



UNC MANAGEMENT COMPANY, INC.



ANNUAL REPORT  
FISCAL YEAR 2023

**UNC Investment  
Fund, LLC**





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UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

# 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



I am proud of the Fund's long-term success made possible through the close and collaborative partnership and collective financial market expertise of the Board and the UNC Management Company. With this foundation, I am confident we can navigate the various and often challenging market environments that no doubt lie ahead.

*-John L. Townsend III*

We are pleased to present the Fiscal Year 2023 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 our Member organizations' exceptional students, faculty, and initiatives. We are acutely aware of the impact our investment decisions have on our Members and are honored to be able to support them.

Fiscal Year 2023 was a challenging year for the Fund, recording a disappointing -0.4 percent net investment return. This return marks the Fund's first loss since Fiscal Year 2016 and only its third down year since its inception in 2002. Over the past couple of decades, many university endowment funds, including the UNC Investment Fund, have implemented the "endowment model" framework of portfolio management. Under this approach, the Fund's assets are invested in a highly diversified, multi-asset class portfolio that includes a significant allocation to private market investments. Over the long term, this investment management philosophy has served the Fund well with the Private Equity asset class producing a +20.1 percent ten-year net annualized return, more than doubling the broader global equity market's return. Returns on private market investments, however, tend to lag movements in public equity markets. This notion of lagged performance certainly held true in Fiscal Year 2023. Global equity markets returned +16.5 percent while the Fund's Private Equity asset class lost -12.3 percent reflecting the difficult market environment for equities in the prior fiscal year which saw global equities decline by nearly 16 percent. Reflecting its negative return in Fiscal Year 2023, the Fund's assets decreased by \$295.5 million to finish the year at \$10.1 billion.

Over the past five years, however, the Fund has grown by 65 percent (nearly \$4.0 billion) as a result of both investment gains and contributions from Members.

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 -0.4 percent return for Fiscal Year 2023 falls short of this goal in the short term, we manage the portfolio with a long-term investment horizon. With 5-, 10- and 20-year annualized returns of +10.3 percent, +9.7 percent and +9.5 percent, respectively, the Fund has been successful in achieving this important objective over longer time periods. The Fund has also performed exceptionally well compared to peers with its 3-, 5-, 10- and 20-year returns each ranking in the top quartile of the Cambridge Associates' College and University universe of endowment funds.

Despite the Fund's disappointing performance in Fiscal Year 2023, I am proud of its long-term success both in terms of meeting its return objectives and performance relative to our peers. Integral to this success are both my fellow Board members and the team at UNC Management Company. With their continued close and collaborative partnership and collective financial market expertise I am confident the Fund can navigate the various and often challenging market environments it will no doubt encounter. Speaking for the entire Chapel Hill Investment Fund Board as well as the staff of the UNC Management Company, thank you for the opportunity to support your organization and their impactful missions.



# 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  
Board of Directors



**Michael Andreasen**

SECRETARY  
Vice Chancellor For University  
Development, UNC-Chapel Hill



**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**

VICE PRESIDENT  
Senior Executive Vice President,  
Wealth and Investment Manage-  
ment (Retired), Wells Fargo



**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, UNC-Chapel Hill



**Lee Lesley**

Head of Investor Relations,  
IPI Partners



**John Preyer**

Co-Founder & President,  
Restoration Systems, LLC



**Kristen Tongberg**

Chief Investment Officer,  
Cambridge Associates



**Brien White**

Chief Operating Officer,  
Brown Advisory



## PORTFOLIO AT A GLANCE

FISCAL YEAR END • AS OF JUNE 30

	2023	2022	2021	2020	2019
Market Value (\$ millions)	\$10,137.9	\$10,433.4	\$9,964.3	\$6,679.0	\$6,568.9
Fund Return	-0.4%	4.4%	42.3%	2.3%	7.7%
<i>SIPP Benchmark Return</i>	3.6%	0.1%	32.7%	2.1%	6.7%
<b>Fund Asset Allocation</b>					
Long Equity	25.5%	23.4%	29.5%	29.5%	27.5%
Long/Short Equity	14.2%	14.2%	15.0%	17.3%	15.5%
Diversifying Strategies	9.2%	8.2%	6.4%	9.2%	9.9%
Fixed Income	6.0%	7.0%	7.0%	8.7%	9.4%
Private Equity	32.0%	34.3%	27.8%	23.6%	24.1%
Real Estate	8.1%	7.0%	5.4%	6.2%	5.8%
Energy & Natural Resources	4.6%	4.8%	3.8%	4.5%	6.8%
Cash & Other	0.4%	1.1%	5.1%	1.1%	1.1%



## FISCAL YEAR 2023 OVERVIEW

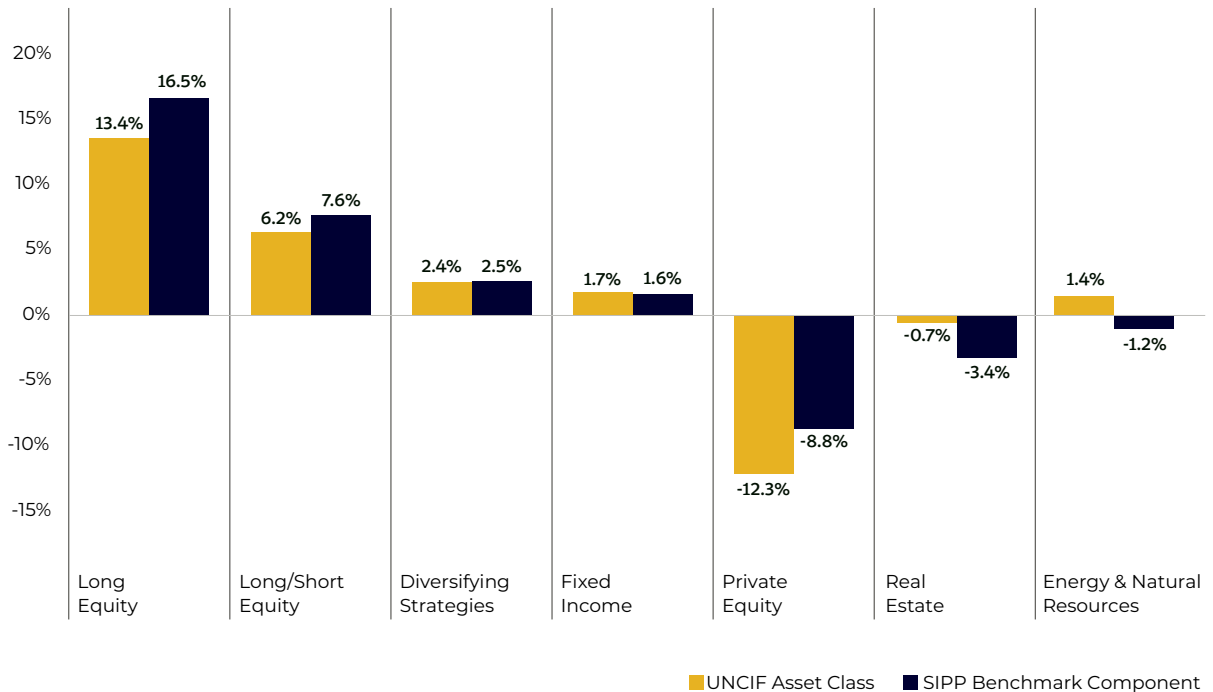
After sinking to two-year lows in Fiscal Year 2022, global equities rallied in Fiscal Year 2023 (12 months ended June 30, 2023) boosted by evidence of economic resilience and easing inflation pressures. The year began on an optimistic note as signs emerged that the U.S. Federal Reserve (“Fed”) was making progress in controlling inflation with minimal damage to the broader economy. However, after an initial rally, domestic equity markets surrendered their gains to close out the first quarter of Fiscal Year 2023 (three months ending September 30, 2022) in negative territory as inflation numbers remained stubbornly high. In the second quarter of the fiscal year (three months ending December 31, 2022) stocks broke their three consecutive quarter long losing streak, recording gains for the period. The S&P 500 Index gained +7.6

percent for the quarter though performance varied widely among benchmarks, asset styles, and sectors with sharp declines in some heavily weighted information technology and internet-related shares that left the Nasdaq Composite Index with a small loss. The rally appeared to be fueled by emerging signs that the Fed was prepared to stop raising rates early in calendar year 2023 so that they could assess how their moves were impacting the economy. Also boosting investor sentiment during the second quarter were mounting hopes that the Fed might achieve a “soft landing”—hiking interest rates to a level just enough to slow inflation without triggering a recession. In March 2023, banking contagion fears surfaced following the collapse of Silicon Valley Bank and Signature Bank and the subsequent forced takeover of Credit Suisse

FIGURE 1

ASSET CLASS RETURNS VS. SIPP BENCHMARKS • FISCAL YEAR 2023

Private Equity losses drove the Fund’s underperformance in FY 2023. However, despite this weak performance in FY 2023, Private Equity remains the Fund’s best performing asset class over the long term, significantly outperforming public equities.



by UBS. Reports of stressed balance sheets at other regional banks led to concerns that problems in the industry, a key source of financing for commercial real estate and smaller-size businesses, would result in a severe tightening in credit conditions. Despite this turmoil in the banking sector, signs of ebbing economic growth, and sustained high inflation levels, domestic equities managed to generate overall gains for the third quarter of the fiscal year (three months ending March 31, 2023). Increasingly hopeful economic signals supported the market's rally in the final quarter of the fiscal year with the S&P 500 Index gaining +19.6 percent for the full 12-month fiscal year period.

