



UNC MANAGEMENT COMPANY, INC.

UNC Investment Fund, LLC



FISCAL YEAR 2022

ANNUAL REPORT

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Overview

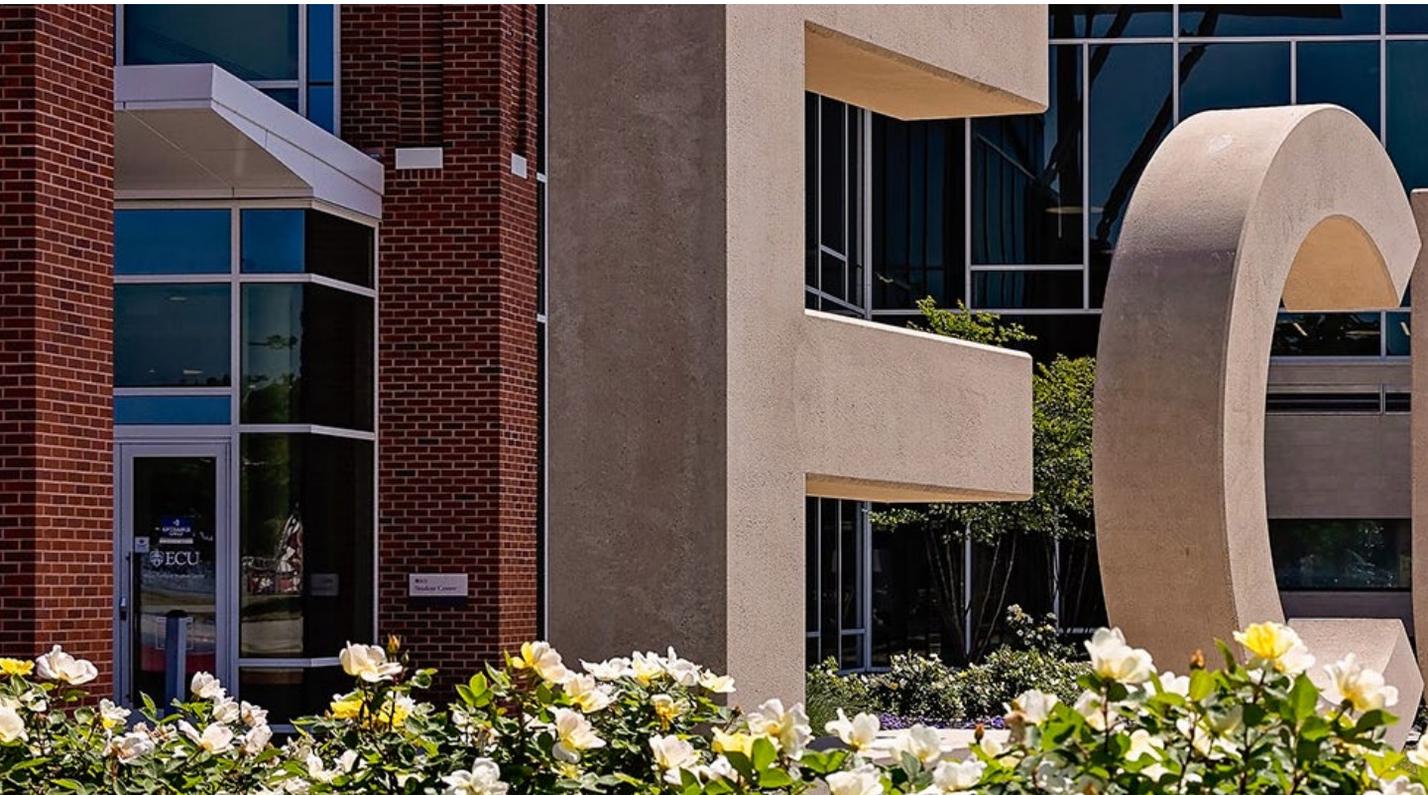
THE FUND

The UNC Investment Fund, LLC (“Fund” or “UNCIF”) is the commingled vehicle created to invest the assets of its 32 members (“Members”). The Fund’s Members are limited to the University of North Carolina System and its eligible affiliates. The University of North Carolina at Chapel Hill Foundation Investment Fund, Inc. (“Chapel Hill Investment Fund” or “CHIF”) 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 39.](#)

By investing in the Fund, Members receive:

- 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 asset classes, sectors, geographies, and investment managers
- 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 Members by generating, in perpetuity, a predictable and stable stream of annual 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, which exceeds the Fund's primary benchmark, the Strategic Investment Policy Portfolio ("SIPP"). [More information on SIPP can be found on pages 11-13.](#)

The Fund's asset allocation framework, as defined by SIPP, is principally implemented through investments with 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 as well as Fund administration and performance reporting. The Management Company works closely with the Board and its Executive Committee to:

- Determine asset allocation
- Hire and terminate external investment management firms
- Direct purchase or liquidation of assets



A Message from the Chairman of the Board

John L. Townsend III



“

I am extremely proud of what both the Board and the UNC Management Company have accomplished together in their pivotal role as stewards of the endowment assets of UNC System institutions.

We are pleased to present the Fiscal Year 2022 Annual Report for the UNC Investment Fund, LLC (“Fund”) in which we not only detail the Fund’s investment performance but also highlight some of the students, faculty, and organizations it supports. We are extremely mindful of the impact our investment efforts have on the Fund’s Members and are honored to support each of them.

Marked by two distinct halves, Fiscal Year 2022 was a challenging year over which the Fund recorded a modest +4.4 percent net investment return. In the first half of the year, domestic equity markets performed well with the S&P 500 Index returning +11.7 percent. Over this period the Fund returned +8.1 percent. However, during the second half of Fiscal Year 2022, global equity and fixed income markets dropped sharply and acted as a significant headwind to the Fund’s performance. Amid this challenging market environment during which the S&P 500 Index slumped -20.0 percent, the Fund returned -3.5 percent boosted by its Private Portfolio and with downside protection provided by its Diversifying Strategies managers. To achieve its long-term objective, the Fund is positioned to protect value in periods of financial market weakness, such as the one experienced in the second half of Fiscal Year 2022, and to mitigate year-over-year volatility. This is achieved through a highly diversified multi-asset class and multi-strategy investment approach with a significant allocation to alternative assets.

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. Annualized returns in excess

of approximately +8.0 percent are deemed to have achieved this target. While the Fund’s +4.4 percent return for Fiscal Year 2022 falls short of this goal in the short term, our primary focus remains on the long term. The Fund has been successful in achieving this objective across each of the 3-, 5-, 10-, 15-, and 20-year time periods while a more traditional portfolio of global equities and domestic fixed income has fallen short. Additionally, for each of these periods, the Fund has performed exceptionally well relative to peers with its returns ranking in the top decile of the Cambridge Associates universe of college and university endowments.

I am extremely proud of what both the Board and the UNC Management Company have accomplished together in their pivotal role as stewards of the endowment assets of UNC System institutions. The Fund’s long-term track record reflects their ability to successfully navigate various market environments with the two distinct halves of Fiscal Year 2022 being a perfect example. Recession fears, rising inflation, rapid interest rate increases, and the ongoing conflict in Ukraine have overtaken concerns about the coronavirus pandemic. We are cautious as we start Fiscal Year 2023 and recognize that the number of challenges over the coming months may exceed the number of opportunities. To navigate the Fund through this challenging period we rely on our conviction in our long-term oriented investment philosophy with its key tenets of capital preservation and downside protection. We achieve this by investing in private asset classes and constructing a diversified portfolio across asset classes, investment managers, and investment strategies.

Chapel Hill Investment Fund Board of Directors

One of the distinguishing features of the Chapel Hill Investment Fund is the oversight and governance provided by its Board of Directors to the UNC Investment Fund, LLC as its controlling Member. The Board, focused on the long-term strategy of the Fund, convenes to discuss and debate asset allocation and investment policy and to monitor performance. The Board's Executive Committee meets more frequently to review intermediate-term recommendations made by the Management Company. With its collective financial market expertise and extensive experience, the Board serves as an invaluable resource to the Management Company in its mission to deliver exceptional risk-adjusted returns.



John Townsend III*

CHAIRMAN



David Boliek Jr.

Attorney & Partner, Williford, Boliek and Frangakis, LLP



Anne Brennan*

Chief Risk Officer, Neuberger Berman



James Keith Brown

Senior Managing Director-Partner, Coatue Management, LLC



David Carroll

Principal, Carroll Family Holdings LLC; Retired Wells Fargo Senior Executive Vice President Wealth and Investment Management



Munroe Cobey

Retired Partner, Tudor Investment Corporation



David Craver*

Co-Chief Investment Officer, Lone Pine Capital LLC



John Ellison Jr.*

President & Chief Executive Officer, The Ellison Company, Inc.



Kevin Guskiewicz

Chancellor, The University of North Carolina at Chapel Hill



Stephon Jackson

Head of T. Rowe Price Investment Management



Michael Kennedy

Senior Client Partner, Korn Ferry



Nathan Knuffman*

TREASURER
Vice Chancellor for Finance & Operations, The University of North Carolina at Chapel Hill



John Preyer

Co-Founder & President, Restoration Systems, LLC



David Routh

SECRETARY
Vice Chancellor for University Development, The University of North Carolina at Chapel Hill



Kristen Tongberg

Chief Investment Officer, Cambridge Associates



UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

Portfolio at a Glance

FISCAL YEAR END • AS OF JUNE 30					
	2022	2021	2020	2019	2018
Market Value (\$ millions)	\$10,433.4	\$9,964.3	\$6,679.0	\$6,568.9	\$6,155.9
Fund Return	4.4%	42.3%	2.3%	7.7%	12.0%
<i>SIPP Benchmark Return</i>	0.1%	32.6%	2.1%	6.7%	8.8%
Fund Asset Allocation					
Long Equity	23.4%	29.5%	29.5%	27.5%	31.1%
Long/Short Equity	14.2%	15.0%	17.3%	15.5%	15.9%
Diversifying Strategies	8.2%	6.4%	9.2%	9.9%	9.1%
Fixed Income	7.0%	7.0%	8.7%	9.4%	8.9%
Private Equity	34.3%	27.8%	23.6%	24.1%	19.6%
Real Estate	7.0%	5.4%	6.2%	5.8%	6.0%
Energy & Natural Resources	4.8%	3.8%	4.5%	6.8%	7.2%
Cash	0.9%	4.9%	1.1%	1.1%	2.1%



