Project Muse, and North Carolina Scholarship Online.

For more information, visit us at www.uncpress.unc.edu

North Carolina Central University Endowment Fund

The 2013-14 academic year showcased North Carolina Central University’s position as a first-choice, global institution offering a premier higher education experience. Throughout the academic year, NCCU demonstrated a number of impressive accomplishments — from the expansion and launch of several new academic initiatives and programs to historic achievements by our Eagles athletics teams. NCCU continues to be a leading, nationally-ranked university that is at the forefront of preparing students academically, socially, and
professionally to serve as productive citizens in our global society. The administration, faculty, and staff of NCCU remain acutely focused on our top priority: student success.

Key partnerships in our schools and colleges during the year have created some “firsts” for the Triangle region of North Carolina, including the first dual-enrollment, residential transfer program, Eagle Connect, in conjunction with Durham Technical Community College. Additionally, NCCU’s reach continues to expand through a Bilingual Speech Language Pathologist training program in collaboration with Beijing Language and Culture University in China.

NCCU recorded $5.0 million in gifts, an increase of $2.6 million from 2013. The University also increased the alumni giving rate to 10 percent. In another form of giving, NCCU students volunteered 207,437 hours during the year assisting organizations and agencies, a contribution worth $4.3 million to the local economy.

North Carolina Agricultural and Technical State University Endowment Fund

Gifts to the North Carolina Agricultural and Technical State University Endowment Fund support the University’s mission and enrich the lives of students seeking knowledge and personal growth in order to overcome obstacles and continue their journey to becoming global leaders.

Though Emerson U. Fullwood has only been a member of the North Carolina A&T State University Board of Trustees since 2009, he has been financially committed to the University for a numbers of years.

He and his best friend, Kenneth M. Johnson, have long been raising funds through their Fullwood-Johnson Scholarship Foundation to send students to the University. In turn, he and his wife, Vernita, did not hesitate to pledge a personal gift and secure matching gifts from the Xerox Corporation and other corporate donors to create the Emerson U. and Vernita Fullwood Xerox Endowed Scholarship which will amount to $250,000 over a five-year period.

A North Carolina native, Fullwood is the retired corporate vice president of Xerox Corporation. He is a graduate of NC State University, earned an MBA from Columbia University, and received an Honorary Doctorate of Humanities from NC A&T.

He began his career at Xerox as an account representative progressing on to hold several executive leadership and general management positions, including President(s) of Latin America, Worldwide Customer Services Division, and Xerox Worldwide Channels Group. He currently serves as a member of the board of directors at Vanguard Group, SPX Corporation, and Amerigroup. In 2005, Black Enterprise Magazine named him one of the 75 most powerful African Americans in Corporate America.

Fullwood’s wife, a life-long educator, and their daughters, Dr. Erika Fullwood Augustine, a pediatric neurologist, and Elise Fullwood, an executive with Accenture, have always been committed to higher education. This gift is his family’s way of extending a helping hand to others in honor of the people who paved the way for their successes.
Winston-Salem State University Foundation, Inc.

Opening the Doors for Student Success

Winston-Salem State University recently opened the doors to its Student Success Center. The 30,000-square-foot center, located in the heart of campus, serves as a vibrant “one stop shop” where students can access career services, tutoring, mentoring, advising, information about internships and study abroad programs, and the latest technology all under one roof.

Research shows that consolidating student support services in a single location dramatically increases usage and that increased usage significantly improves grade point averages and graduation rates. The interior design of the Center offers a dynamic, open space where academic support services are within easy reach in a welcoming environment. Enhanced communication, collaboration, and mentoring among faculty, staff, and students will help ensure increased awareness and use of the full range of support services.

“Today is not just about a building. It is truly about our students,” said Chancellor Donald J. Reaves at the Center’s ribbon cutting ceremony. “It is about creating an environment where all students can access the support functions we have to help them be successful.” The Center provides scholars with a place to gain in-depth experience in critical thinking, decision making, and problem solving. These offerings directly support the University in its commitment to developing graduates of distinction known for leadership in and service to their professions and communities.