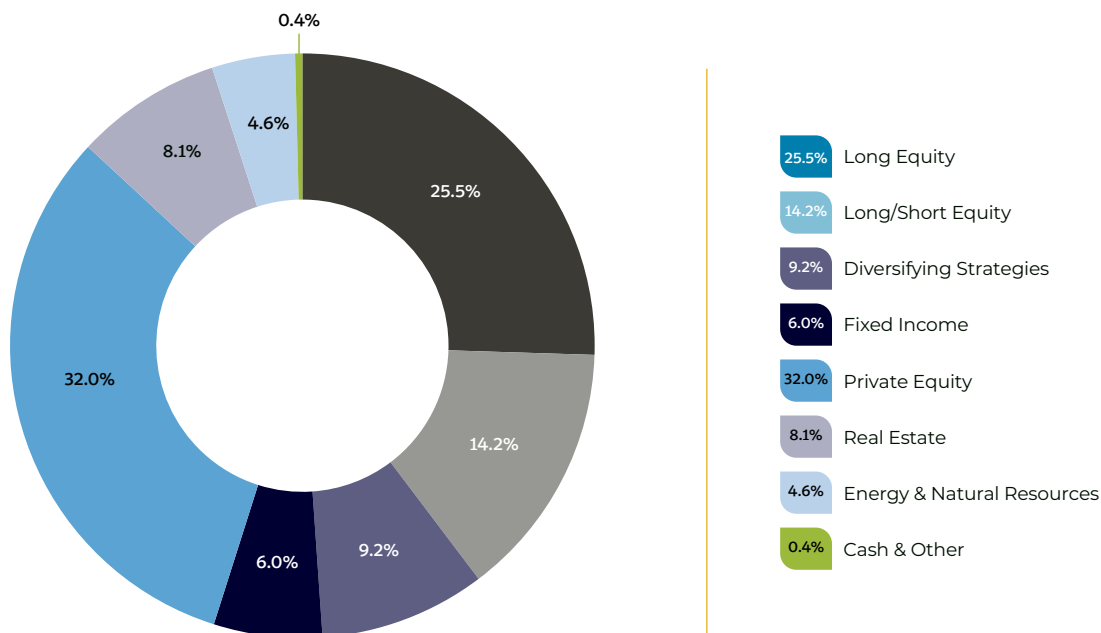
In contrast to the gains in domestic equities, bond prices declined in Fiscal Year 2023 as Fed officials expressed their resolve to raise interest rates as much as necessary to keep inflation under control. During the fiscal year, the Fed raised its target federal funds rate seven times by a total of 350 basis points, making it one of their most aggressive hiking programs in decades. Although rates were held steady in June 2023, policymakers continued to insist that inflation levels had yet to be tamed which signaled to markets that June's lack of action was more likely a "skip"

rather than the widely anticipated "pause" in their rate-hiking program. Longer-term Treasury yields moved higher during the fiscal year with the yield on the benchmark 10-year U.S. Treasury note touching 4.25 percent on October 24, 2022 before finishing the year (June 30, 2023) at 3.81 percent, up 83 basis points from the start of the fiscal year (July 1, 2022). The Bloomberg U.S. Aggregate Bond Index, a measure of the broader domestic fixed income market, finished the year down -0.9 percent. (Interest rates and bond prices move in opposite directions.)

Though trailing domestic equities, stocks abroad also advanced in Fiscal Year 2023 driven by falling inflation, stabilizing interest rate outlooks, and global economic resilience. Developed markets equities outside the U.S., as measured by the MSCI EAFE Index (Europe, Australasia, Far East), gained +18.8 percent. However, emerging markets equities drastically underperformed with the MSCI Emerging Markets Index gaining just +1.7 percent on the heels of weak Chinese equity markets battered by continued perceived geopolitical risk and mounting doubts around the speed and durability of the economic recovery there.

FIGURE 2

UNCIF ASSET ALLOCATION (% OF TOTAL MARKET VALUE) • AS OF JUNE 30, 2023





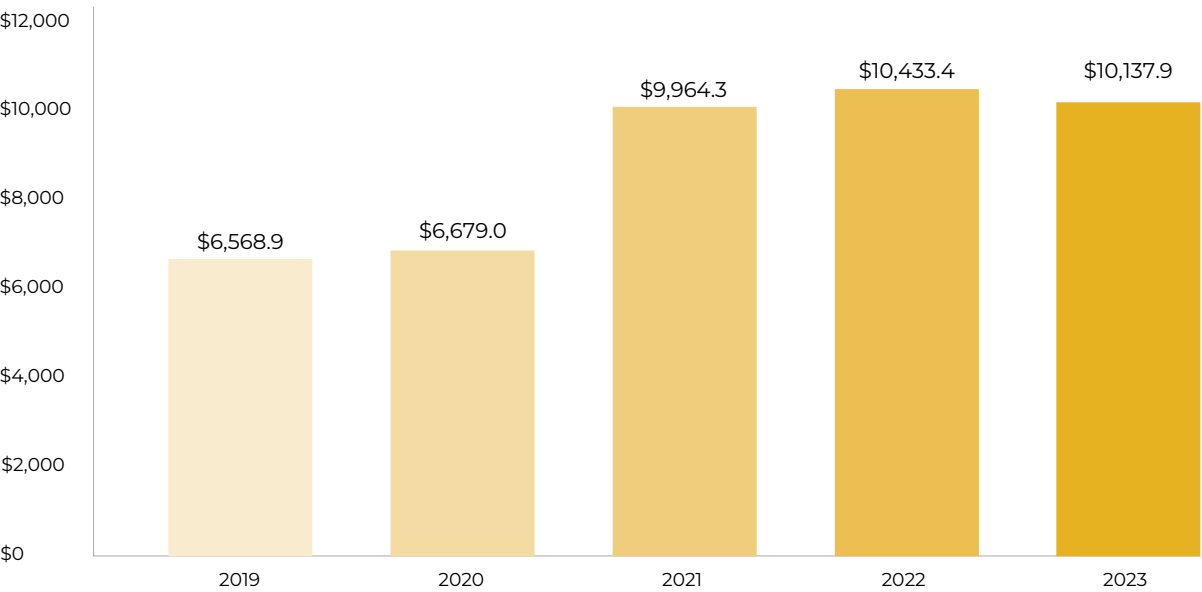
Following two very strong years in Fiscal Years 2021 and 2022, the Fund had a difficult year in Fiscal Year 2023, recording a -0.4 percent return. The primary cause of the weak performance was the -12.3 percent return on the Fund's Private Equity asset class. This loss offset the gains generated by the Fund's public equity holdings that benefitted from the strong performance in global equity markets. In bear markets, such as that experienced by global equity markets in calendar year 2022, public equities move downward relatively quickly while the corresponding valuation declines in the Private Equity asset class play out over an extended period. The delay in recognizing Private Equity valuation changes results from a combination of factors including the underlying uncertainties in valuing private companies and time lags inherent in the reporting process as Private Equity managers only update their valuations quarterly and generally have up to 90 days after a quarter's end to issue their reports. The Fund's public equity holdings recorded significant losses in Fiscal Year 2022, reflecting the declines in public equity markets during that time period while corresponding losses in the Fund's Private Equity portfolio carried into Fiscal Year 2023. The Fund's -0.4

percent return trails its primary SIPP benchmark's +3.6 percent return and the +11.2 percent return of a more "traditional", equity market-focused Global 70/30 Portfolio comprised of 70 percent global equities (MSCI All Country World Index) and 30 percent bonds (Bloomberg U.S. Aggregate Bond Index). Relative to peers, the Fund's Fiscal Year 2023 return ranks in the bottom quartile of the Cambridge Associates' College and University universe of endowment funds with smaller endowments tending to have a higher allocation to public equity markets which performed well over the period and a smaller allocation to Private Equity which was a significant weak spot in Fiscal Year 2023. While hurting the Fund's return in the most recent fiscal year, Private Equity continues to be the Fund's best performing asset class over longer time periods and has added significant value to the Fund's long-term performance. In contrast to the Fund's relatively weak performance in Fiscal Year 2023, its longer-term performance remains strong. The Fund's three-, five-, ten-, and twenty- year returns all exceed 9 percent (annualized) and continue to rank in the top quartile of the Cambridge Associates' Universe for each of these periods.

FIGURE 3

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

Over the past five years, the Fund's market value increased by 65% with over \$4 billion in net investment gains over the period.



# INVESTMENT PRINCIPLES

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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

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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

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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

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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 liquidity 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 <sup>1</sup>	Strategic Target	Tactical Range	Benchmark
Long Equity	25.5%	28.0%	22 – 34%	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	9.2%	10.0%	6 – 14%	(50% HFRI Fund of Fund Conservative Index + 50% HFRI Fund of Fund Defensive Index) + 0.5%
Fixed Income	6.0%	8.0%	5 – 12%	Fixed Income Custom Index <sup>2</sup>
Private Equity	32.0%	25.0%	20 – 32%	Cambridge Associates Composite Index <sup>3</sup>
Real Estate	8.1%	8.0%	5 – 12%	90% NCREIF Property Index (NPI) / 10% MSCI U.S. REIT (Net) Index
Energy & Natural Resources	4.6%	4.0%	2 – 8%	50% S&P GSCI Index + (50% Consumer Price Index (All Item Seasonal Adjusted) + 3%)
Cash & Other	0.4%	2.0%	-2 – 8%	ICE BofA 3 Month U.S. Treasury Bill Index

1. As of June 30, 2023

2. 30% Bloomberg U.S. Long Gov/Credit Float Adjusted TR Index (Unhedged USD) + 30% Bloomberg U.S. Aggregate TR Value Index (Unhedged USD) + 20% Bloomberg U.S. Corporate High Yield TR Index (Unhedged USD), + 20% ICE Bank of America (BofA) 3 Month U.S. Treasury Bill Index

3. 60% Cambridge Associates Private Equity Index (U.S. & Ex. U.S. Buyout & Growth Equity), 40% Cambridge Associates U.S. Venture Capital Index

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 and fixed income market indices.