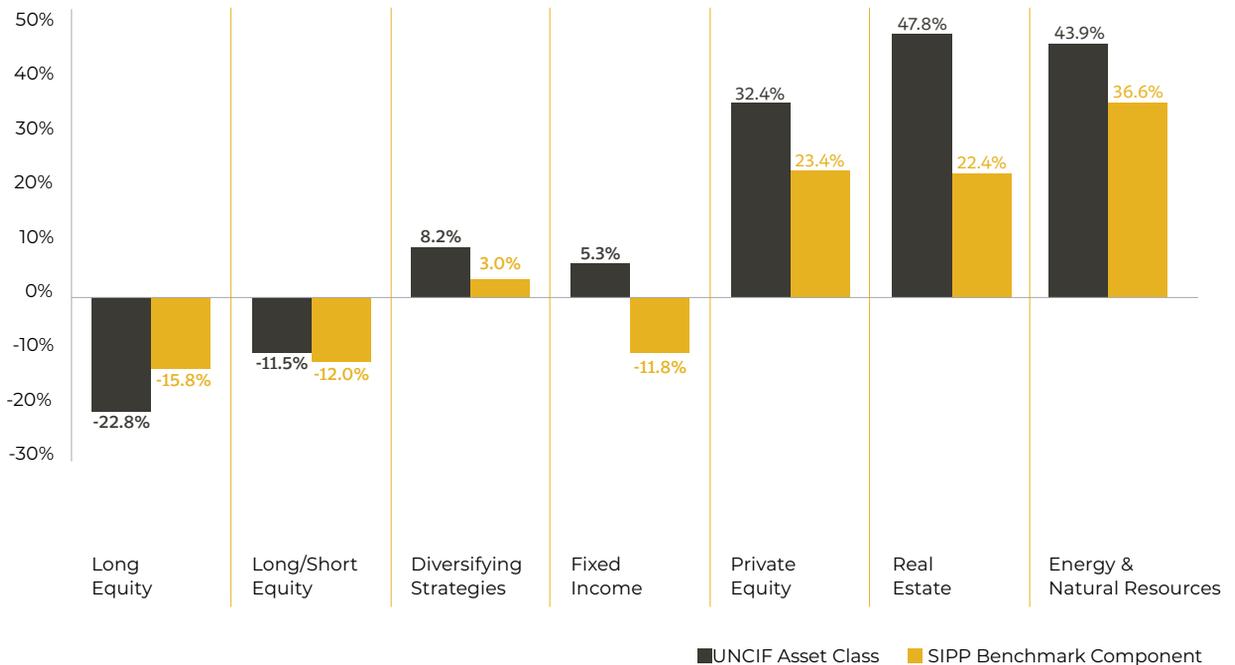
Fiscal Year 2022 Overview

After a strong performance in Fiscal Year 2021, global equities slumped in Fiscal Year 2022 (12 months ended June 30, 2022) as fears mounted that central banks would push economies into a recession amid their efforts to fight inflation. In the final quarter of the fiscal year, major market indexes suffered their biggest declines since the start of the pandemic with the S&P 500 Index and the MSCI All Country World Index (ACWI) generating returns of -10.6 percent and -15.8 percent, respectively, for the 12-month period. In the first half of the year, equities were supported by the notion that the omicron variant of the coronavirus prevalent at that time caused milder illness and seemed to have peaked rapidly in South Africa, where it was first discovered. Strong corporate earnings, despite higher input and wage costs, and signs of solid economic growth also boosted sentiment over the six-month period. However, in the second half of the fiscal year, global equity and fixed income markets fell sharply as fears around rising interest rates and inflation were compounded by the Russian invasion of Ukraine. During the final quarter of the year, the S&P 500 Index suffered its worst quarterly loss since the start of the pandemic dropping -16.1 percent. With the quarter's loss, the S&P 500 Index entered bear market territory, finishing down more than 21 percent from

FIGURE 1

ASSET CLASS RETURNS VS. SIPP BENCHMARKS · FISCAL YEAR 2022

The Private Portfolio drove the Fund's performance during a challenging period for markets.

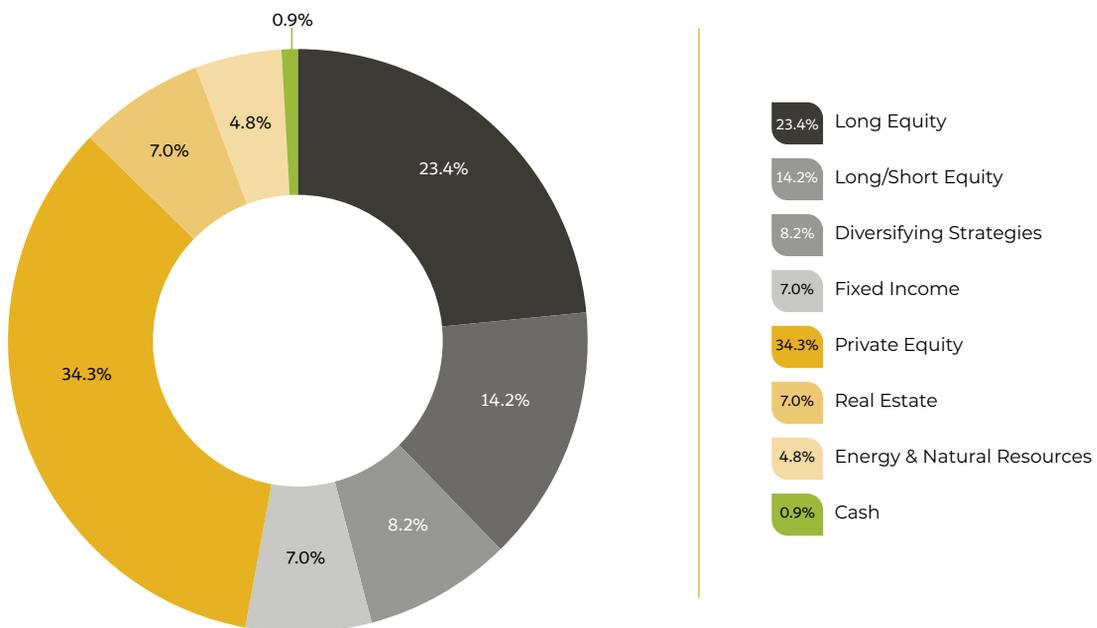


its January peak. Fears of a supply-driven “stagflationary” period marked by low growth combined with high inflation like that seen in the 1970s gave way to worries that the U.S. Federal Reserve (“Fed”) would be unable to achieve a “soft landing” and would instead push the economy into a recession. As mortgage rates spiked, existing home sales slumped. Retail sales declined in May due in part to higher rates on car loans and lower inflation-adjusted incomes. By the end of the quarter, consumer sentiment had fallen to its lowest level on record, dating back over four decades, to roughly half of its pre-pandemic level. As the fiscal year drew to a close, investors braced themselves for major earnings downgrades as firms struggled with not only a softening economy but higher input and wage costs. Shares of Target and several other large retailers fell sharply following earnings misses driven in part by their inability to move inventory stockpiled in recent months.

Despite the increasing fragility of the global economy during the second half of the fiscal year, Fed officials appeared resolved to act quickly to head off inflationary pressures, which they acknowledged were no longer transitory. Following their March meeting, Fed officials increased interest rates by 25 basis points (0.25 percent), their first hike since 2018. Then in the final quarter of the fiscal year, they raised short-term interest rates by a further 125 basis points (1.25 percent), the most aggressive move in nearly three decades. At the end of the fiscal year, price pressures for both consumers and businesses remained near multi-decade highs, however, some signals began to emerge suggesting that inflationary pressures had begun to peak. Data published during the final quarter of the year also indicated that inflationary pressures were becoming more embedded in the economy, spreading beyond areas impacted by rising energy costs and stressed manufacturing supply chains. Longer-term Treasury yields also moved sharply higher during the year with the yield of the benchmark 10-year U.S. Treasury note touching 3.49 percent on June 14, its highest level in more than a decade before finishing the fiscal year at 2.98 percent, up 149 basis points from the start of the year (June 30, 2021). The Bloomberg U.S. Aggregate Bond Index, a measure of the broader domestic fixed income market, finished the year down -10.3 percent. (Interest rates and bond prices move in opposite directions.)

FIGURE 2

UNCIF ASSET ALLOCATION (% OF TOTAL MARKET VALUE) • AS OF JUNE 30, 2022



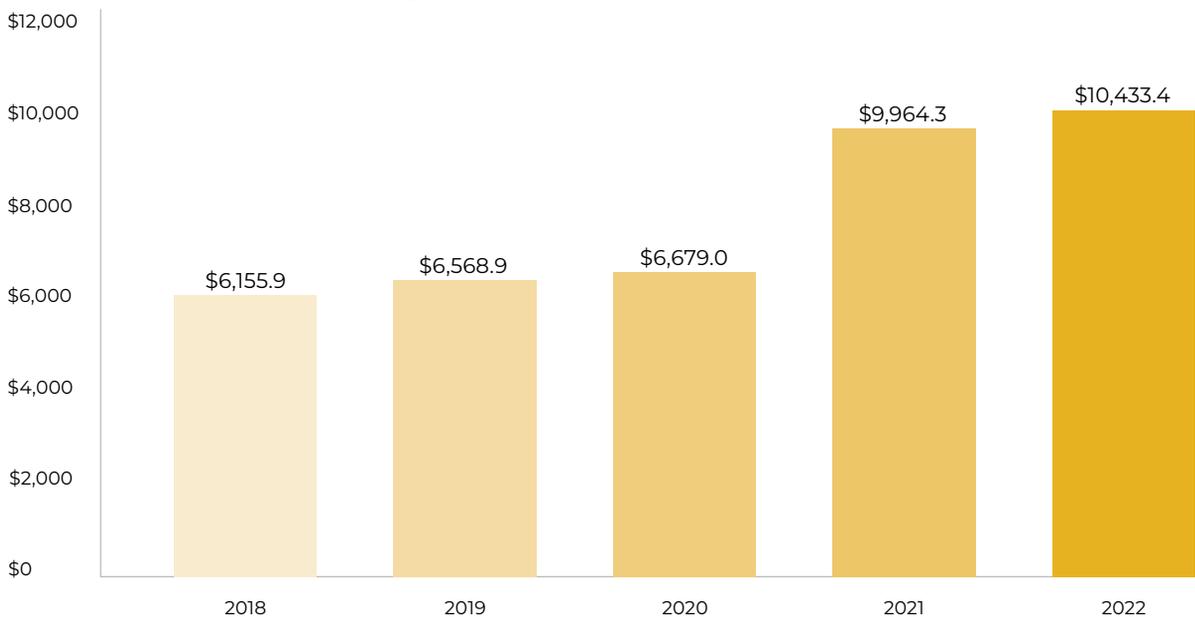
Stocks abroad also declined sharply during Fiscal Year 2022 with concerns about elevated inflation levels, aggressive monetary policy tightening by central banks, and the negative economic impact of the conflict in Ukraine straining investor sentiment. Developed markets equities outside the U.S., as measured by the MSCI EAFE Index (Europe, Australasia, Far East), dropped -17.8 percent with shares in Europe falling by the most since coronavirus lockdowns began in early calendar year 2020. Inflation in the eurozone accelerated to a record high of 8.6 percent in June as food costs surged along with energy prices with European Union leaders agreeing to ban all seaborne Russian oil deliveries, covering about two-thirds of such imports. Emerging markets equities (MSCI Emerging Markets Index) also dropped during the year losing -25.3 percent led by Chinese equity market weakness with stocks declining sharply as the government there unleashed a regulatory offensive against major technology firms and other influential industries in the name of national security and social stability. China's ongoing property sector downturn also negatively weighed on investor sentiment.

Despite the sharp pull-back in public equity and fixed income markets over the second half of Fiscal Year 2022, the Fund returned +4.4 percent for the year, outperforming global public equity markets by more than 20 percent. The Fund's performance for Fiscal Year 2022 is strong relative to its primary SIPP benchmark which returned +0.1 percent for the fiscal year and relative to the -14.0 percent return of a more "traditional", equity market focused Global 70/30 Portfolio comprised of 70 percent global equities (MSCI ACWI) and 30 percent bonds (Bloomberg U.S. Aggregate Bond Index). This significant outperformance is a result of the strong returns generated by the Fund's exposure to private investments with its Private Portfolio (Private Equity, Real Estate, Energy & Natural Resources) returning more than +35 percent in aggregate for the 12-month period. The Fund's portfolio of Diversifying Strategies managers was also a significant contributor, with its +8.2 percent return providing critical downside protection during a challenging period in global public equity markets. Relative to peers, the Fund's +4.4 percent Fiscal Year 2022 return ranks in the top decile of the Cambridge Associates' College and University universe of endowment funds.