The WSSU Student Success Center serves as a magnet for students to optimize their performance in the classroom and in life. Successful students will come to explore and pursue additional opportunities, serving as examples and mentors to their peers. All students will experience the energy and exciting spirit within the Center, where the name says it all: Student Success.

Appalachian State University Foundation, Inc. and Appalachian State University Endowment

Appalachian State University completed its strategic planning process in 2013-14 to address how, as an institution, it can best serve the region and beyond. The new strategic plan, titled “The Appalachian Experience: Envisioning a just and sustainable future,” provides direction for the next five years. On July 1, 2014, Appalachian welcomed the University’s seventh chancellor, Dr. Sheri N. Everts, to its campus.

“Our strategic plan for 2014-19 builds on Appalachian’s strong tradition of teaching undergraduates, and interdisciplinary education is at the plan’s core because we know this approach prepares students for the complexities of contemporary life,” Chancellor Everts said.
The University’s Campaign for Appalachian has raised more than $186.6 million. The majority of the campaign funds support the University’s academics; 22 percent support athletics; and 7 percent support the arts. As part of the Campaign for Appalachian, alumni, students, parents, faculty, staff, and friends participated in a 24-hour fund drive on May 1, 2014, during which 1,263 donors from 32 states contributed $161,963 to the University’s annual fund.

Two parents, impressed with their children’s experiences at Appalachian, have provided the necessary funding for the University’s newest distinguished professorship. Private gifts established the McFarlane Family Distinguished Professorship in Interdisciplinary Education, which received matching funds from the state’s Distinguished Professorship Endowment Trust Fund in 2013-14.

The professorship will be housed in the College of Arts and Sciences’ Department of Cultural, Gender, and Global Studies. It will enhance students’ interdisciplinary education, which Appalachian views as necessary in preparing flexible, creative problem solvers capable of adapting to changing work requirements and life situations.

“This new professorship will further enhance Appalachian’s ability to equip our students to live with knowledge, compassion, dedication, humility, and dignity,” Chancellor Everts said.

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East Carolina University Endowment Fund and East Carolina University Foundation, Inc.

In 2007, East Carolina University introduced ECU Tomorrow as our strategic plan. The plan established many important goals for ECU and was the springboard for the largest capital campaign in ECU’s history.

We can be proud of all that was accomplished under ECU Tomorrow, but now it is time to look ahead. This year, we are introducing a new strategic plan titled Beyond Tomorrow. This plan is tightly aligned with the University’s mission through three key areas: maximizing student success, serving the public, and leading regional transformation. These areas are commitments and require extended efforts from across our campus. The shared dedication to these goals will shape the University for years to come.

Beyond Tomorrow sets a bold course for the University. It is a reflection of the values and principles of the University. It also points to one of the defining qualities of East Carolina: our readiness to confront the challenges of today while pushing beyond them toward a better tomorrow. Beyond Tomorrow is a powerful reminder that we must never limit our thoughts and actions to only the concerns of today, for it is how we respond to these present challenges that will define the future of this great University.
Fayetteville State University Foundation, Inc.

*FSU Cuts Ribbon on Newly Renovated Student Center*

Fayetteville State University has a storied history that makes it one of the more unique institutions of higher education in the country. The Rudolph Jones Student Center, named in honor of the sixth president of the University, is part of this rich legacy.

The Rudolph Jones Student Center initially opened its doors in the spring of 1972. In 1995, FSU received approval for $6.3 million dollars of funding for additions and renovations to the building. Main dining services were moved from the H.L. Cook Dining Hall to the renovated space. In 2011, under the leadership of Chancellor James A. Anderson, FSU received approval for an additional $23 million for further upgrades to the Student Center. These enhancements make the Rudolph Jones Student Center one of the most beautiful and state-of-the-art buildings of its kind on any college campus.