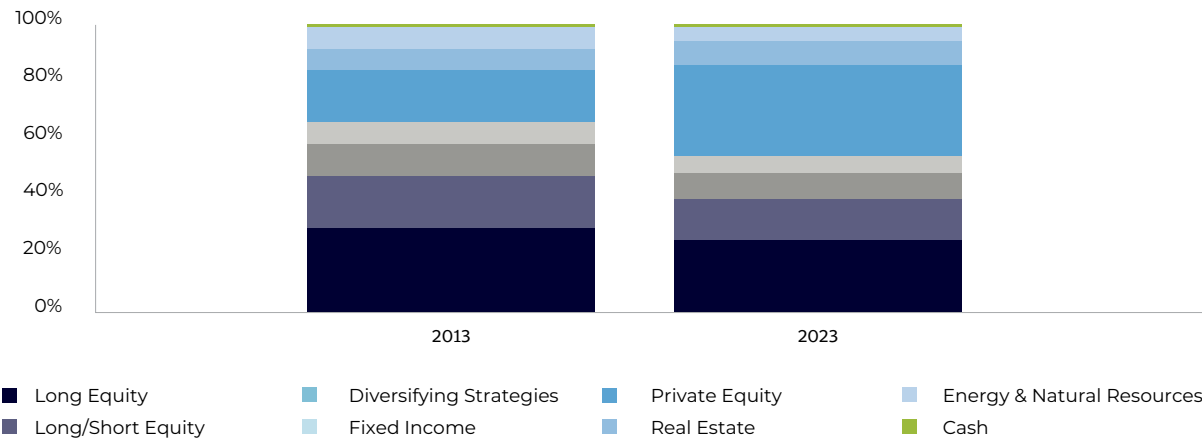
FIXED INCOME

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 among 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

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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

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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

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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, 2023, 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.



# NEWS FROM OUR MEMBERS

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.

- 15**   [Appalachian State University Endowment •  
Appalachian State University Foundation, Inc.](#)
- 16**   [East Carolina University Endowment Fund •  
East Carolina University Foundation, Inc.](#)
- 18**   [East Carolina University Medical & Health Sciences Foundation, Inc.](#)
- 19**   [North Carolina A&T Investment Foundation, Inc.](#)
- 20**   [North Carolina Central University Endowment Fund](#)
- 21**   [University of North Carolina at Charlotte Investment Fund](#)
- 22**   [The University of North Carolina Press, Inc.](#)
- 24**   [University of North Carolina at Wilmington Endowment Fund •  
The Foundation of the University of North Carolina at Wilmington, Inc.](#)
- 26**   [University of North Carolina School of the Arts Endowment Fund •  
University of North Carolina School of the Arts Foundation, Inc.](#)
- 28**   [Western Carolina University Endowment Fund •  
Western Carolina University Foundation](#)
- 30**   [Winston-Salem State University Endowment Fund •  
Winston-Salem State University Foundation, Inc.](#)



# Freiman Family Donates More than \$2 Million

APPALACHIAN STATE UNIVERSITY ENDOWMENT  
APPALACHIAN STATE UNIVERSITY FOUNDATION, INC.

**The Freiman family** has donated more than \$2 million to Appalachian State University in support of An Appalachian Summer Festival and the University Libraries. The gifts were given in memory of Larry Freiman — who passed away in 2021 — by his wife, Barbara, and their children and grandchildren.

“The Freimans have been treasured friends and ardent supporters of App State for more than 30 years,” said App State Chancellor Sheri Everts. “Their passion for the arts and lifelong learning has enriched our university and the surrounding communities, and their legacy will continue to uplift and engage many future generations.”

## SUPPORTING THE ARTS

The Freiman family donated more than \$1 million to the Barbara and Larry Freiman Endowment for An Appalachian Summer Festival Programming.

“Barbara is a deeply admired member of the arts community and a long-standing supporter of An Appalachian Summer Festival, as was Larry before his passing,” said Denise Ringler, App State’s former director of arts engagement and cultural resources, who retired in June 2023. “These gifts represent the family’s desire to ensure arts access and quality of life for our entire region, and we are incredibly grateful for their generosity.”

The Freimans’ contributions have enabled the festival to reach its endowment fundraising goal of \$5 million, which allows staff to focus on “maintaining affordable ticket pricing and the highest standards of artistic excellence,” according to Ringler.

In 2019, the Freimans were inducted into An Appalachian Summer Festival’s Founders Society, which recognizes “the people whose vision, generosity

and hard work helped build An Appalachian Summer Festival,” Ringler said. Barbara is also a former member of An Appalachian Summer Festival’s Advisory Board.

The Freimans have long been involved with the arts in Western North Carolina. Larry, a lifelong violinist, played in the Western Piedmont Symphony in Hickory, and An Appalachian Summer Festival’s 2021 Broyhill Chamber Series was dedicated in his memory. Barbara served as president of The Community Music Club in Lenoir and as a board member of the Western Piedmont Symphony.

## EXPANDING LIBRARY RESOURCES AND COLLABORATIVE SPACE

Nearly \$1 million of the donated funds went to the Barbara and Larry Freiman Endowment for University Libraries and is designated to be used in the areas of greatest need, as determined by the Dean of University Libraries.

“The Freiman family understands the critical role our University Libraries play in supporting the success of students, faculty and staff,” said University Libraries Dean Sue Polanka. “This significant contribution by the Freimans underscores the value of our work and allows us to continue to address the needs of our university community.”

— continued on next page —>



Barbara Freiman, front row, fifth from right, and her husband, Larry Freiman, front row, fourth from right, gathered with their children and grandchildren in 2019. The Freiman family has collectively donated more than \$2 million to Appalachian State University in support of An Appalachian Summer Festival and University Libraries. The gifts were given in memory of Larry — who passed away in 2021 — by Barbara and their children and grandchildren.

App State's University Libraries — Belk Library and Information Commons and Erneston Music Library — “provide equitable access to resources, guide students as they navigate the research and creation process and form collaborative partnerships across campus,” said Polanka.

The Freimans' contribution helped create Belk Library's makerspace, which combined and expanded the library's existing services: the Inspire Maker Lab and Idea Factory. The Inspire Maker Lab offered 3D printers, vinyl cutters, and electronics and robotics equipment. The Idea Factory, which was available to Reich College of Education students and faculty as well as North Carolina public school teachers, offered Ellison die cuts, lamination services, craft tools and a comb binder, among other equipment.

Construction of the 2,000-square-foot combined makerspace — which is open to all App State students — was completed in fall 2022. The donated funds were used for enhanced equipment, supplies and furnishings.

These latest gifts continue a strong legacy of support that the Freimans have built through decades of involvement with University Libraries. In 2015, Barbara and Larry established the Freiman Endowment for Library Student Employees. To date, six students have been awarded this scholarship, which they can renew annually during their time at App State. Additionally, Barbara has served on the Library Advisory Board for 25 years, and she contributed funds for a student-named group study room on the first floor of Belk Library, which became “Plato's Cave.” 🌞



## Brinkley–Lane Scholars Program Celebrates Milestone Commitment

EAST CAROLINA UNIVERSITY ENDOWMENT FUND  
EAST CAROLINA UNIVERSITY FOUNDATION, INC



**In a milestone** moment for East Carolina University, Chancellor Philip Rogers, on Wednesday, May 17, announced a combined \$30

million commitment to the institution from Robert Gentry Brinkley '78 and Amy Woods Brinkley and Lewis Patrick Lane III '67 and Lynn Lewis Lane. The University's most prestigious undergraduate award program was renamed in their honor.

“Robert and Amy Brinkley and Pat and Lynn Lane have sustained ECU with unwavering devotion, and they have joined together in a commitment, which will be the cornerstone of the University's continued success and standard of excellence,” Rogers said. “We are humbled by their dedication to ECU and overwhelmed by their generosity.”

The Brinkley–Lane Scholars program is integral to the Honors College at ECU. The program is offered to the top students in the entering freshman class and is granted for a total of eight continuous semesters. The program ensures full cost of attendance for all scholars, which will be competitive among the best scholarships across the state and allows ECU to recruit out-of-state students as well.

“This is a significant milestone for the scholars program, the Honors College and all of ECU,” said Todd Fraley, dean of the Honors College. “The word we have been using around the office is transformative. We want to thank the Brinkley and Lane families for their tremendous generosity and demonstrated commitment to the success of our students.”



The investment is the largest combined commitment in the University's history and carried the University's Pursue Gold campaign to 95% of a \$500 million goal. Brinkley and Lane also join a distinguished list of names renowned for the top academic scholarships in higher education around the nation.

"These families are advancing a bold and mission-aligned commitment to drive student success and academic excellence at ECU," Rogers said. "Brinkley-Lane Scholars will be known in the region and beyond as these Pirates lead in their fields for decades to come."

### STEADFAST CHAMPIONS

Robert Brinkley received a bachelor's degree from the College of Business and was a 4-year letter winner on the Pirate baseball team. He earned a law degree from Wake Forest University, has practiced law in North Carolina for more than 35 years, and is a partner in the Charlotte office of Womble Bond Dickinson.

He has served on the ECU Board of Trustees including two years as chair; the ECU Foundation Board of Directors; the ECU Board of Visitors and the ECU Real Estate Foundation. He served on the steering committee for the Campaign for ECU Scholars and the ECU baseball stadium steering committee, and currently he serves on the Honors College Advancement Council.

Amy Brinkley had a three-decades-long career at Bank of America. Over the course of her career, she served as the company's marketing executive, president of consumer products, and as the company's chief risk officer.

"The EC Scholars program is critical to the continued success and growth of the ECU Honors College," Robert Brinkley said. "When I was on the Board of Trustees and helped to envision the Honors College, the idea was to make sure that ECU is and will continue to be an attractive place for high-achieving young people who are seeking to be challenged academically."