FIGURE 3

UNC INVESTMENT FUND MARKET VALUE (\$ MILLIONS) • AS OF JUNE 30

Over the past five years, the Fund's market value has nearly doubled with over \$4.7 billion in net investment gains over the period.





ELIZABETH CITY STATE UNIVERSITY

Investment Principles

The Fund's primary objective is to support the current and future needs of its Members by generating, in perpetuity, a predictable and stable stream of annual spending distributions while also preserving purchasing power (net of inflation) after accounting for spending distributions. More simply, the Fund, over the long term, needs to return approximately +8.0 percent to achieve its primary objective: the spending rate (usually around 5.5 percent) plus inflation (around 2.5 percent).

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

1. MAINTAIN A 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 with 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 managers that possess highly specialized skills, deep market knowledge, an ability to think independently, and who have a demonstrated track record of investment success and value creation.

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 uncertainty of financial markets. Risk management is a core tenet woven throughout our investment process and diversification serves as one of our primary risk management tools. We believe that 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 risk/return targets.



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 investment horizon of the Fund with its components reviewed periodically. Any modifications tend to be gradual and made to reflect such factors as changes in market conditions, return expectations, and market liquidity.

Key characteristics of SIPP include:

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

FIGURE 4

STRATEGIC INVESTMENT POLICY PORTFOLIO (SIPP)

Asset Class	Fund Allocation ¹	Strategic Target	Tactical Range	Benchmark
Long Equity	23.4%	30.0%	24 – 36%	MSCI All Country World Index (ACWI)
Long/Short Equity	14.2%	15.0%	10 – 20%	Hedge Fund Research Institute (HFRI) Equity Hedge Index
Diversifying Strategies	8.2%	10.0%	6 – 14%	(50% HFRI Fund of Fund Conservative Index + 50% HFRI Fund of Fund Defensive Index) + 0.5%
Fixed Income	7.0%	9.0%	5 – 14%	Fixed Income Custom Index ²
Private Equity	34.3%	22.0%	17 – 27%	Cambridge Associates Composite Index ³
Real Estate	7.0%	8.0%	5 – 12%	90% NCREIF / 10% MSCI U.S. REIT Index
Energy & Natural Resources	4.8%	4.0%	2 – 8%	50% S&P Goldman Sachs Commodity Index / 50% (CPI + 3%)
Cash	0.9%	2.0%	-2 – 8%	90-Day T-Bills

1. As of June 30, 2022

2. 30% Bloomberg U.S. Government/Credit Long Term Index, 30% Bloomberg U.S. Aggregate Bond Index, 20% Bloomberg Corporate High Yield Index, 20% 90 Day T-Bill

3. 60% Cambridge Associates Private Equity Index (Global), 40% Cambridge Associates Venture Capital Index (U.S.)

Each of the seven underlying asset classes within SIPP provides different benefits to the overall portfolio across different market environments. The Fund is allocated across the different asset classes through investments with investment managers chosen following a rigorous selection process.

LONG 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 publicly 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 intended to complement the aggregate portfolio by including investment strategies that tend to be relatively uncorrelated with major equity market indices.

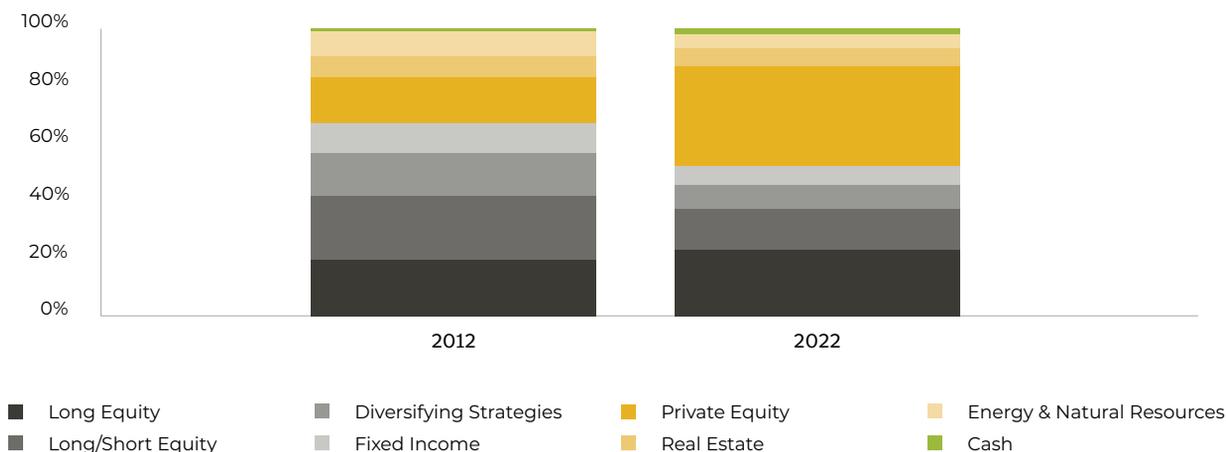
FIXED INCOME

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 Equity asset class.

FIGURE 5

HISTORICAL ASSET ALLOCATION · AS OF JUNE 30

Over the past ten years, the Fund has maintained its diversification amongst asset classes. While the Fund’s aggregate exposure to public equities has remained consistent, the Long/Short Equity allocation has been reduced. Over the period, the Fund’s allocation to Private Equity has increased significantly.



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 generate higher returns than public equity investments over the long term.

REAL ESTATE

An asset class in which investment managers invest in primarily private real estate opportunities (usually commercial). Investments in Real Estate tend to provide a hedge against rising inflation, a source of current income, and diversification to the aggregate Fund. Real Estate markets can also be markedly inefficient and, as such, present the opportunity for significant investment gains.

ENERGY & NATURAL RESOURCES

An asset class comprised of investment managers that purchase oil, natural gas, power, and other commodity-related investments. 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 allocations to each of the primary asset classes can have a significant impact on an investment portfolio's absolute 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 Members 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, 2022, is illustrated in [Figure 4 on page 11](#).

While the strategic asset allocation targets provide long-term guidance for the Management Company, the tactical asset allocation ranges established by SIPP allow us to react quickly when specific market conditions present themselves, purchase assets when they seem attractively valued, and sell assets deemed over-priced. These decisions may lead to pronounced deviations from the strategic targets and should, over the long term, contribute to the Fund's aggregate return.

APPALACHIAN STATE UNIVERSITY





The endowments, foundations, and organizations invested in the Fund support the institutions of the University of North Carolina System. Here, we highlight some of their students, faculty, and donors.

NEWS FROM OUR MEMBERS

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- 18 [EAST CAROLINA UNIVERSITY MEDICAL & HEALTH SCIENCES FOUNDATION, INC.](#)
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Alum's Donation Paves the Way for New Speech Therapy Camp at App State

APPALACHIAN STATE UNIVERSITY ENDOWMENT ·
APPALACHIAN STATE UNIVERSITY FOUNDATION, INC.

Approximately 5% to 10% of children stutter during their childhood — though most outgrow the condition. However, for about 1% of the population, the communication disorder persists, according to the National Institute on Deafness and Other Communication Disorders.

Thanks to a generous donation from Appalachian State University alumnus Dr. Ed Rankin '79 and his wife, Thuy Le, support is on the way for adolescents who stutter — through a planned speech therapy camp to be held annually on the App State campus, beginning in summer 2023. It will be North Carolina's only residential, intensive summer camp of its kind.

Rankin's two children, now in their 30s, both exhibited some disfluency in their early speech. He shared, "For most children, this speech problem seems to go away on its own. For others, like my children, it can become a very troubling social development and communication challenge." While Rankin sought help for his children from speech therapists near their home in Dallas, Texas, he said the breakthrough for their daughter came when she was a teenager, after she attended a five-day stutter management program at Eastern Washington University in Spokane.

"Her experience was life-changing," Rankin said. "She learned to accept herself as a person who stutters and discovered many techniques to help her more successfully navigate communication with others and manage her stuttering."

A couple of years ago, Rankin — who is the president of the App State alumni chapter in Dallas — met Carey Fissel, development director for the College of Arts and Sciences, when she visited an alumni event in Dallas. He shared with her his daughter's experience with the speech therapy camp, and said he thought App State would be a perfect place to implement a similar program.

Fissel connected Rankin with App State's Department of Communication Sciences and Disorders, and "all the pieces fell together," Rankin said. "I could not be more grateful to Ed Rankin and Thuy Le, who are choosing to pay it forward by providing a supportive



App State alumnus Dr. Ed Rankin '79, right, and his wife, Thuy Le, of Dallas, Texas, contributed funds to launch a camp for adolescents who stutter, to be held annually on the App State campus beginning summer 2023. They are pictured in front of App State's Leon Levine Hall of Health Sciences.

and fun experience for children and teens who stutter," said Dr. Marie Huff, dean of App State's Beaver College of Health Sciences. "Having a stuttering disorder can be an isolating experience, and this camp can help participants to feel less alone while they gain additional coping skills."

She added, "Nothing is more satisfying than being able to match donors with their passion for making a difference. This initiative will elevate the health and the quality of life in our region while also training new health practitioners."

App State's planned summer camp for people who stutter will be designed for adolescents ages 11–16 and will incorporate both individual and group sessions, said Dr. Joe Klein, licensed speech pathologist and associate professor in the Department of Communication Sciences and Disorders.

"Stuttering can become increasingly challenging during the teen years," Klein said. The condition may lead to feelings of embarrassment, anxiety and fear of speaking — and can have a negative impact on the individual's personal life, academic performance and occupational achievement, he added.

The camp, staffed by App State graduate student clinicians in the University's speech-language pathology program, faculty, and licensed speech-language pathologists, is designed to work on managing moments of stuttering, increasing fluency and decreasing negative attitudes about stuttering.

Initially, the camp will accommodate 10 campers for the one-week session, with the opportunity to expand in future years. "It will provide campers a positive experience with communicating," Klein said. "The children will meet peers who stutter, and together they will work with therapists to lessen the possible negative impacts of stuttering." 🌟

ECU Alumnus Pledges 8-Figure Gift to EC Scholars Program

EAST CAROLINA UNIVERSITY ENDOWMENT FUND •
EAST CAROLINA UNIVERSITY FOUNDATION, INC

By Erin Ward

Burney Warren grew up in the friendly shadow of East Carolina University's football stadium. The east endzone was two doors down from his house in Greenville, putting him in the University's orbit very early. It was easy to predict that he would become passionate about ECU.

And he did.

Warren graduated in 1970 with a bachelor's degree in business and went on to become an executive vice president of BB&T. He's a past chairman of the ECU Foundation board and continues to serve on the executive committee during retirement. He and his wife, Judy Christiansen Warren '69, still live in Greenville. Their son James graduated from ECU in 1996. Their son Scott attended ECU before graduating from Appalachian State University and their granddaughter Tess is a current ECU student.