The Legacy Fountain Entrance consists of administrative offices, the student leaders’ suite, Founder's Study, lounge areas, and Chancellor’s Dining Room, among other amenities. One of the featured areas is the remodeled Main Dining Hall. The seating is arranged in clusters of booths and tables, offering both open and private spaces. The dining hall features a micro-restaurant style, with seven food stations with rotating menus. Another feature of the Upper Level is the Multi-Purpose Room. With a state-of-the-art audiovisual system, the rooms can suit a variety of meeting and entertainment needs.

The Student Center serves as the heart of campus and enhances the overall student life and experience at FSU. No other area of the center conveys this more than the Bronco Pride Lower Level.

This area provides opportunities for community building through multiple gathering places for students to eat, socialize, and show their school spirit. It’s also a place where commuter and residential students can spend time between classes.

Each area in the Lower Level has a Bronco Pride theme. RJ’s is the place to be for good food, great times, and relaxing with friends. The Bronco Cinema is a 100-seat theater for viewing the latest movies, and the Bronco Grill offers fresh, made-to-order meals. The Bronco Corral, the Bronco Student Lounge, and Bronco Plaza offer areas for students to socialize, hold meetings, or relax.

The Bronco Spirit Quad/Amphitheater is a welcome addition to the outside area of the Center. Whether it’s for a cultural event, an impromptu step demonstration by a Greek organization, or a lecture on a beautiful spring day, the quad/amphitheater provides an atmosphere that is conducive for it all.
NC State Investment Fund, Inc.

The Chancellor’s Faculty Excellence Program is bringing the best and brightest minds to NC State University to further its interdisciplinary initiatives. Guided by a strong strategic plan and an aggressive vision, the first phase of this cluster hiring program is to add 42 new faculty members in 12 select fields, increasing the breadth and depth of NC State’s already strong efforts to address some of the world’s most significant challenges.

NC State researchers regularly develop products and technologies that drive the economy and improve modern life. The University is also investing in the future by breaking down walls between traditional disciplines to take the lead in the most innovative, emerging fields in higher education—such as big data, geospatial analytics, environmental health science, and translational regenerative medicine.

Jennifer Kuzma, professor of public and international affairs and Goodnight-Glaxo Wellcome Distinguished Professor in the College of Humanities and Social Sciences, is part of NC State’s genetic engineering and society cluster. This group is studying the complex interplay of science and humanity. Kuzma came to NC State after serving on the faculty of the Humphrey School of Public Affairs at the University of Minnesota for ten years. Viewed as a leader in the science and technology policy academic community, she was elected by her peers to chair the Science & Technology Policy Gordon Research Conference in 2014.

Kuzma’s research focuses on governance systems for emerging technologies, particularly genetic engineering for environmental, agricultural, health, and industrial applications. Societal responses often lag behind the pace of emerging technologies. Kuzma’s work explores the values, organizations, and outcomes associated with existing oversight systems in order to inform decision makers and the public when it comes to future policymaking.

“We have ethicists, sociologists, historians, molecular biologists, and entomologists working together,” Kuzma says. “Our research, education, and engagement span disciplines and departments, helping to solve some of the practical problems confronting society.”

The Chancellor’s Faculty Excellence Program is helping NC State retain outstanding faculty, pursue new areas of knowledge, and enliven the learning process through the exploration of different disciplinary perspectives and the creation of new interdisciplinary courses. It is transforming the campus-wide teaching and learning environment as the University continues to create economic, societal, and intellectual prosperity.
The University of North Carolina at Wilmington Endowment Fund and The Foundation of the University of North Carolina at Wilmington, Inc.

The University of North Carolina at Wilmington (UNCW) currently has more than 14,000 enrolled students, and their education is the highest priority. We are extremely proud of our student body with our Seahawks’ GPAs, test scores, and graduation rates ranking among the best in the state and more than 70,000 hours of student service being provided to the South-eastern North Carolina community. UNCW has been student focused since its doors opened more than 65 years ago, and students will always be at the center of our mission.

More than 74 percent of the UNCW student body relies on financial assistance. UNCW students depend on private support for scholarships and applied learning. In fiscal year 2014, more than 460 awards were granted from our donor-funded endowments. These funds allow the university to flourish and sustain a growing legacy of excellence.