Pat Lane is a College of Business accounting graduate and earned an MBA from UNC Greensboro. He is a retired CPA. He has served on the College of Education advisory board, alumni association board of directors, L.T. Walker Human Performance



Center advisory board, music advancement council, Pirate Club executive committee, and as a Pirate Club Circle of Excellence executive director.

"Higher education is our top priority for giving back to society," Pat Lane said. "Specifically, we believe that the Honors College and its scholars program in particular serve to attract and develop students who will become professionally successful and whose success will significantly shine a bright light on the impact that ECU has on society as it fulfills its mission."

Lynn Lane has served as chair of the ECU Foundation Board of Directors and is currently chair of the Honors College Advancement Council. She is also a 2001 ECU Honorary Alumni Award recipient.

"Based on what we have experienced with the scholars, increasing their scholarships to the full cost of attendance is a compelling opportunity for us to help move the scholars program forward to be even more competitive with its peer universities," Lynn Lane said. 🌟





# ECU's Department of Family Medicine Honors Dr. James G. Jones

EAST CAROLINA UNIVERSITY MEDICAL & HEALTH SCIENCES FOUNDATION, INC.

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**A plaque** on the newly named James G. “Jim” Jones Chair’s Suite in East Carolina University’s Department of Family Medicine honors Jones and an immense list of titles for which he was known. Advocate. Champion. Family physician. Visionary. Mentor. Counselor. Friend.

Words praising Jones, founding chair of ECU’s Department of Family Medicine at the Brody School of Medicine, and his life’s work came easily and emphatically as his impact on ECU and health care in North Carolina was celebrated Jan. 27 at ECU’s Family Medicine Center.

In recognition of Jones’ distinguished career, friends and colleagues raised more than \$333,000 to establish the Dr. James G. Jones Distinguished Professorship in Family Medicine in the ECU Brody School of Medicine. ECU will apply for a \$167,000 match from the state of North Carolina to endow the professorship ensuring that Jones’ legacy lives on for generations.

ECU Chancellor Philip Rogers shared the University’s mission and core commitments of student success, public service and regional transformation. ECU is able to deliver on its mission because of advances that stand on the shoulders of people like Jones, who set the foundation for where we are today, Rogers said.

“Those words have meaning. They are rooted in our DNA,” Rogers said. “I’m not sure we could have a better embodiment of ECU’s mission in action than Dr. Jones.”

Chelley Alexander, chair of the Department of Family Medicine, said the department became an invaluable asset to ECU and eastern North Carolina only because of Jones’ incredible work establishing the program. She noted his determination in making it one of the best family medicine programs in the country and doing all the behind-the-scenes work to create a state-of-the-art family medicine center.

“This beautiful facility was envisioned and championed by Dr. Jim Jones,” she said. “I’m happy to report that ECU Family Medicine is thriving,” Alexander said. “We have trained over 400 family medicine residents since the start of the program that Dr. Jones envisioned. It is by standing on the shoulders of the giants in the discipline that we are successful.”

## DETERMINED ADVOCACY

Jones’ work to establish a medical school for training more family medicine doctors began 50 years ago when he was president of the North Carolina Academy of Family Physicians and a practicing physician in Jacksonville. UNC System president Bill Friday asked him to establish a family medicine clinic at ECU.

UNC-Pembroke Chancellor Robin Gary Cummings, a friend, colleague and co-chair of the Jones endowment planning committee, described Jones as proof that circumstances do not determine where you go in life; they only tell where you start. Jones was 5 years old when his parents left him to be raised by his grandparents in rural Robeson County.

A member of the Lumbee Tribe, Jones went on to be a distinguished alumnus of Wake Forest University, the first American Indian to graduate from Bowman Gray School of Medicine, as well as the first to become chairman of a clinical department in a medical school in the United States. Upon completing his internship at Grady Hospital in Atlanta and residency with the U.S. Navy at Camp Lejeune, Jones established a thriving medical practice in Jacksonville.

Cummings said Jones dreamed of following Albert Schweitzer and becoming a medical missionary in Africa. Instead, when it wasn’t popular to do, “he became our nation’s biggest advocate in family medicine,” Cummings said. “He, and a very select group, forced the N.C. General Assembly to look at health care in rural North Carolina.”

When Jones was first called to meet with President Friday, it was an effort to have Jones back off of his idea of training family physicians. Jones was inclined to do the opposite. He led the N.C. Academy of Family Physicians to unanimously support ECU’s effort to open a medical school and to educate state leaders on the need for local physicians.

Jones loved being a practicing physician and when he was asked to come to ECU to lead family medicine, he turned his efforts toward finding someone else to fill the role.

"I didn't really want to come to be quite honest with you," Jones said. "I agreed to come for two years. I stayed 20. My mission field has been to create doctors for rural North Carolina." 🌞

“ We have trained over 400 family medicine residents since the start of the program that Dr. Jones envisioned. It is by standing on the shoulders of the giants in the discipline that we are successful.

CHELLEY ALEXANDER,  
CHAIR OF THE DEPARTMENT  
OF FAMILY MEDICINE, ECU



## N.C. A&T Receives \$1 Million to Support Degree Completion Program

NORTH CAROLINA A&T INVESTMENT FOUNDATION INC.

**North Carolina** Agricultural and Technical State University has partnered with The Bernard Osher Foundation to create The Osher Scholarship Program in support of nontraditional students.

The Osher Foundation has committed to a \$50,000 bridge grant and a \$1 million endowment in support of Osher Reentry Scholars who:

- Show academic promise and a commitment to degree completion
- Are enrolled either full or part-time
- Are at the undergraduate level and pursuing their first undergraduate degree
- Have experienced a cumulative gap in their education of five or more years
- Anticipate participation in the workforce for a significant time after graduation
- Demonstrate financial need

"The Osher Foundation is delighted to make its reentry scholarship support at N.C. A&T permanent," said Mary Bitterman, Ph.D., president. "Older students often manage a variety of unique challenges while working toward their educational goals, and these scholarships are meant to make the pursuit of their degrees and dreams a little easier."

The Osher Foundation supports scholarship programs at more than 250 colleges and universities around the country. It makes grants and endowment gifts to colleges, universities, and other nonprofits in four program areas: post-secondary scholarships, lifelong learning institutes for seasoned adults, select integrative health programs, and arts and educational organizations.

— continued on next page —>





## NCCU Trustee Michael Johnson Provides \$1 Million Endowment for NCCU School of Business

NORTH CAROLINA CENTRAL UNIVERSITY  
ENDOWMENT FUND

**Trustee Johnson** brought to the Board invaluable business acumen and professional expertise. He served diligently as a thought leader, strategic partner and champion on the board, including as chair of the Finance and Facilities committee, and as a member of the Executive/Personnel and Athletics committees.

The recent expansion in our campus infrastructure carries his distinct fingerprints and could not have happened without his engagement.

He loved his alma mater, never missing an opportunity to assist NCCU students to envision the bright futures they could achieve, paying forward the investment this institution made in him. Trustee Johnson made many significant financial contributions to the university. It was his gift that catalyzed a \$1 million endowment for the NCCU School of Business in 2017. His most recent leadership gifts provide public displays of his deep affection for and impact on NCCU, securing naming rights within NCCU Athletics and the NCCU School

of Business. These gifts will support the modernization of the newly named Doug Wilkerson Strength and Conditioning Center, and the development of the curriculum and student recruitment efforts for the newly named Michael P. Johnson Business Administration program. 🌟



This commitment to helping N.C. A&T's nontraditional students helps to fulfill the University's mission of improving the human condition and advances the Aggies at the Goal Line (AGL) program and other Adult Education programs.

AGL is a degree completion program designed to help former N.C. A&T students who did not complete their bachelor's degree program to return to the University to do so. The online degree completion program is specially tailored to accommodate nontraditional students. Participants must have stopped out of school for at least two years, have a minimum 2.0 cumulative grade point average at the time of stop-out, and have earned 90 or more credits. Since its inception in 2016, approximately 200 former students have reenrolled through AGL and completed their degrees.

Funds from The Osher Scholarship Program at N.C. A&T will be made available through the Office of Scholarships and Financial Aid and awarded in increments of up to \$6,000 — continuously contributing to educating a population of students that often works to shoulder expenses while attending college. 🌟

# Supporting Innovation in Literacy Education

UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE  
INVESTMENT FUND

**UNC Charlotte's** Cato College of Education, a leader in literacy instruction and research, has been selected by the Mebane Foundation to help continue its legacy of supporting innovation in literacy education in North Carolina and beyond through a five-year grant and potential endowment of up to \$23 million.

The decision follows a competitive statewide search to identify a partner to continue to carry on founder Allen Mebane's commitment to support inventive educational endeavors as the foundation winds down operations over the next decade. "We are grateful the Mebane Foundation selected UNC Charlotte as its long-standing partner," said Chancellor Sharon Gaber, who announced the gift in a message to campus in May 2023. "This transformational investment will take Charlotte's highly rated literacy programming and clinical experiences and move our teacher candidates to the next level. The Mebane name will continue as a gold standard for teacher readiness,

assuring Mr. Mebane's vision is realized. Together, we will create a better future for North Carolina."

The foundation will increase its funding to Cato College over the next five years in support of teacher development, community partnerships, and research and innovation. It is expected the gift will then culminate in the "Allen Mebane: Leaving a Legacy for Future Generations" endowment to create and fund the Mebane Early Literacy Center into perpetuity.