"We have had a very successful and enjoyable life in Greenville and with ECU. And now are pleased to share that success with ECU and help it grow," Warren said.

If that growth were a tree, Warren doesn't expect to enjoy its shade. Instead, his significant planned gift to ECU will provide a protective shadow for future generations.

A \$1 million planned gift for the Burney and Judy Warren EC Scholars Endowment, in addition to an eight-figure, long-term estate gift, will support the EC Scholars program.

"We feel like the best way to propel the University is to have very high-quality students. They lift everyone else with them. We think that program is particularly important," Warren said.

The EC Scholars Program is the most prestigious undergraduate award program at ECU. The program offers a significant scholarship valued at nearly \$64,000 and provides high-impact learning experiences for a select group of undergraduates. EC Scholars are part of the Honors College and exhibit outstanding academic performance, engagement in the community and effective leadership skills, and embrace a study abroad experience.

"These are students who, in a very positive way, change the reputation of the University," said Dr. Todd Fraley, director of the EC Scholars Program. "They're winning prestigious awards, they're getting grants, they're doing amazing research, they're going to respected graduate programs — these students touch every single aspect of the University. They come here, they have goals and they take advantage of everything ECU has to offer."

The Warrens' first scholarship at ECU was the Burney and Judy Warren Scholarship in Special Education, in honor of Judy's background in the field. Getting to know their scholarship student — the first in her family to attend college — underscored the importance of scholarships at ECU. They then created the Burney and Judy Warren Access Scholarship. The latest support of EC Scholars is an effort to help the University grow its status. That, along with excellent leadership from Chancellor Philip Rogers, will propel ECU to greatness, Warren said.



Burney Warren '70 serves on the ECU Foundation board and supports multiple scholarships at ECU.



Current EC Scholars in front of the Main Campus Student Center. The EC Scholars program is the most prestigious undergraduate award program at ECU.

“Burney and Judy Warren’s planned gifts are crucial to ECU’s future success. They are loyal Pirates and truly embrace the spirit of service that is so important to our culture and mission. The EC Scholars program brings exceptional students to this University and prepares them to make a mark on the world, which wouldn’t be possible without the sustained support from generous donors,” Rogers said.

Fraley often hears from faculty that having an EC Scholar in class changes the dynamic. The ways they interact and engage with the material enhance the learning environment for everyone.

“We work with amazing students every single day, and they leave an impact on the people they are around. But they’re still sort of anonymous,” Fraley said.

Fraley said he wants the EC Scholars program to be recognized as one of the most coveted throughout the state and nation.

“One of our goals is for people to know exactly what you mean when you say ‘EC Scholar.’ And for high school kids and their parents and counselors to say, ‘You need to go to ECU and be an EC Scholar,’” Fraley said.

Support from serious ECU donors like the Warrens is essential. It will allow scholars to be involved in so much more than they are now, whether that’s summer internships (past scholars have worked with the Atlanta Aquarium, U.S. Olympic Training Center, and Google), conferences, leadership experiences or research opportunities. It could even help increase the amount of scholarship money available to offer students, Fraley said.

“Knowing that those resources will be there makes you feel good. We are very thankful for the Warrens’ generous gift and their continued support,” he said. “It shows that we’re sustainable. The EC Scholars Program is going to be a long-term part of this University.” 🌟

ECU Dental Clinics Get \$225k Boost from Dogwood Health Trust

By Erin Ward

EAST CAROLINA UNIVERSITY MEDICAL & HEALTH SCIENCES FOUNDATION, INC.

A large donation to the East Carolina School of Dental Medicine will allow the school to increase services for low-income patients in two rural clinics.

The Dogwood Health Trust gave \$225,000 for patient care funds at the School of Dental Medicine's community service learning centers (CLCS) in Sylva and Spruce Pine. The Dogwood Health Trust is an Asheville-based organization focused on improving the overall health of people in western North Carolina.

"This investment in our community service learning centers in Sylva and Spruce Pine by the Dogwood Health Trust will open doors to much-needed dental care for patients in western North Carolina who otherwise might not be able to receive it," said Dr. Greg Chadwick, dean of the ECU School of Dental Medicine. "The generosity of this grant impacts both patient care and education, with potentially significant transformation of oral health care in our mountain communities and beyond."

In addition to providing oral health care, the patient care funds allow ECU dental students to provide much-needed services while gaining valuable educational experience. Fourth-year students

complete 27 weeks of intensive clinical experience at the CSLCs and clinics. Each of the school's eight CSLCs provides an economic impact of well over \$1 million in their respective communities.

"Our clinic is one of the few in western North Carolina that takes Medicaid patients on a routine basis. We provide a dental home for many patients who have financial issues," said Dr. Robert Manga, clinical assistant professor and director of the Sylva clinic. "The donation from Dogwood Health is a great example of the local community trying to help those who have financial limitations."

"The difference this will make in the lives and smiles of each patient is enormous," added Gene Self, the business manager at the Spruce Pine clinic. "It will give them healthier lives, confidence and, in some cases, quite literally change their lives for the better."

Self sees the impact of the work at the clinics daily. With the patient care funds, a patient may be able to get a new denture to restore the smile they've been missing. A patient may be able to keep a tooth instead of opting for the cheaper option of extraction. And a patient who was putting off



“ *The donation from Dogwood Health is a great example of the local community trying to help those who have financial limitations.* ”

DR. ROBERT MANGA,
CLINICAL ASSISTANT PROFESSOR
AND DIRECTOR OF THE SYLVA CLINIC



care altogether may finally be able to receive it. “We are changing lives one patient at a time. And we are serving the underserved, one of the goals of the School of Dental Medicine. The students also get to see firsthand what delivering care to our rural area is like and it sets them up to be more realistic, empathetic, and successful in their own careers,” Self said.

“This project was a win-win,” said Dr. Susan Mims, CEO of Dogwood Health Trust. “Regular, affordable dental care from clinics like ECU’s can help our neighbors in rural communities avoid pain and illness

and reduce absences from school and work. The clinics in Spruce Pine and Sylva also provide hands-on training for future dental health professionals who may choose to practice in our region once their training is complete.”

In addition to the support for the Spruce Pine and Sylva clinics, \$25,000 of the Dogwood Health Trust grant will be used for education planning and research to address the shortage of dental assistants and hygienists in the region and state. This could include partnerships with peer institutions in western North Carolina to identify potential students who want to pursue dentistry as a career and offering hands-on experiences at ECU’s clinics. 🟡



Photo by Spaine Stephens

ECU provides dental care during the 2021 Smiles for Veterans event at the community service learning center in Sylva.

Fayetteville State University Receives \$5.8M Gift from Anonymous Trust the Largest Single Private Gift in FSU's History

FAYETTEVILLE STATE UNIVERSITY ENDOWMENT FUND • FAYETTEVILLE STATE UNIVERSITY FOUNDATION, INC.

Fayetteville State University (FSU) announced that it has received a \$5.8 million grant from the Anonymous Trust — making this the largest single private gift to the University. The grant will support multiple initiatives that foster student success with a focus on students from eastern North Carolina.

“This is truly a pivotal moment in the life of our University and the lives of our students,” Chancellor Allison said. “The funding from the Anonymous Trust will significantly advance our goals in recruiting, retaining, and graduating our talented students regardless of their circumstances. We are deeply grateful for this gift and the opportunities it affords FSU to both be its best and do its very best for the students enrolled at Fayetteville State University.”

For the Anonymous Trust, this gift furthers their mission to uplift communities through education and create opportunities that might not be possible otherwise.

“We are thrilled to partner with Fayetteville State to bolster and advance their programs aimed at expanding access to a quality education for talented students regardless of their circumstances, especially from underserved and underrepresented communities,” said Turlington, director of Simple Gifts Fund at Anonymous Trust. “We made this investment because we are committed to the region served by Fayetteville State, and we are confident in the leadership at FSU. We believe they have both the vision and commitment to help change lives

and open doors for students. Anonymous Trust is proud that our joint efforts will have an impact throughout students' entire college experience and even beyond.” The student success initiatives at FSU will boost student retention and graduation rates with a priority focus on students graduating in four years, minority male recruitment and retention, and student initiatives that support career readiness and access to employment opportunities upon graduation.

The \$5.8 million funding, provided over three years, will help support strategic efforts such as:

- FSU's 30-60-90 Free Summer School program that is designed to keep students on track towards degree completion within four years by offering up to seven free credit courses over the summer
- The Bronco Boost initiative, an immersive on-campus summer transition program for incoming first-year and transfer students from Tier 1 and Tier 2 counties in eastern North Carolina
- Need-Based Opportunity Scholarships, for first-time, high-performing first-year students from Tier 1 and Tier 2 counties in eastern North Carolina
- FSU's Minority Male Initiative, to recruit, retain and support students through mentorship and enhanced community partnerships
- FSU's College of Education Reading Clinic, an ongoing program that enables FSU students to provide tutoring services to enhance literacy to first through fifth graders in Cumberland and surrounding counties 🌞

“ *This is truly a pivotal moment in the life of our University and the lives of our students.*

DARRELL T. ALLISON,
CHANCELLOR OF FSU



Endowment Established to Support Students Facing Financial Hardship and to Honor Brothers' Gridiron Legacy

NORTH CAROLINA A&T INVESTMENT FOUNDATION INC.

In the late 1950s and 60s, North Carolina A&T athletics were at an all-time high of winning championships for the Central Intercollegiate Athletic Association (CIAA). It was a very familiar euphoric feeling that Aggies feel today with the University's current athletic success. For the Stanford brothers, Pollard '61, Lorenzo '61 and Carl '63, they were a powerful dynamic to Aggie football, being the first three siblings to play a collegiate sport at the same time in the CIAA in 1960.

As of March 2022, the Stanford Brothers Endowment was established to support students facing financial hardship at North Carolina A&T. The endowment gift was made by Pollard Stanford to honor the legacy of his brothers who changed the dynamics of Aggie football.

Pollard Stanford has committed to a \$1 million gift through the Community Foundation of Greater Greensboro, of which the dividends will benefit scholarships at A&T.

"This scholarship is meant to benefit those students who could no longer stay enrolled in this outstanding institution of higher learning," said Pollard Stanford. "The Stanfords attributed all of their life long success to the years at North Carolina A&T State University. This is the brothers' way of giving back. After all, 'That's what Aggies DO' to help those students who need some financial aid in order to stay in school."

From 1957–1960, the Stanford brothers, who are natives of Englishtown, New Jersey, played together in the all-tackle positions. As players, they always kept the following numbers that were in sync: Lorenzo #72, Pollard #73, and Carl #74. The brothers grew up in a close-knit family that consisted of seven siblings with Pollard being the oldest, Lorenzo in the middle, and Carl as the youngest.

"I initially was enrolled at the University of Wisconsin on a full scholarship my freshmen year, when my brother Lorenzo called me and asked would I transfer to North Carolina A&T to play football with him," said Pollard. "At the time, I didn't know it was a big deal for brothers to play together in our conference and there was actually a feature story about us being the first siblings."

Written by Alana V. Allen



All three brothers secured two CIAA football championship titles in 1958 and 1959.

On Feb. 1, 1960, Pollard was the president of the Letterman's Club of A&T, when four freshmen — David Richmond, Franklin McCain, Ezell Blair Jr. (Jibreel Khazan) and Joseph McNeil — ignited the sit-in movement at the F.W. Woolworth store. The four students, known as the A&T Four, refused to leave a segregated lunch counter after purchasing school supplies. This simple act of defiance launched a national sit-in movement in the city of Greensboro.