At UNCW, we value learning that engages undergraduate and graduate students directly in faculty-mentored scholarly activity involving research and discovery, internships, service learning, and study abroad programs. Students who engage in multiple semesters of applied learning become more proficient in their field of study. UNCW is dedicated to providing an environment that fosters a multidisciplinary approach to research. With assistance from donor-funded endowments, such as the UNCW Board of Visitors Undergraduate Research Fund, the Battles & Mills Support Fund for Undergraduate Research, and the Levy Department of Chemistry Summer Research Award, we are proud to provide all our students with opportunities to experience applied learning both in and out of the classroom.

The North Carolina School of Science and Mathematics Foundation

The North Carolina School of Science and Mathematics was founded in 1980 as the first school of its kind in the country: a specialized, public, residential high school focused on the study of science, technology, engineering, and mathematics (“STEM”). Since its opening, more than 8,000 students from every county in the state have called the School home. Countless other students, as well as K-12 educators at all levels of experience, have participated in outreach programs and professional development workshops that span the entire curriculum. Today, the School is recognized as a premier resource for enhancing secondary STEM education throughout the state. NCSSM is also the largest provider of interactive video-conferencing programming in North Carolina, and it is annually noted as one of the best high schools in the country by mainstream media outlets such as Newsweek and the Washington Post.

Throughout the School’s history, the NCSSM Foundation has been a constant source of additional support. A significant portion of the day-to-day activities at the School, as well as the majority of outreach programming NCSSM provides, are supported completely or in part by the fundraising efforts of the Foundation.

Today, the NCSSM Foundation has 37 endowments funding projects that impact nearly every aspect of the School. The Bowman-Brockman Endowment for Entrepreneurship and Advanced Research supports NCSSM students who start
entrepreneurial ventures on campus and/or pursue advanced research projects in science, technology, and mathematics. The endowment enabled students to build a 3D printer and a mobile app. It also helped students build a rocket as part of the Durham Area Rocketry Team. The Robotics Endowment allowed NCSSM students to work with local high school and home-schooled students to create a specialized robot designed to carry out a specific task and enter it into competitions. Three scholarship endowments created by alumni, retired faculty, and friends of the school also assisted students as they matriculated to the colleges of their choice. Recipients of those scholarships enrolled in Duke University and the Massachusetts Institute of Technology.

The University of North Carolina at Asheville Endowment Fund and The University of North Carolina at Asheville Foundation, Inc.

One of the primary purposes of the UNC Asheville Endowment Fund is to support student scholarships. One example of this is the Cary Caperton Owen Distinguished Scholars Program which was established to encourage the next generation of scholars and recognize their potential to succeed.

The Cary Caperton Owen Scholarship provides for eight consecutive semesters at UNC Asheville – funding tuition, fees, and room and board. Scholars participate in the Honors Program, receive a stipend for undergraduate research and have the option to study abroad for one semester.

The Distinguished Scholars Program was established in memory of Mrs. Owen to honor the legacy of one of North Carolina’s most active and admired community leaders and a champion of public education. Each scholarship in the program honors a leader in the field as well as those who have had a direct and lasting impact on UNC Asheville students. The newest scholarship is named in honor of retiring Chancellor Anne Ponder, who led the university for nine years.

Throughout her tenure, Chancellor Ponder encouraged the University to become stronger and more focused on its unique mission, to improve its visibility across the state and nationwide, and to significantly increase its contributions to and collaborations with the city of Asheville as well as the entirety of North Carolina. She led the process to develop a strategic plan aimed at fostering quality education and sustainability and provided oversight for the largest building program in the history of the campus. With her leadership, the campus community doubled the university endowment and improved the academic profile and diversity of the University – attracting the best and brightest scholars to UNC Asheville.