The Mebane Foundation's gift, one of the largest in UNC Charlotte's history, comes after a report commissioned by the UNC System Board of Governors that designated the University as "strong" in literacy instruction, the highest rating achievable. UNC Charlotte is the only North Carolina public university to earn the distinction. "Nationwide, students are struggling to read at grade level," said Malcolm Butler, dean of the Cato College of Education. "As Mr. Mebane well understood, a child's future and the future of our society are tied closely to literacy rates. We are grateful to the Mebane Foundation for investing in Cato College's efforts to ensure our elementary teachers are equipped to give all children in North Carolina and beyond the reading skills they need for success." In recognition of the gift, the College of Education building will be renamed Mebane Hall later this year. 🌟



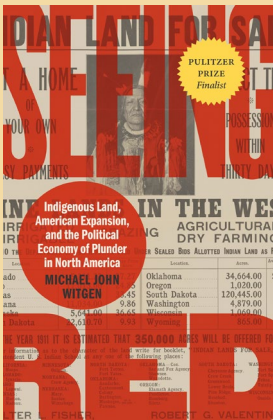
“This transformational investment will take Charlotte's highly rated literacy programming and clinical experiences and move our teacher candidates to the next level. The Mebane name will continue as a gold standard for teacher readiness, assuring Mr. Mebane's vision is realized. Together, we will create a better future for North Carolina.

SHARON GABER,  
CHANCELLOR OF UNCC



# A National Reputation for Excellence

THE UNIVERSITY OF NORTH CAROLINA PRESS, INC.



**FINALIST FOR THE PULITZER PRIZE IN HISTORY**

*Seeing Red: Indigenous Land, American Expansion, and the Political Economy of Plunder in North America*

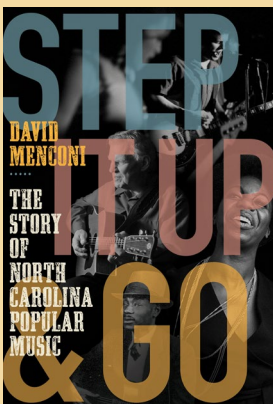
Michael John Witgen  
(co-published with the Omohundro Institute)



**JAMES BEARD AWARD**

*Eating While Black: Food Shaming and Race in America*

Psyche A.  
Williams-Forsen



**NORTH CAROLINIANA SOCIETY BOOK AWARD & A NORTH CAROLINA HUMANITIES "NORTH CAROLINA READS" SELECTION**

*Step It Up and Go: The Story of North Carolina Popular Music*

David Menconi

**As a university press,** The University of North Carolina Press publishes leading scholarly books and journals for faculty and students in higher education, and as a public institution, it serves the people of the state by publishing engaging general interest books on North Carolina history, culture, flora, and fauna. The numerous awards Press titles have received, including the National Book Award and the Pulitzer Prize in History, confirm that UNC Press is launching into its second century as one of the top university presses in the nation with an international reputation for excellence.

UNC Press publishes 110 new books a year — a new book every three to four days. As a university press, UNC Press achieves its core mission by publishing superior, peer-reviewed monographs for the scholarly community, and as a public institution, UNC Press serves the people of North Carolina and the region by publishing exceptional trade books for general readers. Titles that exemplify both types of publishing include Michael John Witgen's *Seeing Red: Indigenous Land, American Expansion, and the Political Economy of Plunder in North America* (co-published with the Omohundro Institute) was a finalist for the Pulitzer Prize in history; Psyche Williams-Forsen's *Eating While Black: Food Shaming and Race in America* won a James Beard Award; and David Menconi's *Step It Up and Go: The Story of North Carolina Popular Music*, from Blind Boy Fuller and Doc Watson to Nina Simone and Superchunk won the North Caroliniana Society Book Award and was a North Carolina Humanities "North Carolina Reads" Selection.

Launched eight years ago, the Press's Office of Scholarly Publishing Services (OSPS) extends the Press's storied expertise throughout the UNC System, allowing libraries, departments, centers, and institutes to focus on content creation while the Press provides publishing expertise in editing and design, production



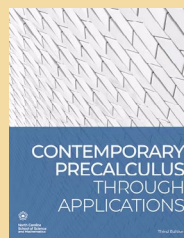
and distribution, and sales and marketing. OSPS is increasingly active in supporting faculty and students who are publishing open access textbooks and journals. The results are innovative ways of expanding the distribution of scholarly content while lowering the cost of educational materials for students and libraries. Two recently completed examples include a project with the North Carolina School of Science and Mathematics to create an open access version of *Contemporary Precalculus Through Applications* and a six-volume series of textbooks, *Microwave and RF Design*, by Michael Steer, published with NC State University.

Longleaf Services, a not-for-profit affiliate of UNC Press, continues to provide cost-effective fulfillment and marketing services for twenty-three 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.

As part of its centennial celebration, the Press has embarked on several ambitious, multi-million-dollar initiatives to grow the endowment, including five named staff positions. The Press's most valuable asset is the professional staff who possess a wealth of knowledge and experience. The Press's budget reflects this reality — 70% of Press's annual expenses are staff salary and benefits. Furthermore, superior publishing, as accomplished by UNC Press, is a multi-year process. Named endowed positions are an investment in the importance of the person holding the position as well as an investment in the stability of the publishing process.

The Press's named endowments (consisting of both restricted and unrestricted funds) are collectively contributing \$1.5 million (25%) to the fiscal year 2024 budget. 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 the excellent management of the Press's endowment by the UNC Management Company, the Press is embarking on a second century even more distinguished than its first. 🌟

## UNC PRESS'S OFFICE OF SCHOLARLY PUBLISHING SERVICES RECENT PROJECTS

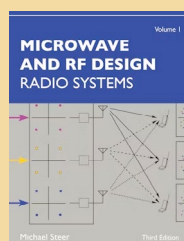


### Contemporary Precalculus through Applications

*By North Carolina School of Science and Mathematics*



SCAN THE QR CODE  
OR [CLICK HERE TO LEARN MORE](#)



### Microwave and RF Design, Radio Systems

*By Michael Steer, published with NC State University*



SCAN THE QR CODE  
OR [CLICK HERE TO LEARN MORE](#)

# Impact of Community Partnerships with the State's Coastal University

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



**The benefits** of being North Carolina's coastal university are vast. Consider the lifestyle impact of residing five miles from the Atlantic Ocean. Ponder the research implications of having a Center for Marine Science (CMS) just steps from the area's waterways.

These distinct aspects of UNC Wilmington have led to some unique partnerships designed to enhance coastal research, address climate change's impacts, support sustainable seafood and preserve our coastal living resources.

During the University's ongoing comprehensive campaign, *Like No Other: The Campaign for UNCW*, more than \$12,000,000 has been raised to help our coastal communities. This accounts for nearly 10 percent of the campaign total. The entire University focuses on integrating community and research with current faculty and staff, especially concerning the coast.

A shining star of this integration is the CMS Global Marine Science Summit. Convening international scientists, policymakers and industry leaders, the event centers on global marine science issues

and improving the economic climate of coastal regions. The summit held its initial gathering at the Center for Marine Science in 2017, returned in 2019 and again in 2023 and was conducted in a mini, virtual format in November 2021 as part of All Blue Week. The events have been funded in partnership with the William R. Kenan, Jr. Charitable Trust.

On UNCW's central campus, the University is the proud home of the nation's only undergraduate degree in coastal engineering, launched in 2019. The program prepares students to address beach renourishment, dredging, sediment management, coastal structure analysis and design, wetlands/ marsh stabilization and restoration. In December 2022, UNCW graduated its first cohort through the program, with 17 students receiving degrees.

Philanthropy has been key for coastal engineering students as 10 scholarships have already been established for the major. These include three endowed scholarships – the Caroline '85 and Ralph Reda Scholarship in Engineering Endowment, the Balfour Beatty Scholarship in Coastal Engineering and the David B. Sims Scholarship in Coastal Engineering Endowment. The program is also benefitting from the Balfour Beatty Support Fund for Coastal Engineering.

The program's state-of-the-art wave flume, spanning nearly 80 feet long and 5 feet wide and holding 9,500 gallons of water, aids in integrating coastal engineering with the community and addressing the chronic multi-million-dollar problem of beach erosion along the North Carolina coast.

"The wave flume is another tool in our back pocket to better understand our evolving coastline," Dr. Joe Long, director of UNCW's coastal engineering program, said. "As the state's coastal university, we take our classes to the beach for teaching and research and now we can also step into our wave lab and conduct controlled lab and modeling experiments."

Science and engineering rely on coastal field measurements, numerical modeling and controlled laboratory experiments. Given UNCW's coastal location, its experience in computer modeling and this new wave flume, the University can now use this trifecta for a wide range of innovative projects.



Another pioneering pairing for UNCW with a coastal community is the Town of St. James' Living Shoreline Student Support Fund Endowment, which supports students engaged in faculty-mentored research, outreach and applied learning activities to develop knowledge and resources for maintaining, improving and studying St. James' living shoreline.

This fund supports student work within the UNCW Department of Biology and Marine Biology such as oyster reef establishment, living shoreline research and coastal science education. These areas directly impact the region by helping to control erosion, create habitats for marine animals and improve water quality by filtering particles and sediment.

"The gift provided by the Town of St. James is an incredible down payment on future sustainability efforts," Troy Alphin, senior research associate at

UNCW, said. "This endowment supports research, education and outreach in and around the Town of St. James by providing opportunities for students to gain hands-on experience in estuarine ecology, biology, restoration ecology, conservation and marine education."

As UNCW prepares for the conclusion of *Like No Other: The Campaign for UNCW* and opens its new 10-year strategic plan, it is committed to developing collaborative community partnerships. The future of higher education will be one in which community relationships spur innovation, creativity and problem-solving and where authentic engagement with the community leads to new learning opportunities. There is no better place for these hands-on learning applications and pairings than with the state's coastal university and its communities. 🌞





# Fostering Creative Momentum Brings Recognition to UNCSA

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

The UNC System's performing arts conservatory accelerated its creative momentum during the 2022–23 academic year, continuing in its mission to provide outstanding emerging artists with the skills they need to excel in their disciplines and in their lives, while also enriching the cultural and economic prosperity of the people of North Carolina and the nation.