"As an athlete and student leader, I felt obligated to get involved with the sit-in. There were people down there that I was extremely concerned about and I wanted to represent all A&T athletes," said Pollard.

After things calmed down with the sit-in movement and the brothers graduated from A&T, two of them secured positions to play in the NFL. Lorenzo was recruited to play for the Dallas Texans and the Hamilton Tiger-Cats in Hamilton, Ontario (Canada), for seven years, and Carl played for the Detroit Lions for three years.

Pollard pursued a career in social work after graduation in the state of New Jersey. He retired after 32 years of service and moved back to Greensboro. He is the only surviving brother and continues to share their legacy through op-ed articles.

"For years, I have been a dedicated and devoted donor to North Carolina A&T, and I believe that all alumni should contribute to our great University," said Pollard. 🟡

An Extraordinary Opportunity

NORTH CAROLINA SCHOOL OF SCIENCE AND MATHEMATICS FOUNDATION

A **\$1.5 million** philanthropic gift will endow a program for technology entrepreneurship at North Carolina School of Science and Mathematics to teach students “how they can change the world” by solving problems, building teams, and starting companies, an extraordinary opportunity for public high school students.

The program is being launched by an endowment gift to the NCSSM Foundation by Triangle tech entrepreneur Joe Colopy and his wife, Karalyn. Their daughter Ximena is a 2020 graduate.

“Great entrepreneurs are driven, smart, and willing to jump into the unknown to try something new. These are the same traits that I have seen with NCSSM students,” Joe Colopy said, noting that the school’s residential students move onto the school’s Durham and Morganton campuses for their junior and senior years of public high school. “Traditionally, in school, we learn particular disciplines like mathematics, biology, physics, or literature in a siloed fashion. The world, however, is messy and ambiguous, and we need to prepare students to think and act across multiple disciplines. It’s in the intersections where real change happens. We hope this gift helps amplify the entrepreneurial attitude of these students so they can make waves in this world and help others.”

NCSSM began as an experimental startup itself. In 1980, it launched a new type of public high school drawing students from all across the state to a school with unique curricular freedom and has inspired 11 other states to do the same. In 2022, it became the first statewide public high school to open a second campus, showing the entrepreneurial spirit is alive and well at the school today.

“The school’s interdisciplinary approach to forward-looking topics like data science and artificial intelligence – and its emphasis on humanities and the fine arts alongside top-tier science and mathematics courses – make it an incubator for thinkers with potential to solve complex problems and create the future jobs of North Carolina,” Colopy says.

NCSSM has a long history of being innovative with high school education, Colopy notes: “If you look

at the LinkedIn pages of successful North Carolina entrepreneurs, you will often see NCSSM listed in their background. As we look at improving the future of North Carolina, investing in the entrepreneurial education of these students is one of the highest return investments that I can imagine.”

Colopy is a founder of Bronto Software in Durham’s American Tobacco Campus, which was purchased by NetSuite for \$200 million in 2015 and later became part of Oracle, one of the most successful tech exits in the Triangle’s history. Colopy continues to work in North Carolina as an entrepreneur and tech investor, helping support and invest in regional startups through GrepBeat, a Triangle-area tech media outfit, and Jurassic Capital, a regionally-focused tech investment firm.

“Joe is a mentor and role model for many of our students,” NCSSM Chancellor Todd Roberts said. “He knows how to build teams of people around promising ideas, and he understands how nimble people have to be to succeed in the economy of the future. We’re grateful for his willingness to invest in North Carolina’s students through his and Karalyn’s incredible gift, as well as through his time and talent. We are eager to begin the search for the leader to run this new program and are so excited for the opportunities students will have and the ideas they will develop as a result of this gift.” 🌟

Education Is the Key

UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE ENDOWMENT FUND • UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE FOUNDATION, INC.

Education is the key. That’s the philosophy of David Worley who, with his wife Dianne Worley ’86, have made a gift of \$500,000 to UNC Asheville to establish the Dianne and David Worley Endowed Scholarship.

“Education is the key to everything,” said David. “It’s the key to success, the key to lifting people out of poverty, the key to civilization.”



“With a scholarship like this, society benefits because the individual benefits, and they will pass that along. So, the gift keeps on giving.”

DAVID WORLEY,
PRESIDENT AND PARTNER,
WORLEY, WOODBERY & ASSOCIATES, PA

The Worley's endowed scholarship will support UNC Asheville students, particularly those who are first-generation college students, have a financial need, and students who increase the diversity of the University's student population.

“The fact that my wife had financial assistance to help her get through college was important to her,” said David, an Asheville native. Dianne, also an Asheville native, graduated from UNC Asheville in 1986 with a degree in management, and was the first in her family to attend an institution of higher education. When she graduated, Dianne promised herself she would pay it forward to others.

“With a scholarship like this, society benefits because the individual benefits, and they will pass that along. So, the gift keeps on giving.”

By creating an endowed scholarship at UNC Asheville, David and Dianne felt they were supporting their “hometown university.”

“UNC Asheville is unique in that it's a liberal arts college, and it teaches both creative and analytical skills, which is fundamental,” said David, who is the president of and partner at Worley, Woodbery, & Associates CPA firm, and former chair of the UNC Asheville Foundation Board.

David also points out that UNC Asheville's creativity extends to creative giving, as well. Wiley Cash,

a UNC Asheville alumnus, bestselling author, and Writer-in-Residence, offered a drawing on behalf of the University in which a donor would have naming rights of a character in Cash's new novel, *When Ghosts Come Home*. David and Dianne, to their surprise, won the drawing.

“I chose my grandfather's name,” David said, and Cash gave the name to the deputy sheriff in the story (you'll have to read it for yourself to learn the name!).

David and Dianne's gift will be used as matching funds for the UNC Asheville Trust Scholarship, which is supported by \$3 million in funding from the State of North Carolina with a charge for the University to raise matching funds. David and Dianne's gift is the first gift received toward matching the State's funding.

“With education as the key to life's success, we hope we're turning out very smart, talented students who make a contribution to the world,” David said. 🌟

Shape What's Next

UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE INVESTMENT FUND

During the 2021–22 academic year, UNC Charlotte received a number of impact-generating gifts that will help advance the University's teaching and research missions by recruiting, nurturing and retaining world-class, diverse faculty, staff and students.

Three new professorships were established during the year: the Spangler Distinguished Professor of Early Child Literacy in the Cato College of Education, the Dowd Professorship in Capitalism Studies in the College of Liberal Arts & Sciences, and the Steve Ott Distinguished Professorship in the Belk College of Business. “Investing in our talented faculty is an investment in the future and vitality of our great University,” said Chancellor Sharon Gaber. “I am grateful to our generous donors and their belief in the emphasis UNC Charlotte places on teaching, research, scholarship and innovation.”

The University also deepened its connections with key corporate partners during the year. In April 2022, Truist Financial Corporation announced a \$5.3 million gift to the University to help launch



Publishing Excellence

THE UNIVERSITY OF NORTH CAROLINA PRESS, INC.

Founded in 1922, The University of North Carolina Press is celebrating a century of publishing excellence. An affiliate of the UNC System, the Press advances the University's triple mission of teaching, research, and public service by publishing superior scholarly books and journals as well as engaging regional trade books for students, scholars, and general readers. The numerous awards Press titles have received, including the National Book Award and the Pulitzer Prize in History, confirm that UNC Press is one of the top university presses in the nation with an international reputation for excellence.

This year, the Press will publish 110 new books. That is a new book every three to four days. As an academic press, UNC Press achieves its core mission by publishing superior, peer-reviewed monographs for the scholarly community. As a public press, UNC Press serves the people of North Carolina and the region by publishing exceptional trade books for general readers. The Press's recent bestsellers reflect this devotion to both types of publishing, including *Ends of War: The Unfinished Fight of Lee's Army after Appomattox* by Caroline E. Janney which won the 2022 Gilder Lehrman Lincoln Prize and *The Civil War Monitor's Best Civil War Books of 2021*; *Black Marxism: The Making of the Black Radical Tradition* by Cedric J. Robinson first published in 1983 and now in its third edition; *North Carolina: Land of Water, Land of Sky* by Bland Simpson with photographs by Ann Cary Simpson, Scott Taylor, and Tom Earnhardt; and *A Field Guide to Mushrooms of the Carolinas* by Alan E. Bessette, Arleen R. Bessette, Michael W. Hopping.

The Press's Office of Scholarly Publishing Services (OSPS) was launched seven years ago, enabling the Press to extend its storied expertise throughout the UNC system. OSPS serves the System by allowing libraries, departments, centers, and institutes throughout the UNC campuses to focus on content creation while the Press's OSPS provides publishing expertise in editing and design, production and distribution, and sales and marketing. The results are innovative ways of expanding the

the Truist Institute for Student Success, which will focus on three primary areas: 1) Scholarships, experiential learning, and leadership development; 2) Research and discovery; and 3) Athletics and student-athlete support. "Truist's partnership with UNC Charlotte on education, research and career development opportunities for the University's students is a clear manifestation of our purpose to inspire and build better lives and communities," said Bill Rogers, Chairman and Chief Executive Officer of Truist Financial Corporation. In June 2022, Bank of America announced a new \$2.5 million investment to expand the University's signature bridge program for historically underrepresented students and help establish a community innovation incubator. "Bank of America recognizes the importance of investing in equitable access to higher education and the power of data-driven strategy," said Christine Katziff, Bank of America's Chief Audit Executive and a member of the UNC Charlotte Board of Trustees. "This funding will expand the reach of UNC Charlotte's signature University Transition Opportunities Program (UTOP) to help students from underrepresented communities receive the support they need and deserve to realize their career goals. The funding will also propel the creation of the Community Innovation Incubator, which is focused on leveraging research to advance racial equity and economic opportunities within key areas of the Charlotte region. We value our 31-year partnership with UNC Charlotte, and this is another step forward in our ongoing journey."

These investments, along with other recent gifts and commitments, align with several core components of the University's recently launched 10-year strategic plan to "Shape What's Next" through research, teaching, leadership, and diversity and inclusion. 🌟

distribution of scholarly content while lowering the cost of educational materials for students.