The Anne Ponder Distinguished Scholarship will continue in this tradition, recognizing and rewarding those who follow Chancellor Ponder’s lead by demonstrating a capacity for leadership and a commitment to improving the community.
University of North Carolina at Charlotte Investment Fund

University leaders, governmental officials, business and industry partners, and members of the greater community were on campus February 28th, for the formal dedication of the PORTAL building, a facility developed to harness the power of UNC Charlotte to stimulate business growth and job creation.

“As our productivity in research has increased, we realized we would need to, as they say in sports, ‘elevate our game’ beyond what the state could do,” said Chancellor Philip L. Dubois, noting that funding for PORTAL did not involve any state appropriations.

A marriage of vision and practicality, PORTAL is an acronym for Partnership, Outreach, and Research to Accelerate Learning. The four-story, 96,000-square-foot facility is located on the Charlotte Research Institute campus.

North Carolina Governor Pat McCrory, on campus for a business roundtable meeting, championed the University’s vision in developing PORTAL. He said the connection between academia and commerce was critical to economic development.

“Great entrepreneurs build businesses,” said McCrory. “The next Bill Gates could come out of PORTAL, so I applaud this supportive, dynamic partnership.”

A number of business partners are currently located in PORTAL to pursue research and development partnerships. Current tenants include Acrowire, Agringo, C5 Insight, Countervail, Driving MBA Ecomdash, Optoniks, Reveille, and Vivid Data Group.

“UNC Charlotte has a long history of connecting with the region and state, particularly through the Charlotte Research Institute,” said Robert Wilhelm, Vice Chancellor for Research and Economic Development. “PORTAL is surrounded by many of the University’s strongest research centers for bioinformatics, metrology, motorsports, biomedical, optoelectronics, and energy production,” he added.

PORTAL also houses Ventureprise, a venture development organization formerly known as the Ben Craig Center and one of the first University-based business incubators in the nation. The facility includes space for the University’s Technology Transfer Office and 49er Foundry, a business incubator for students.
Belk Distinguished Scholar of Business Innovation – Justin Webb

Justin W. Webb is the Belk Distinguished Scholar of Business Innovation in the Belk College of Business at The University of North Carolina at Charlotte. His research interests include understanding the contextual and individual influences on the entrepreneurship process, market-based solutions to poverty in base-of-the-pyramid markets, entrepreneurship within the informal economy, and family firm dynamics.

“The leading factor that attracted me to UNC Charlotte was the strong, burgeoning interest in the development of new knowledge,” said Webb. “This is particularly important to me because new concepts and ideas are constantly emerging in the world of entrepreneurship. As an entrepreneurship scholar, I too want to understand the needs of entrepreneurs as well as the broader entrepreneurship community, and add value to their work.”


The University of North Carolina School of the Arts Endowment Fund and University of North Carolina School of the Arts Foundation, Inc.

Established by the North Carolina General Assembly in 1963, the University of North Carolina School of the Arts (UNCSA) was the first state-supported, residential school of its kind in the nation, opening its doors to students in 1965. In 2013-14, UNCSA began to look back at the extraordinary events that made possible the creation of the country’s first public arts conservatory.

In the spring of 1964, more than 200 volunteers participated in a 48-hour “Dial for Dollars” campaign, raising more than $850,000 to convert the vacant Gray High School building into classrooms for the proposed arts conservatory. Exactly 50 years later, UNCSA held a ‘Thank-A-Thon’ to call and thank those who have supported the School since its inception.

In the spring of 2014, UNCSA also held a 50th Anniversary Kick-off Gala to celebrate the School’s founding. Titled “A School is Born,” the gala incorporated pivotal moments in UNCSA’s history in a tribute performance, raising more than $200,000 to benefit the School.

“UNCSA exists in North Carolina because the people of this state believed in the value of the arts and arts education, and we are in Winston-Salem because the community wanted the School here,” said Interim Chief Advancement Officer Jim DeCristo. “Many people worked hard to establish this exceptional training ground for emerging artists.”
The UNC School of the Arts remains committed to expanding its role as a leader in creating the artistic culture of tomorrow by shaping the artists of today.