UNCSA deepened its relationship with the Posse Arts Program — an initiative of the Posse Foundation conceived in collaboration with Lin-Manuel Miranda and the Miranda Family Fund — thanks to a \$2.28 million gift from the William R. Kenan, Jr. Charitable Trust. The contribution supports a significant expansion of the UNCSA Posse Arts Program, which helps recruit, retain and support talented first-generation college students. The funds will fully support cohorts of up to 10 Posse Scholars per class year, including full-tuition scholarships, on-campus mentoring, and other support services.



"The Posse Arts Program brings so much to our university," said UNCSA Chancellor Brian Cole. "I have enjoyed meeting members of the first Arts Posse Scholars cohort, and we are deeply grateful to the Kenan Charitable Trust for giving this program the opportunity to grow and flourish."

Meanwhile, UNCSA began to prepare for a major overhaul of its largest performance venue and a cornerstone of the performing arts in Winston-Salem and the Piedmont Triad. The Stevens Center, built in 1929 as a silent movie theater and restored and reopened in 1983 under the ownership of UNCSA, will close Nov. 15, 2023, to undergo a comprehensive multiphase renovation. The updates will include critical repairs to the exterior of the building and a complete overhaul of the building's interior to enhance accessibility, patron comfort, and performance technology necessary for student training.

The project is being funded by appropriations in the North Carolina state budget and will be supplemented by public and private funding to provide long-term support for programming and building maintenance.

During construction — which is slated to last several years — UNCSA performances will continue at on-campus theaters and partner venues throughout the region. Greensboro's Steven Tanger Center for the Performing Arts will host the UNCSA production of "The Nutcracker" Dec. 7–10, 2023. The school's production of the beloved holiday classic has become a lasting tradition since it was first produced in 1966. The temporary move will allow for the continuation of the production while also reaching new audiences and providing students with the unique experience of touring, performing and mounting a show in a 3,000-seat, state-of-the-art venue.

UNCSA also continues to work to enhance the economic and cultural fabric of the state in innovative ways. The School of Filmmaking has partnered with Winston-Salem State University and the North Carolina Collaboratory to launch virtual reality training for WSSU nursing students. The initiative is among the largest investments in virtual reality at UNCSA and one of the most significant partnerships between the universities.

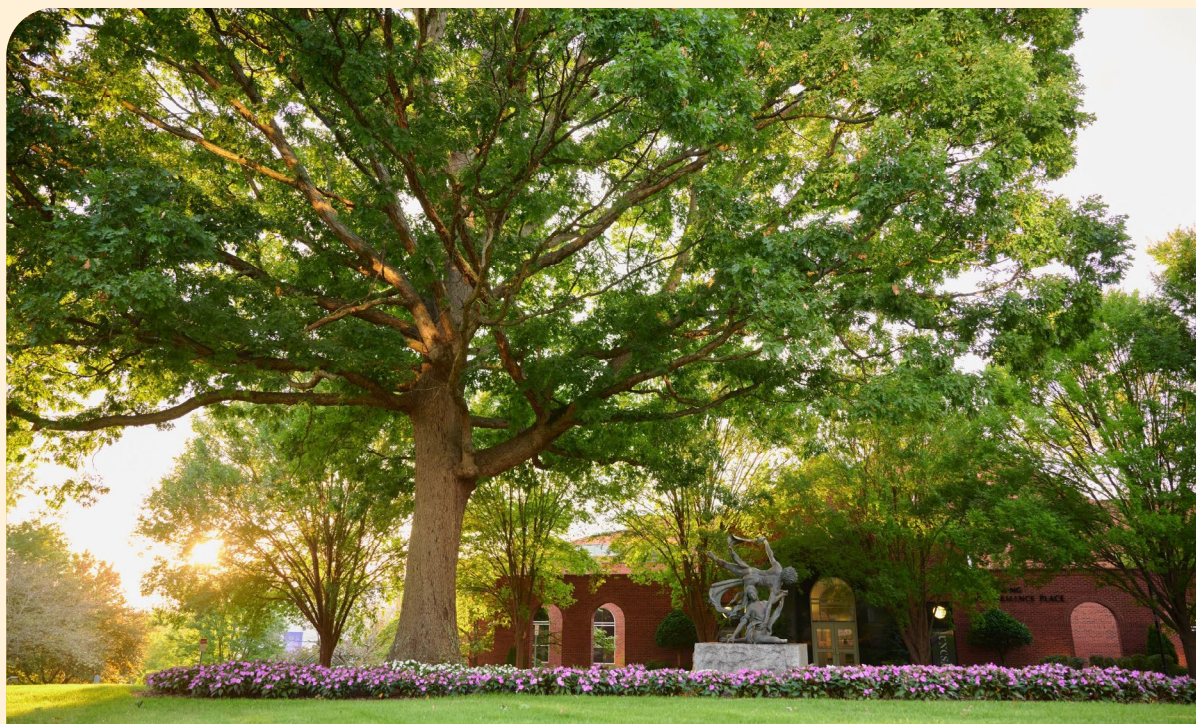


The School of Design & Production, meanwhile, has worked with Mitchell County, N.C., to produce a multiday interactive Halloween experience that has been dubbed “Hilloween.” The project is designed to boost tourism in the western part of the state and highlight Blue Ridge history, mystery and culture. Funded in part through private giving to the university, the project includes more than a dozen students and several alumni and faculty members working alongside local event organizers to produce festive, educational events in three areas of the county — Bakersville, Buladean and Spruce Pine.

The five arts schools at UNCSA — Dance, Design & Production, Drama, Filmmaking, and Music — continue to experience significant external recognition for the educational experiences they offer and the artistic accomplishments of their students, faculty, and alumni.

During the 2022–23 academic year, The Hollywood Reporter — a major trade publication in the arts and entertainment industries — featured UNCSA

in many of its rankings of top arts programs during the year. The School of Drama reached No. 3 on the publication’s 2023 list of the “Top 25 Drama Schools in the World,” up from No. 4 the previous year. The publication also ranked the UNCSA costume design program in its Top 10 for the sixth consecutive year, and ranked the School of Filmmaking No. 9 overall — No. 1 for public universities — on its list of “Top 25 Film Schools in America.” 🌞





# WCU Bucks National Trend with Increase in Philanthropic Giving

WESTERN CAROLINA UNIVERSITY ENDOWMENT FUND  
WESTERN CAROLINA UNIVERSITY FOUNDATION

**Although charitable** giving has decreased over the past year across the U.S., that is not the case for Western Carolina University, which has experienced healthy increases in the dollar amount of philanthropic donations and the number of donors.

According to findings from an annual report on philanthropy nationally, presented by researchers at the Indiana University Lilly Family School of Philanthropy and fundraising professionals at Giving USA Foundation, total charitable giving in the U.S. dropped from \$516.65 billion in 2021 to \$499.33 billion in 2022, a decline of \$17.32 billion. That decrease is in the wake of consecutive record-breaking years for giving nationally in 2020 and 2021.

"While overall giving in the U.S. declined by 3.4% and giving by individuals fell by 6.4% across the U.S., our WCU numbers are counter to those national trends," said Jamie T. Raynor, vice chancellor for advancement, who recently shared unofficial, pre-audit fundraising statistics with campus leaders and leadership boards.

"Overall for the 2023 fiscal year, we saw an almost \$3 million increase in total giving year over year, a 31.2% increase," Raynor said. "To break it down, the University experienced a \$1.6 million increase in cash gifts; a \$1 million rise in private grants and sponsored research; and substantial movement in the number of gifts, with 2,411 more gifts processed, or a 29.5% increase, and donors, with 1,084 more donors, up 36%." Here's a look at WCU fundraising totals for the 2023 fiscal year, which ended June 30.

- Gifts/cash - \$7,469,093.37, up from \$5,857,832.69 in 2022.
- Pledges - \$3,558,363.53, up from \$3,213,477.85 in 2022.
- Private Grants - \$1,541,469.70, up from \$533,679.35 in 2022.
- Fiscal Year Total - \$12,568,926.60, up from \$9,577,563.25 in 2022.

The University received a total of 10,564 gifts compared to 8,153 gifts in 2022, with a total of 4,108 donors compared to 3,024 last year.

"The Division of Advancement is certainly grateful to our faculty, staff, student and volunteer board partners for their assistance in this important work throughout the 2023 fiscal year, and we are grateful daily for the real heroes – the supporters of WCU," Raynor said.

The upsurge in philanthropic support for WCU comes as the institution is in the leadership phase of a comprehensive fundraising campaign, with University leaders building the volunteer leadership structure and developing the brand and messaging of the campaign in fiscal year 2023 as well.







This campaign is slated to run through the 2025–2026 academic year and will focus on critical priorities such as academic excellence with an emphasis on programmatic support and outside the classroom experiential learning, as well as the full student experience that includes excellence in athletics through facilities support, Raynor said.

WCU Chancellor Kelli R. Brown announced the name, brand, goal, current fundraising totals and key priorities of the campaign with the campus community in August at the annual Opening Assembly to kick off the school year. Christened the “Fill the Western Sky” campaign, the initiative has a goal of a minimum of \$75 million in philanthropic support for the University’s academic, student engagement and athletics programs.

“The ‘Fill the Western Sky’ campaign will help garner the additional resources necessary to enable us to achieve the next milestones in propelling the progress of this institution founded in 1889. Achieving our ambitious goal requires the participation and generosity of all members of the Western Carolina family,” Brown said.

Through the campaign, the University aims to secure philanthropic gifts to support upgrades to athletics facilities, which is a key priority of the fundraising effort. The campaign also is seeking financial support for undergraduate and faculty research, state-of-the-art classroom and laboratory facilities, outdoor classroom space, study-abroad and study-away opportunities, and departmental and college initiatives.