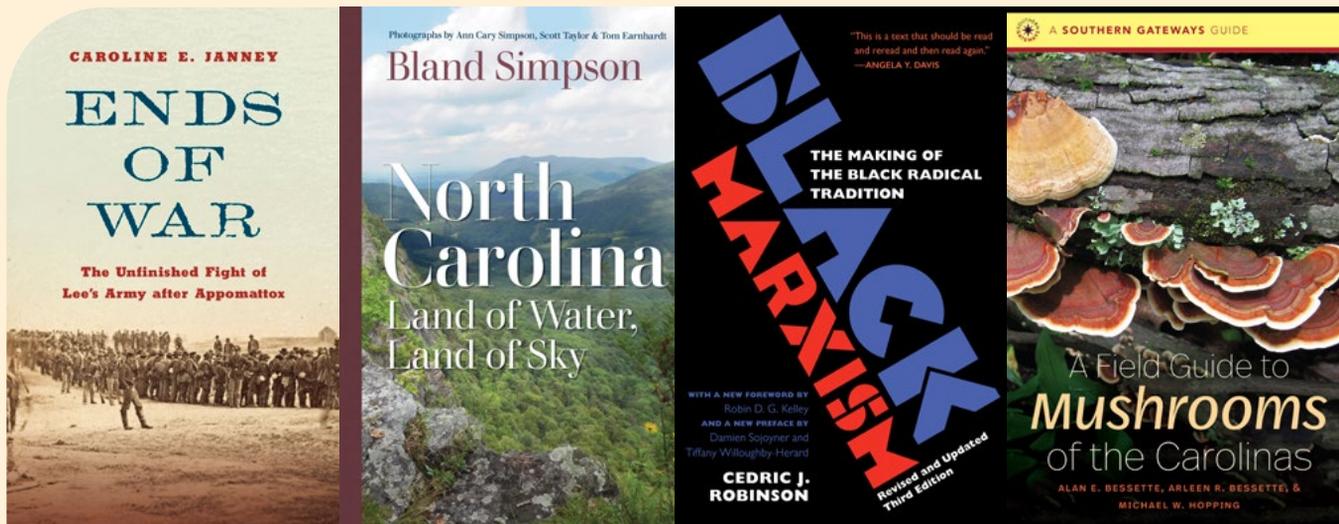
OSPS has worked with 16 of the 17 UNC campuses on hundreds of projects from white papers to student journals to books. Two recently completed examples include a project with the North Carolina School of Science and Math to create an open access version of Contemporary Precalculus Through Applications, and a project with the UNC Asheville Humanities Program to create a low-cost Global Humanities Readers. The Press's Thomas W. Ross Fund, recognizing the President Emeritus for his pivotal role in creating OSPS, supports projects from poorer-resourced entities within the System. Though not all OSPS projects need support, the Ross Fund is invaluable for those that do.

Longleaf Services, a not-for-profit affiliate of UNC Press, continues to provide cost-effective fulfillment and marketing services for 18 client university presses in the U.S., Canada, West Indies, and Europe while also providing editorial, design, production, and other publishing services for university presses across the country. The economies of scale benefit all parties.

Collectively, the Press named endowments, both unrestricted funds and those supporting specific

areas of publishing, are contributing \$1.178 million to the Press's fiscal year 2023 budget, or 20% of the Press's expenses for this fiscal year. Publishing has not been immune to current supply chain, labor, and inflationary pressures. The endowment draw provides critical stability that allows acquisition editors to continue bringing leading scholars under contract, designers to continue creating compelling covers and elegant interiors, and publicists to continue connecting ever increasing numbers of award-winning books and readers. With this secure foundation, UNC Press explores and achieves heights of superior content shared in innovative ways that make UNC Press the envy of the international university press community as well as an unparalleled asset to the University and a treasure for the people of North Carolina.

With its celebrated past and remarkable present powering its embrace of the future, UNC Press is committed to several ambitious centennial initiatives that will broaden superior scholarship, expand access for greater numbers of readers, and fortify strengths in innovation. The support of these efforts by friends old and new will ensure that an institution they hold dear will have a second century even more distinguished than its first. 🌟



Like No Other: The Campaign for UNCW

UNIVERSITY OF NORTH CAROLINA AT WILMINGTON ENDOWMENT FUND •
THE FOUNDATION OF THE UNIVERSITY OF NORTH CAROLINA AT WILMINGTON, INC.

As the University of North Carolina Wilmington celebrates its 75th year, pride and enthusiasm continue to grow among its alumni and donors as demonstrated by their support during Like No Other: The Campaign for UNCW. From innovative programs and cutting-edge facilities to creating more opportunities for students and faculty, each campaign gift has helped the University enrich and expand its offerings.

At the onset of the campaign, which publicly launched in February 2021, the initial goals were to secure \$100 million and 50,000 alumni gifts. Both of those marks have already been surpassed. As of July 30, 2022, Like No Other: The Campaign for UNCW had totaled \$100,194,110 with 113,120 gifts, including 60,822 contributions from alumni.

“The loyalty of UNCW’s donor base was evident during my previous tenure. Having returned as Chancellor, I’m even more inspired by their unwavering support,” said Chancellor Aswani K. Voley. Formerly Provost and Vice President for Academic Affairs at Elon University, Voley returned to UNCW on July 1, 2022, to serve as the University’s seventh chancellor. He previously served as the Dean of UNCW’s College of Arts and Sciences and the Executive Director of the Center for Marine Science.

Throughout the campaign, philanthropic partners have helped UNCW leverage its distinct location, facilities, and expertise to inform change. The Global Marine Science Summit, funded in partnership with the William R. Kenan, Jr. Charitable Trust, has positioned the state’s coastal university to lead change in the areas of resiliency, sustainability, and preparedness. The summit brings together international scientists, policymakers, and industry leaders to identify solutions to challenges affecting coastal communities across the globe.

The summit held its initial gathering at UNCW’s Center for Marine Science in 2017, returned in 2019 and was conducted in a mini, virtual format in November 2021 as part of All Blue Week. “Responsible management and stewardship are issues that certainly hit close to home, but these concerns are not unique to our region; they are global concerns,” said Chancellor Voley. “Through this campaign, donors have an opportunity to play an active role in our work to produce global solutions.”

Even though UNCW has become an internationally recognized university, it’s commitment to serving its region remains central – especially when it comes to access to quality healthcare. During the campaign, UNCW’s College of Health and Human Services (CHHS) received funding from two private



gifts, the South East Area Health Education Center (SEAHEC) Education Legacy Fund and Cape Fear Memorial Foundation, to support the construction of the Dr. J Richard Corbett Anatomy Laboratory.

The new facility will be the first of its kind in the region and will position UNCW to pursue a proposal for a Doctorate in Physical Therapy and a Physician Assistant program. SEAHEC is partnered with Novant Health New Hanover Regional Medical Center and is also affiliated with the UNC School of Medicine, both of which have a Wilmington Program, housed in Veterans Hall as part of the collaboration with CHHS.

While the campaign is fueling the University's ability to address issues of regional, national, and global importance, its real impetus is to transform the lives of its students and faculty. Over the course of the campaign, UNCW's endowment has generated over \$10.3 million for student scholarships and \$4.6 million for professorships.

"The UNCW experience is truly like no other and together we can make it more accessible and affordable for future Seahawks," shared Volety. It is our confidence in our alumni and donors, and our shared commitment to a powerful student-centered experience, that has emboldened us to stretch the campaign goal to \$125 million." 🌟



A Surge of Creative Energy

THE UNIVERSITY OF NORTH CAROLINA SCHOOL OF THE ARTS ENDOWMENT FUND • THE UNIVERSITY OF NORTH CAROLINA SCHOOL OF THE ARTS FOUNDATION, INC.

The nation's first publicly funded arts conservatory experienced a surge of creative energy in the 2021–22 academic year, including the launch of a new M.F.A. program, the inaugural class of Posse Arts Scholars, the 20th anniversary of the A.J. Fletcher Opera Institute, an array of new deans and other campus leaders, and the installation of UNCSCA's ninth chancellor, Brian Cole.

Chancellor Cole, who has served as chancellor since 2020 after tenures as interim chancellor and School of Music dean, was formally installed Oct. 1, 2021. During his installation, Chancellor Cole unveiled "UNCSCA Forward," the University's strategic plan that will inform its growth and evolution in the years to come. With special focus on equity, diversity, inclusion and belonging (EDIB); health and wellness; interdisciplinary work in the arts; maintaining and expanding industry relevance; and institutional sustainability, the plan was approved by the UNCSCA Board of Trustees in March 2022.

Joining Chancellor Cole in these efforts is an array of exciting new leaders. The academic year began with three new dean appointments: Saxton Rose in the School of Music, Deborah LaVine in the School of Filmmaking and Endalyn Outlaw in the School of Dance. Kevin Bitterman became executive director of the Thomas S. Kenan Institute for the Arts in August 2021, and Lissy Garrison became vice chancellor for advancement in January 2022. Martine Kei Green-Rogers served as interim dean of the Division of Liberal Arts (DLA) during the academic year before departing to become the dean of the Theatre School at DePaul University. Rachel Williams was selected as the next permanent dean of DLA, a role that she assumed on July 1, 2022.

UNCSCA also forged ahead with innovative programs and initiatives that push the boundaries of the arts. In fall 2021, the School of Design & Production welcomed the first students in its new M.F.A. program in animatronics. The unique program will tackle design and engineering challenges in the growing field, and

graduates will find career opportunities on film sets, theme parks, major stage productions, and more.

Elsewhere on campus, “Black Ice,” an interactive virtual reality (VR) short film created at the School of Filmmaking, was selected to screen at the South by Southwest Film Festival (SXSW). It is the first film created at UNCSA to screen there. The project was developed during the Immersive Storytelling Residency in the Media and Emerging Technology Lab (METL) at UNCSA.

Both the animatronics M.F.A. program and METL were funded by a portion of an anonymous \$10 million gift to Powering Creativity: The Campaign for UNCSA. This comprehensive campaign concluded in June 2021 having raised \$75.3 million – more than \$10 million over goal – for scholarships, faculty support, innovation, the living and learning environment, and community engagement.

UNCSA also celebrated the 20th anniversary of the A.J. Fletcher Opera Institute. Thanks to a \$10 million commitment in 2000 from the A.J. Fletcher Foundation, named for business leader and arts advocate Alfred Johnston Fletcher (1887–1979), the Fletcher Opera Institute was established at the School of Music to offer highly personalized and in-depth training at the graduate and postgraduate levels, tuition-free. Since its official launch in 2002, the program has flourished, presenting two fully staged operas every season, and has graduated alumni performing at the world’s top opera houses, including the Metropolitan Opera, Chicago Lyric Opera, La Scala, the Paris Opera, and more.

Meanwhile, UNCSA and The Posse Foundation selected six high school seniors from across the

country to enroll at UNCSA in fall 2022 as the inaugural class of Arts Posse Scholars. The scholars were announced during spring 2022 at a virtual ceremony attended by Posse Arts collaborator Lin-Manuel Miranda (“Hamilton,” “In the Heights”). UNCSA’s partnership with Posse Arts is an expansion of the nationwide Posse Scholars program that recruits, trains and supports talented students who might be missed through traditional avenues. Many Posse Scholars are often the first in their families to attend college or come from historically underrepresented communities. Arts Posse Scholars receive a full-tuition scholarship to attend UNCSA funded by University donors and a grant from The Posse Foundation. 🌟



Covid's Challenges Do Not Deter WCU Benefactors from Supporting Student Scholarships

WESTERN CAROLINA UNIVERSITY ENDOWMENT FUND •
WESTERN CAROLINA UNIVERSITY FOUNDATION

By Bill Studenc

While much of the world came to a screeching halt because of the COVID-19 pandemic, benefactors of Western Carolina University did not allow a global health crisis to stand in the way of their ongoing philanthropic support of students in pursuit of higher education.

That was the theme as donors, scholarship recipients and other friends of WCU gathered in October 2021 to celebrate the impact of philanthropy on the lives of students.

The annual event marked the first time since 2019 that benefactors were able to break bread with student recipients of scholarships established through their contributions.

Despite the challenges of 2020–2021, WCU's donors provided ample reason to celebrate – 9 million reasons, to be exact, said Jamie Raynor, WCU vice chancellor for advancement.