“Through arts education, students develop stronger social skills, improved motivation, and enhanced self-esteem,” former UNCSA Board of Trustees member J.D. Wilson wrote in a 2013 *Winston-Salem Journal* column about the impact UNCSA has had on the region, state, and nation. “We know that the 21st century economy requires workers with creativity, critical thinking, and innovation, and business leaders can’t find enough job applicants with these skills. Arts education provides these skills.”

At its April 2014 meeting, the UNC Board of Governors, upon the recommendation of President Tom Ross, elected former *Southern Living* Editor-in-Chief Lindsay Bierman as UNCSA’s eighth chancellor. Chancellor Bierman officially took over on August 1, 2014, listing his initial priorities as increasing fundraising, raising the School’s visibility nationally and internationally, and building strategic alliances for UNCSA.

New endowments were created and existing endowments were augmented in 2013-14 to honor those influential and notable alumni, faculty, and supporters who shaped the School’s success. The Robert Beseda Endowed Scholarship, the Gerald Freedman Endowed Excellence Fund, and the Mollie Murray Endowed Scholarship were created to honor retired or retiring faculty.

Two new scholarships and a new professorship were created in the School of Music: The Benjamin F. Ward Endowed Scholarship and the James Allbritten Visiting Artist Distinguished Professorship, both in the A.J. Fletcher Opera Institute, and the Wallenhaupt Endowed Scholarship. Named after a distinguished alumna, the Gillian Murphy Endowed Scholarship will be the first School of Dance scholarship to fully fund a student’s education for four years.

The Larry Leon Hamlin and Sylvia Sprinkle Hamlin/Urban League Endowed Scholarship, which benefits a student of color in the schools of Drama and Design & Production; the Robert Lindgren Endowed Scholarship in Dance; the Frank and Gary Endowed Scholarship to provide support for LGBT students; and the Endowed Fund for Music and the Timothy Keith Cahill endowments in the A.J. Fletcher Opera Institute all received significant new gifts.
Western Carolina University Endowment Fund and Western Carolina University Foundation

2014 has been a time of celebration across the Western Carolina University campus, with students, faculty, and staff commemorating the Institution’s 125th anniversary and looking ahead to continued growth and progress under the leadership of Chancellor David O. Belcher.

The yearlong observance of WCU’s founding in 1889 began in January as hundreds of members of the WCU community gathered for a kick-off event highlighted by a fashion show. Students, faculty, staff, and community members modeled clothing from throughout the University’s history. In August, another crowd packed the lawn around WCU’s Central Plaza for an old-fashioned outdoor picnic with free food, entertainment, and remarks by University, county, and state dignitaries. The final 125th anniversary event is scheduled for early December and will include a performance by WCU’s Pride of the Mountains Marching Band, which will have just returned from its appearance in the Macy’s Thanksgiving Day Parade. Other aspects of WCU’s anniversary celebration have been tied to traditional highlights of the University calendar, including commencement, Homecoming, the Mountain Heritage Day festival, and alumni receptions across the state and Southeast. In addition, the WCU community was honored to host the UNC Board of Governors, UNC President Tom Ross, and many UNC system chancellors in September as the board held its regular monthly meeting on the Cullowhee campus in recognition of the institution’s 125th anniversary.

The WCU community had yet another reason to celebrate as the fall semester began with the University marking its third straight year of record enrollment – and its second consecutive year with a student body in excess of 10,000. In his Opening Assembly address to begin the semester, Chancellor Belcher thanked WCU faculty and staff members for their efforts in attracting and retaining larger numbers of students. He also outlined the University’s priorities for the academic year, including a ramping up of philanthropic efforts to build upon the 12 percent increase in private support for WCU that occurred last fiscal year. That boost in support included the establishment of 34 new endowed scholarship funds to benefit WCU students. Among them are the Curtis and Enid Meltzer Scholarships, merit-based awards presented to top students in each academic department of WCU’s College of Arts and Sciences.
East Carolina University’s mission is to be a national model for student success, public service, and regional transformation. One of the many ways ECU remains responsive to its mission as it relates to student success is through the continued commitment to both access and merit-based scholarships. This year, ECU awarded more than $5.2 million in undergraduate scholarships and continues to strive for even greater awards in the years to come.