Campaign priorities regarding engagement are designed to provide additional resources for student internships, mental health and counseling, service-learning opportunities, clinical experiences and student life programs including emergency funds to assist students at times of crisis.

While WCU’s two previous comprehensive fundraising campaigns focused on obtaining financial support for endowed professorships to attract and retain top-notch faculty and endowed scholarships to recruit and retain students, the current campaign is the first in the University’s history with a major emphasis on athletics.

🌞 *By Bill Studenc*

# The Prince David and Nancy Patterson Jernigan Endowed Scholarship Fund

WINSTON-SALEM STATE UNIVERSITY ENDOWMENT FUND • WINSTON-SALEM STATE UNIVERSITY FOUNDATION, INC.

For the Jernigans, Winston-Salem State University's motto, "Enter to Learn. Depart to serve," is more than a slogan, it's a way of life.

The couple, Prince David and Nancy Patterson Jernigan, both members of the WSSU Class of '73, served and retired from extensive careers in public education; have raised tens of thousands of dollars for their alma mater over a span of 40 years; and most recently, established the Prince David and Nancy Patterson Jernigan Endowed Scholarship Fund.

The endowment, which was developed in 2018, began with \$15,000. As of March 2022, it was valued at nearly \$215,000. The funds will be used to provide need-based assistance to students majoring in education and social science programs, enhancing their professional opportunities for internships, study

abroad and undergraduate research, and creating a less financially stressed pathway to graduation.

"Our scholarship will provide needy students seeking a college education with some assistance for generations to come," said the Jernigans in a statement. "The wish to pay it forward is our way of saying thank you to WSSU for providing us with the skills to go forth and better our lives in the world."

The endowment was made possible through real estate sales. Prince Jernigan and his brother inherited five houses in Edenton from their father located in various areas to include historic districts, redevelopment zones and oceanfront. Prince Jernigan had no desire to return to Edenton, and he and his wife didn't want to put a burden on their children to manage the properties, which were also impacting the Jernigans' financial support to WSSU.

After much consideration, the two decided to sell the properties and establish a more impactful family legacy by establishing the scholarship in memory of Charles Haymond and Malvina Rouse Jernigan Sr., parents of Prince Jernigan.

As a result of their generosity and sacrifice, WSSU honored the couple with the Dr. Simon Green Atkins Distinguished Alumni Award in 2022.

"Once at WSSU, our goal was to live the university motto. Our goal also was to deliver on the dream of the university's founder, Dr. Simon

*"The wish to pay it forward is our way of saying thank you to WSSU for providing us with the skills to go forth and better our lives in the world."*

PRINCE DAVID & NANCY  
PATTERSON JERNIGAN





Green Atkins, who stated that his graduates would 'bear the test,'" the couple said.

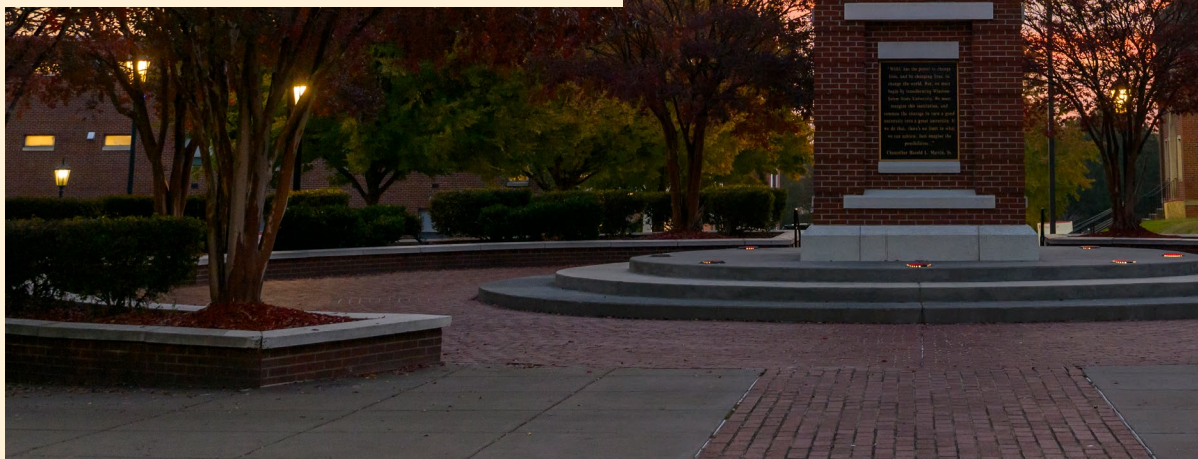
"The Jernigans have demonstrated exemplary leadership and service to their alma mater. They are kind, gracious and are consistently supportive of our students and this institution, said Dr. LaTanya Afolayan, vice chancellor for University Advancement.

Each of the Jernigans grew up in the segregated South, where there were limited opportunities for African Americans. Prince Jernigan is a native of Edenton, NC, and Nancy Jernigan is from Rocky Mount, Va. The two met at WSSU and were married shortly after graduating.

Prince Jernigan earned a degree in history from WSSU and a master's degree from Morgan State in Baltimore, Md. He served both as a teacher and school administrator, retiring in 2003 with 30 years of service.

Nancy Jernigan graduated cum laude with a degree in physical education from WSSU. She completed a 39-year career as a PE teacher in Baltimore. The gymnasium at Violetville Elementary/Middle School is named in her honor.

The Jernigans said anyone considering establishing an endowment should "go for it." The need is great, and the resources are limited. "We can't continue to expect the state of North Carolina to do for us if we won't commit and do for ourselves." 🌅





# 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 illiquidity 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

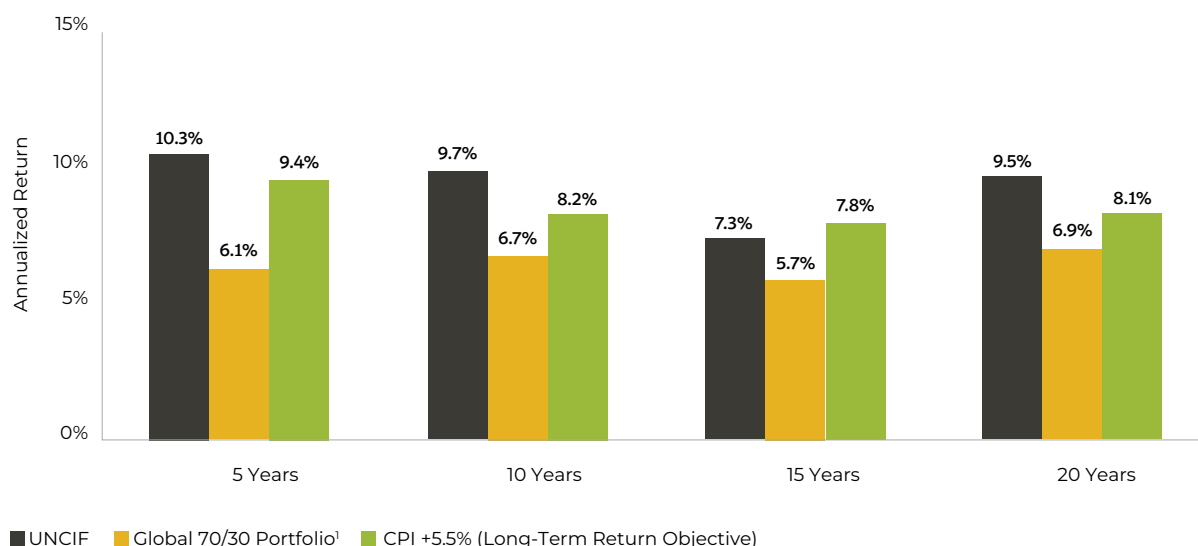
diversification among third-party investment managers within each of the asset classes. [Figure 8 on page 34](#) displays the Fund's total returns during those periods since 2007 when the S&P 500 Index dropped more than -10 percent. This figure illustrates that during periods of market stress, like that seen in the first nine months of calendar year 2022 during which the S&P 500 Index dropped -23.9 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 32 highlights the long-term benefits of investing in a

FIGURE 6

RELATIVE LONG-TERM PERFORMANCE • PERFORMANCE FOR PERIODS ENDING JUNE 30, 2023

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



Note: Annualized performance for periods ending June 30, 2023

1. Global 70/30 Portfolio - 70% MSCI All Country World Index (ACWI), 30% Bloomberg U.S. Aggregate Bond Index

# INVESTMENT PERFORMANCE

diversified mix of asset classes, as a more “traditional”, equity market focused Global 70/30 Portfolio comprised of 70 percent equities and 30 percent bonds falls significantly short of meeting the Fund's long-term return target across all time periods.