“More than \$9 million was gifted and pledged last year, and 15 donors gave leadership gifts of \$100,000 or more,” Raynor said. “On the scholarship front, \$2.3 million from more than 800 donors was given to scholarships. Twenty-four new scholarship funds were created last year, and 11 new funds have already been established since July.”

Raynor asked donors in the crowd to think back to the reasons they established scholarship funds.

“Many of you created them to honor or celebrate a family member, friend, or favorite professor. Others remembered loved ones who are no longer with us through the creation of a scholarship. Some alumni give to scholarships to pay it forward to students who are in the same program or sport that they were in,” she said.

“But, I feel confident that all scholarships were created to provide help to a student in need, to encourage a student along their higher education journey, to reward a high-achieving student and to lessen the financial burden of our soon-to-be graduates,” Raynor said.



Chancellor Kelli R. Brown, who shared how financial support provided by scholarships helped enable her own educational pursuits, had a request of donors in attendance, asking them to remember that the scholarship recipients in attendance represented the future.

“They will run businesses, design buildings, solve crimes, heal the sick, feed the poor, educate children, unlock mysteries of the past and develop solutions for regional and community challenges. They will become leaders in our communities, our region, our state, our nation and, yes, even our world,” Brown said. “Down the road, when they reflect on just how far they have come, they will remember this place – Western Carolina University. And they will remember you because of the impact that your generosity has had on their lives.”

Directing remarks to scholarship recipients, Brown urged the students to think about their benefactors as “people who truly understand the immense power of a university education.”

“These wonderful donors are so convinced that education has the power to change lives for the better that they have been inspired to give back to this university in the most significant and lasting way possible – through financial contributions to establish an endowed or annual scholarship,” she said.

Benefactors also heard from recipients of scholarships they helped establish.

Malcolm Skinner, a senior from New York, studied nursing as recipient of the David E. W. Schlosser Endowed Scholarship. "Since high school, it has been my dream to become a nurse to care and inspire as many people as I can. College was a necessary pathway for me to take to achieve my dream," Skinner said.

"With the generosity and support of donors including Mike and Rebecca Schlosser, I've been able to focus on chasing my dream," he said. "The support my fellow students and I have received from donors reassures me there are people out there who have faith in us, and see we have a promising future to make this a better world."

Morgan Patton, a senior from Georgia, studied electrical engineering as recipient of the Whitehead-Carlson Honors College Engineering and Technology Endowed Scholarship and Brinson Honors College Distinguished Scholarship.

"Without the support of scholarships, I would not be able to attend Western as an out-of-state student. I also come from a family of three sisters, one of which is also currently in college. So, the generosity of donors alleviates many financial worries for me and my family," Patton said. 🌟



A Bright Future

ELIZABETH CITY STATE UNIVERSITY ENDOWMENT FUND

ECSU Receives Transformational \$15 Million Gift from MaKenzie Scott

Elizabeth City State University was the recipient of a historic \$15 million gift from Ms. MacKenzie Scott on November 13, 2020. This gift marked the largest gift from a single donor in the University's nearly 131-year history. The gift provides the University with an opportunity to improve its financial footing for long-term stability and to invest in innovative priorities, alongside responding to opportunities that limited resources and restrictive budgets prohibit.

Since receiving the gift, the University has invested in a number of academic programs, employees, and a newly established endowment.

Investing in Strategic Priorities

In an era of declining state appropriations, a strategic priority for ECSU's leadership is to build the future sustainability of the University—sustained change, strategic growth, and calculated efforts. Long-term financial stability is paramount. Upon receipt of this gift, the leadership team researched best investment options. The institution immediately invested \$10 million (67%) of the gift. The University also invested an additional \$3.5 million (23%) for a combined total investment of 90% of the gift. ECSU will use the interest earned to invest in strategic priorities as identified in the 2020–2025 Strategic Plan: Forging Our Future. For example, \$2 million was invested towards our \$6 million goal for scholarship investments. It anticipates about \$100,000/annual interest earnings from this initial investment to provide much needed scholarships to enhance recruitment efforts. These scholarships will greatly assist the University in providing a quality education at an affordable price for many students who are first generation and reside in Tier I and Tier II counties, which represent the most economically challenged counties in the North Carolina.

“ *In an era of declining state appropriations, a strategic priority for ECSU’s leadership is to build the future sustainability of the University—sustained change, strategic growth and calculated efforts.* ”



Reaching New Student Populations

According to the National Center for Education Statistics, nearly 40% of all enrolled college students are 25 and older, and analysts project this number will rise. Approximately 20% of ECSU students are 25 years old and older, and the University recognizes great potential for continued growth amongst this population of students. ECSU received a \$175,000 capacity-building grant from the Lumina Foundation to help eliminate barriers blocking adult students from the education they need for long-term success. Campus housing is one potential barrier. ECSU used 1% of the gift to acquire real estate contiguous to the campus that could support the expansion of housing capacity with a specific focus on the adult learner population.

Transforming ECSU

This gift has been transformative for Elizabeth City State University and substantially increased unrestricted resources, which gives much needed financial flexibility. In addition to increased unrestricted resources, the scholarships generated by these funds will help reduce the debt burden on students and their families.

Additionally, the gift has heightened ECSU’s visibility to attract corporate partners. These partnerships continue to open doors for ECSU, helping to ensure students have opportunities that transcend beyond their years at ECSU by providing a pathway for

employment after graduation. ECSU’s increase in faculty and staff engagement ensures the University has a community committed to providing excellent service to all constituents of ECSU.

The national exposure ECSU received by being listed as a gift recipient was invaluable considering the University is located in a region with limited media outlets. Consequently, such exposure has enhanced brand recognition. The University has also increased stewardship efforts to help retain donors and continue cultivation efforts. ECSU entered a partnership with United Airlines to provide a pipeline of pilots and other aviation personnel into the industry, which continues to heighten the ECSU brand.

Ms. Scott’s gift has provided an opportunity to address the needs of this population and to leverage its impact through seeking capacity-building grants that will help support the University’s strategy for engaging adult learners.

Year Two: Progress Continues—UAS, Employee Housing and Financial Ratings

In year two, ECSU invested \$1.5 million in an Unmanned Aircraft Systems (UAS) Facility. The structure provides an open-air netted enclosure, specifically designed to allow UAS flight testing in natural weather elements while also ensuring safe flight containment. This is a significant investment in northeastern North Carolina

and beyond, serving as an asset to not only the University, but all sectors with a current/future need for UAS technology and a regional hub to train personnel (e.g., law enforcement, agriculture, insurance, emergency management).

Due to the limited availability of housing in the area, new employees are challenged to locate housing. In 2022, the University, in collaboration with the ECSU Foundation, purchased an eight-unit apartment complex to provide an affordable housing option to new employees. This allows the University to competitively recruit and retain faculty and staff.

In addition to these investments, the University provided discretionary funds to the vice chancellors to provide staff professional development and employee engagement and appreciation opportunities.

This gift has directly impacted the University's cash flow—and most importantly, ECSU's bond rating. Moody's Investors Service upgraded ECSU's credit rating in July 2022. As noted in Moody's report, "The upgrade is driven by ongoing strong state operating support, extraordinary state capital support, and a large one-time gift that drove significant increases in wealth and liquidity and continued enrollment growth."

Thanks to the generosity of Ms. MacKenzie Scott, Elizabeth City State University is forging a bright future. 🌞



Investment Performance

The Fund is constructed to achieve its primary investment objective over a long-term time horizon. By investing for the long term, the Fund can capture extended trends in markets and the liquidity premiums associated with investments in private securities. Investing for the long term also allows the Fund to maintain discipline in the face of short-term market disruptions. Measured tactical tilts in asset allocation also allow short-term market dislocations to be opportunistically captured. While shorter-term performance is actively monitored, our primary focus remains on meeting the Fund's long-term return objective.

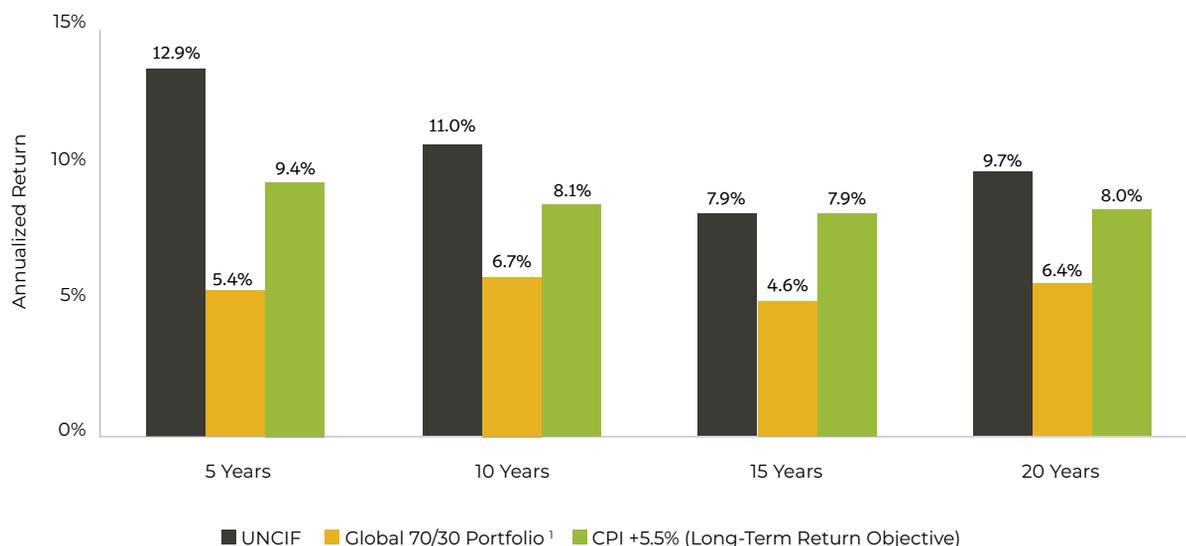
In addition to maintaining a long-term investment horizon, the Fund is constructed to protect capital in down markets while participating in market rallies. This is achieved through the extensive degree of diversification created by investing across SIPP's seven primary asset classes and through diversification among third-party investment managers within each of the asset classes. [Figure 8 on page 35](#) displays the Fund's total returns during those periods since the beginning of 2007 when the S&P 500 Index dropped more than -10 percent. This figure illustrates that during periods of market stress, like that seen in the second half of FY 2022 during which the S&P 500 Index dropped -20 percent, the Fund provided downside protection, sustaining just a fraction of the market's losses.

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. By investing for the long term, tactically shifting between asset classes, and selecting top performing investment managers, the Fund has achieved this objective over both the medium and long term. [Figure 6 on page 33](#) highlights the long-term benefits of investing in a diversified mix of asset classes, as a more "traditional", equity market focused Global

FIGURE 6

RELATIVE LONG-TERM PERFORMANCE

A traditional equity/bond portfolio fails to achieve the Fund's primary objective highlighting the need for diversification and private investments.



1. Global 70/30 Portfolio - 70% MSCI All Country World Index (ACWI), 30% Bloomberg U.S. Aggregate Bond Index
 Note: Annualized performance for periods ending June 30, 2022

70/30 Portfolio comprised of 70 percent equities and 30 percent bonds falls short of meeting the Fund's long-term return target across all time periods.