Generous gifts, like the anonymous $1 million donation to the ECU Physicians Family Autism Center (FAC), enable ECU to remain a model for public service and regional transformation.

“With this gift, we can develop part-time staff positions for a psychologist, speech language pathologist, and an occupational therapist to broaden the scope of our services,” said Dr. Michael Reichel, Director and Clinical Professor at ECU’s Brody School of Medicine, and the FAC Director. “It will allow us to make revisions to the center, including installation and use of remote access video and smart-boards, and perhaps one smart-table. These physical and staffing changes will also promote the use of planned additional diagnostic and assessment tools needed to expand our clinical services and capabilities.”

Approximately seven years ago, Dr. Reichel and his colleague Dr. Ronald M. Perkin, Chairman of the Department of Pediatrics at ECU’s Brody School of Medicine, began discussing the creation of a center dedicated to the needs of autistic patients after witnessing an increase in the number of such patients coming into clinic year after year. Last year, that dream was realized with the opening of the FAC on May 13 in South Hall Professional Center in Winterville, NC.

“Our mission is to serve as an interdisciplinary training center to assist patients and professionals in the region in learning to navigate complex systems of diagnosis, behavioral and educational care and social and community supports. We intend to share and promote effective evidence-based treatments and programs across the lifespan,” said Reichel.

The FAC provides developmental testing and screening tools that are designed to help identify children who may have developmental delays, pragmatic communication disorder, autism spectrum disorders, ADHD, and related behavioral and developmental conditions.

Prior to the center opening, parents had no single-source service at ECU to care for their children with Autism Spectrum Disorder. Instead, they relied on a number of resources including their health care providers, autism advocacy groups and feedback from other area parents in like-minded situations.

“In my 40 years as a physician, I’ve seen many needs and transitions challenge my profession, and I’ve sought out specialized training to understand what parents, children, and colleagues need and what might be helpful,” Reichel said. “When Dr. Perkin and I first began our discussions, we set goals and attracted allies, generating a Planning Team whose initial document declared our intentions as ‘Creating An Autism Center at ECU: Translating Needs and Dreams into Reality.’ That theme continues to fuel our mission.”
“We, today, stand on the shoulders of our predecessors who have gone before us. We, as their successors, must catch the torch of freedom and liberty passed on to us by our ancestors. We cannot lose in this battle.”

Benjamin E. Mays
The Fund is constructed to achieve its primary investment objective over a long-term horizon. By investing for the long term, the Fund can capture extended trends in markets and the illiquidity premiums associated with investments in private securities. Investing for the long term also allows the Fund to maintain focus in the face of short-term market events and disruptions. Measured tactical tilts in asset allocation, however, allow for short-term market dislocations to be opportunistically captured. While short- to medium-term performance is actively monitored, our primary focus remains on our long-term return objective which could result in under-performance from time to time.

The Fund’s long-term return objective is to generate a real (inflation adjusted) return in excess of 5.5 percent, thus maintaining the after-spending purchasing power of the underlying funds. The Fund has met this objective for the ten-year period ending June 30, 2014, as the Fund returned 9.2 percent on an annualized basis, which outpaced SIPP by 0.5 percent, and ranked the Fund in the top quartile of the BNY Mellon Endowment and Foundation Universe. Figure 9 on page 30 illustrates the comparative value created by investing $100 on July 1, 2004 through the end of fiscal year 2014 in each of the Fund, the SIPP benchmark, the Global 70/30 portfolio (consisting of 70 percent invested in the MSCI All Country World Index and 30 percent in the Barclays U.S. Aggregate Bond Index), and the S&P 500 Index. Over this time period, an investment of $100 in the Fund would have produced $241, compared to $230 for the SIPP benchmark, $197 for the Global 70/30 portfolio, and $212 for the S&P 500 Index.