Despite the impact from the coronavirus pandemic in early 2020 and the sharp drawdown in equity markets in 2022, the Fund's ten-year annualized return to June 30, 2023 of +9.7 percent easily exceeds the +8.2 percent return of its 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 +7.9 percent and +6.7 percent, respectively. Over the last ten years, each of the Fund's asset classes has positively contributed to performance. Each asset class has also exceeded its benchmark apart from Long Equity which is just shy of its benchmark returning +8.3% versus MSCI ACWI's +8.8% ten-year annualized return. With consistently

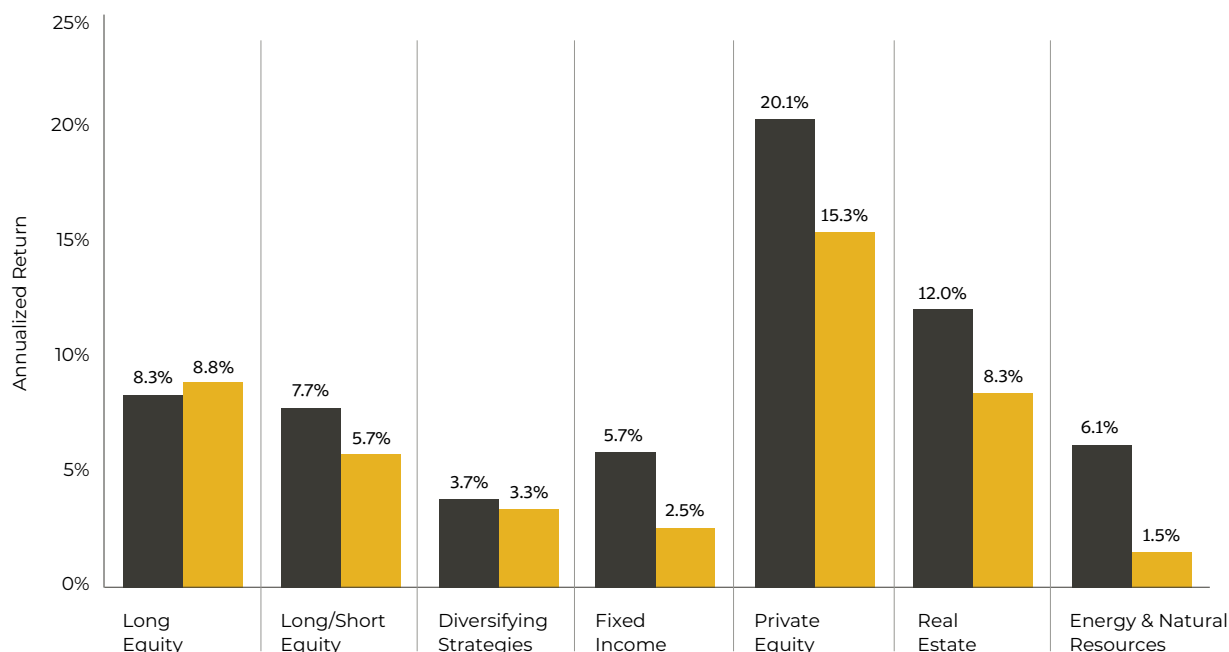
strong performance from both the Buyout and Venture Capital portfolios, the Fund's Private Equity asset class has generated a ten-year annualized return of +20.1 percent, leading the Fund's strong aggregate performance. Private Equity has also added significant value over public equity markets, more than doubling 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- and five-year), 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 three-, five-, ten-, and twenty-year returns each ranking in the top quartile of the Cambridge Associates' College and University universe of endowment funds.

FIGURE 7

ASSET CLASS RETURNS VS SIPP BENCHMARKS • 10 YEARS ENDED JUNE 30, 2023

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, 2023

■ UNCIF Asset Class ■ SIPP Benchmark Component

FIGURE 8

## UNC INVESTMENT FUND: DRAWDOWN PROTECTION • S&amp;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.

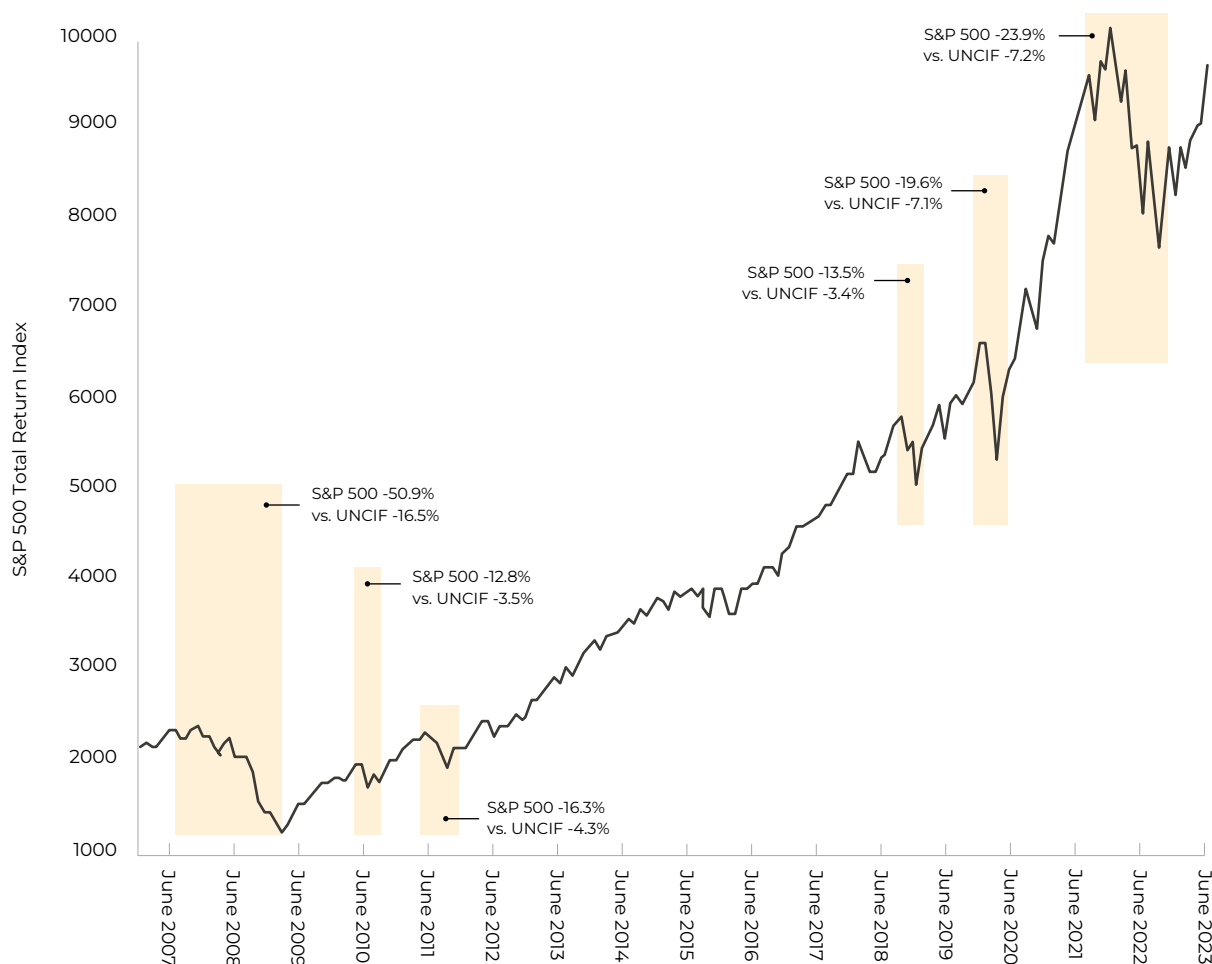


FIGURE 9

## INVESTMENT PERFORMANCE • FISCAL YEAR

	2023	2022	2021	2020	2019
UNCIF Return (Net)	-0.4%	4.4%	42.3%	2.3%	7.7%
SIPP Benchmark Return	3.6%	0.1%	32.7%	2.1%	6.7%
Peer Universe Median <sup>1</sup>	6.7%	-6.6%	36.7%	2.1%	5.6%

1. Cambridge Associates universe of college and university endowments



FIGURE 10

## UNC INVESTMENT FUND: FEE TABLE

	% of Investment Balance
<b>Investment Management Fee</b>	
First \$50 million of investment balance	0.35%
Remainder of investment balance over \$50 million	0.20%
<b>General and Administrative <sup>1</sup></b>	0.02%

1. Indicative, subject to variation



UNIVERSITY OF NORTH CAROLINA AT WILMINGTON





WINSTON-SALEM STATE UNIVERSITY



## 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 38 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

**Row 1:** Keegan Alston, Nick Bailey,  
Kimberly Baker, Anita Barber

**Row 2:** Chris Bartholomew, Elaine Brim,  
Timothy Burch, Janine Vanzetta Burke

**Row 3:** Jeffrey Chamberlain, Kimberly Woodlief Eddins,  
Angela Elam, Deana Griffin

**Row 4:** Rodgers Harshbarger, Ed Hetherington,  
Margaret Holder, Elaine Jeffries

**Row 5:** Jonathon King, Matt Lesesky,  
Juddy Mair, Chris Mattke

**Row 6:** Meredith Mayer-Salman, Jay Mehalek,  
Virginia Morse, Angus O'Rourke

**Row 7:** Sarah Rivera, Chris Rudolph,  
Joshua Shapiro, Ellie Sullivan

**Row 8:** Benjamin Wendt, Bobby Williams

**Not pictured:** Alexander Cook, Sunmeet Gulati,  
Trena Martelon, Angela Moss, Celeste Reed,  
Clay Robinson, Susan Smith, Gina St. Phillips

1



2



3



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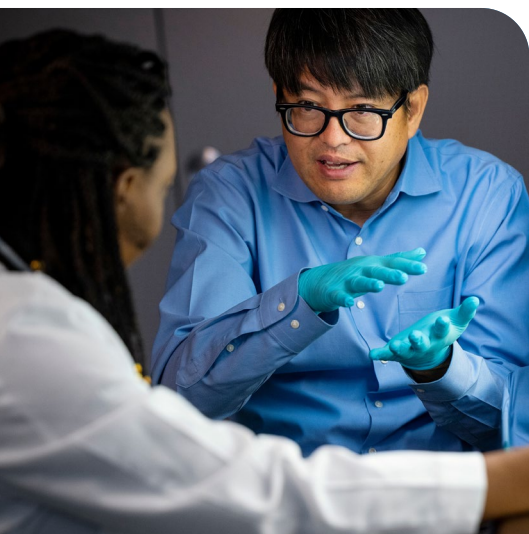


## FUND MEMBERS

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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.









# UNCMC

UNC MANAGEMENT COMPANY, INC

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