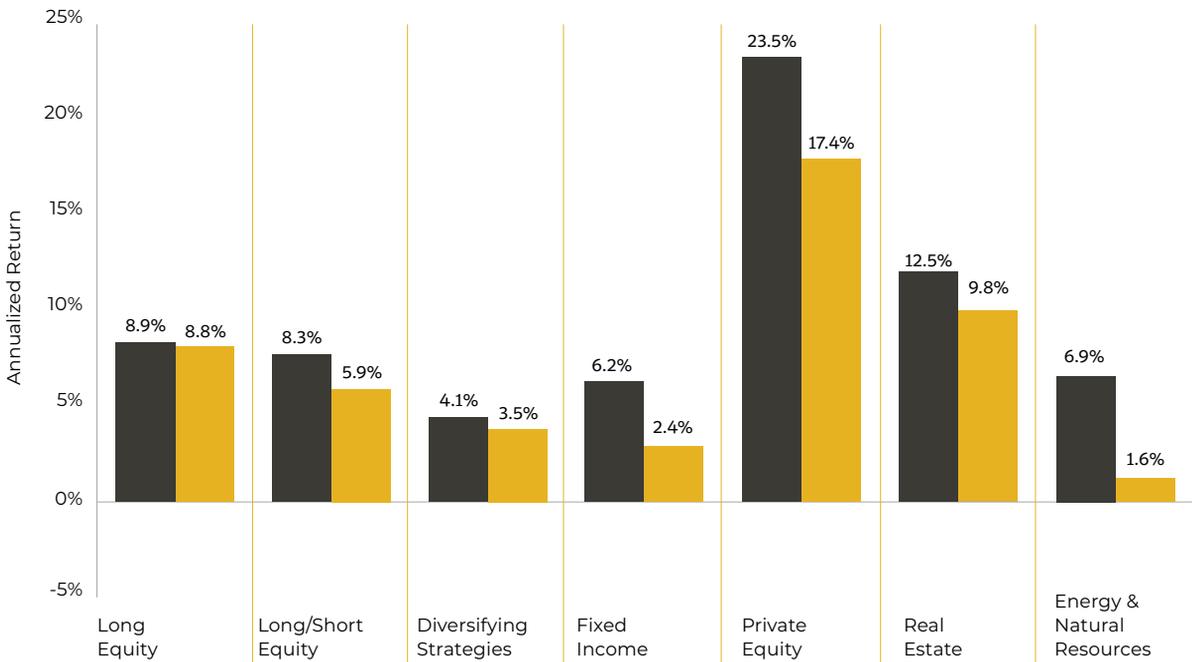
Despite the impact from the coronavirus pandemic and the sharp drawdown in equity markets in the second half of FY 2022, the Fund's ten-year annualized return to June 30, 2022 of +11.0 percent easily exceeds the +8.1 percent return of this long-term objective. Additionally, the Fund's return over the ten-year period easily exceeds both the SIPP benchmark and the Global 70/30 Portfolio which returned +8.6 percent and +6.7 percent, respectively. Over the last ten years, each of the Fund's asset classes has positively contributed to performance both in absolute terms and relative to its benchmark. With consistently strong performance from both the Buyout and Venture Capital portfolios, the Fund's Private Equity asset class has generated a ten-year annualized return of +23.5 percent, leading the Fund's strong aggregate performance. Private Equity has also added significant value over public equity markets, nearly tripling the +8.8 percent annualized return of the broader global equity market (MSCI ACWI) over the last ten years and highlighting the integral role private investments play in helping the Fund achieve its long-term investment objectives.

Over medium-term time horizons (three-, five-, and seven-years), the Fund also easily exceeds its SIPP benchmark and the Global 70/30 Portfolio. Across both the medium and long term, the Fund has performed exceptionally well compared to its peers with its 3-, 5-, 10-, 15-, and 20-year returns each ranking in the top decile of the Cambridge Associates universe of college and university endowments.

FIGURE 7

ASSET CLASS RETURNS VS SIPP BENCHMARKS · 10 YEARS

Over the long term, each of the Fund's seven major asset classes has produced a positive return with equities (both public and private) driving performance.



Note: Annualized performance for ten-year period ending June 30, 2022

■ UNCIF Asset Class ■ SIPP Benchmark Component

FIGURE 8

UNC INVESTMENT FUND: DRAWDOWN PROTECTION · S&P 500 INDEX

The Fund provides significant drawdown protection during periods of market stress. The most important and difficult challenge remains striking the proper portfolio balance between upside participation and downside protection.

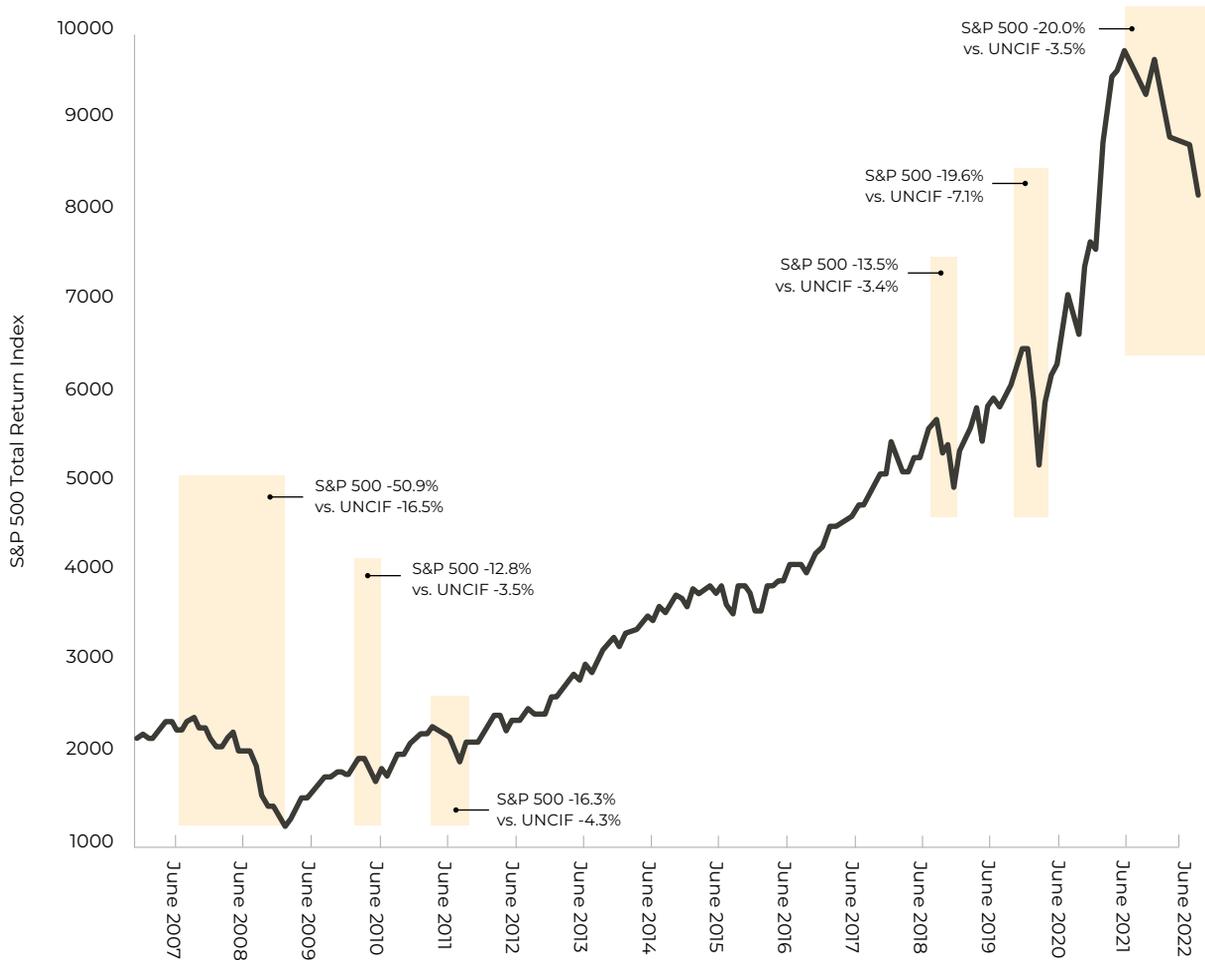


FIGURE 9

INVESTMENT PERFORMANCE · FISCAL YEAR

	2022	2021	2020	2019	2018
UNCIF Return (Net)	4.4%	42.3%	2.3%	7.7%	12.0%
SIPP Benchmark Return	0.1%	32.6%	2.1%	6.7%	8.8%
Peer Universe Median ¹	-6.6%	36.7%	2.1%	5.6%	9.1%

1. Cambridge Associates universe of college and university endowments

FIGURE 10

UNC INVESTMENT FUND: FEE TABLE

	% of Investment Balance
Investment Management Fee	
First \$50 million of investment balance	0.35%
Remainder of investment balance over \$50 million	0.20%
Legal & Accounting ¹	0.01%
Other Operating Costs ¹	0.01%

1. Indicative, subject to variation



UNC Management Company, Inc.



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 35 employees, the Management Company is divided across four functional areas: Investment Management, Investment Strategy & Risk Management, Operations & Finance, and Investor Relations & Communications.

Photos from left to right

Top Row: Keegan Alston, Kimberly Baker
Anita Barber, Chris Bartholomew

2nd Row: Elaine Brim, Timothy Burch,
Janine Vanzetta Burke, Jeffrey Chamberlain

3rd Row: Kimberly Woodlief Eddins, Angela Elam,
Deana Griffin, Rodgers Harshbarger

4th Row: Ed Hetherington, Margaret Holder,
Elaine Jeffries, Jonathon King

5th Row: Matt Lesesky, Juddy Mair,
Chris Mattke, Meredith Mayer-Salman

6th Row: Jay Mehalek, Angus O'Rourke,
Sarah Rivera, Chris Rudolph

Bottom Row: Joshua Shapiro, Ellie Sullivan,
Benjamin Wendt, Bobby Williams

Not pictured: Nicholas Bailey, Angela Moss, Celeste
Reed, Clay Robinson, Susan Smith, Gina St. Phillips



WESTERN CAROLINA UNIVERSITY

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. Elizabeth City State University Endowment Fund
7. Fayetteville State University Endowment Fund
8. Fayetteville State University Foundation, Inc.
9. NC State Investment Fund, Inc.
10. North Carolina A&T Investment Foundation, Inc.
11. North Carolina Central University Endowment Fund
12. North Carolina School of Science and Mathematics Foundation
13. Rex Hospitals, Inc.
14. UNC Intermediate Pool, LLC
15. UNC Management Company, Inc.
16. University of North Carolina at Asheville Endowment Fund
17. University of North Carolina at Asheville Foundation, Inc.
18. University of North Carolina at Chapel Hill Foundation Investment Fund, Inc.
19. University of North Carolina at Charlotte Investment Fund
20. University of North Carolina at Pembroke Endowment Fund
21. University of North Carolina at Pembroke Foundation, Inc.
22. University of North Carolina at Wilmington Endowment Fund
23. The Foundation of the University of North Carolina at Wilmington, Inc.
24. University of North Carolina Hospitals at Chapel Hill
25. The University of North Carolina Press, Inc.
26. University of North Carolina School of the Arts Endowment Fund
27. University of North Carolina School of the Arts Foundation, Inc.
28. University of North Carolina System
29. Western Carolina University Endowment Fund
30. Western Carolina University Foundation
31. Winston-Salem State University Endowment Fund
32. Winston-Salem State University Foundation, Inc.





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