During this ten-year period, each of the Fund’s asset classes generated a positive return and, with the exception of Real Estate, exceeded their benchmark return. Investments during this ten-year period, each of the Fund’s asset classes generated a positive return and, with the exception of Real Estate, exceeded their benchmark return.

The Fund has outperformed each of its benchmarks over the past 10 years on a cumulative basis by providing drawdown protection during periods of market stress.
in private securities were the best performers over the period with Energy & Natural Resources and Private Equity returning 17.7 percent and 14.6 percent, respectively. These returns confirm the notion that, over the long term, investors in private securities are rewarded for assuming an illiquidity risk premium. The Fund’s Long/Short Equity allocation also added substantial value returning 9.1 percent versus 5.4 percent for its benchmark. This 9.1 percent return exceeds the 7.5 percent annualized return generated by the broader equity market as measured by the MSCI All Country World Index. Figure 10 shows the ten year returns for each of the seven primary asset classes versus their respective SIPP benchmarks.

For the three-and five-year periods ended June 30, 2014, the Fund generated a 9.8 percent and 10.3 percent annualized return, respectively, achieving the Fund’s primary return objective. These returns compare to the 8.5 percent and 11.7 percent returns earned on the Global 70/30 portfolio over the same periods. Figure 7 above details the Fund’s return for each of the last five fiscal years.

As well as maintaining a long-term investment horizon, the Fund is also constructed to protect capital in down markets while participating in market rallies. This is achieved through the extensive degree of diversification created by investing across SIPP’s seven primary asset classes. Figure 6 on page 28 displays the Fund’s total returns during those periods over the past ten years when the S&P 500 Index dropped more than 10 percent. This figure illustrates that during periods of market stress, the Fund provided downside protection and sustained just a fraction of the market’s losses. By investing for the long term, tactically shifting between asset classes on a short-term basis, and selecting top performing investment managers, the Fund has been successful in achieving its primary return objective with low volatility and embedded downside protection.
Over the long term, each of the Fund’s seven major asset classes has produced a positive return with all but one exceeding their benchmark.
The Management Company has been appointed by the Board to provide, under its supervision, investment and administrative services to the Fund. These include identifying, analyzing, and selecting external investment managers and tactical opportunities, monitoring the Fund’s performance, and serving as a liaison between the Fund and its Members through regular communication and performance reporting.

The Management Company was formed under Section 501(c)(3) of the Internal Revenue Code as a nonprofit organization. With 31 employees, the Management Company is divided across three functional areas: Investment Management, Investment Operations & Finance, and Investment Communications.
Fund Members

1 | Appalachian State University Endowment
2 | Appalachian State University Foundation, Inc.
3 | East Carolina University Endowment Fund
4 | East Carolina University Foundation, Inc.
5 | East Carolina University Medical & Health Sciences Foundation, Inc.
6 | Fayetteville State University Foundation, Inc.
7 | The Foundation of the University of North Carolina at Wilmington, Inc.
8 | NC State Investment Fund, Inc.
9 | North Carolina Agricultural and Technical State University Endowment Fund
10 | North Carolina Central University Endowment Fund
11 | UNC Intermediate Pool, LLC
12 | UNC Management Company, Inc.
13 | The University of North Carolina School of the Arts Endowment Fund
14 | University of North Carolina Asheville Endowment Fund
15 | The University of North Carolina Asheville Foundation, Inc.
16 | The University of North Carolina at Chapel Hill Foundation Investment Fund, Inc.
17 | University of North Carolina at Charlotte Investment Fund
18 | The University of North Carolina at Wilmington Endowment Fund
19 | University of North Carolina General Administration
20 | The University of North Carolina Hospitals at Chapel Hill
21 | The University of North Carolina Press, Inc.
22 | The North Carolina School of Science and Mathematics Foundation
23 | University of North Carolina School of the Arts Foundation, Inc.
24 | Western Carolina University Endowment Fund
25 | Western Carolina University Foundation
26 | Winston-Salem State University Endowment Fund
27 | Winston-Salem State University Foundation, Inc.