BOARD OF TRUSTEES
BUSINESS AFFAIRS COMMITTEE
THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO

April 2, 2009

INFORMATION ITEM: University Investment Fund Update

BACKGROUND INFORMATION:

An update of the University Investment Fund 2008 calendar year performance will be presented at the Board meeting.

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Reade Taylor
Vice Chancellor for Business Affairs

Attachments
UNIVERSITY OF NORTH CAROLINA AT GREENSBORO INVESTMENT FUND, INC.
PERFORMANCE ANALYSIS
FLOATING BAR CHART
As of December 31, 2008

Performance (%)

<table>
<thead>
<tr>
<th>Universe Percentile</th>
<th>Latest Quarter</th>
<th>Trading 1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>5th Percentile</td>
<td>-3.4</td>
<td>-18.6</td>
<td>-3.3</td>
<td>4.6</td>
<td>11.4</td>
</tr>
<tr>
<td>Median</td>
<td>-1.8</td>
<td>-22.5</td>
<td>-0.8</td>
<td>4.1</td>
<td>10.2</td>
</tr>
<tr>
<td>75th Percentile</td>
<td>-3.7</td>
<td>-26.1</td>
<td>-3.4</td>
<td>1.6</td>
<td>6.6</td>
</tr>
<tr>
<td>95th Percentile</td>
<td>-5.3</td>
<td>-32.4</td>
<td>-6.1</td>
<td>7.6</td>
<td></td>
</tr>
</tbody>
</table>

Universe Size
- 248
- 342
- 223
- 222
- 75

Returns
- 3.6
- 26.9
- 2.3
3.1
9.1

Note: The floating bars represent the Cambridge Associates Endowment universe.
Percentile rankings are based on a scale of 0 - 100 where 0 represents the highest value and 100 the lowest.
### Rate of Return

<table>
<thead>
<tr>
<th></th>
<th>Dec-99</th>
<th>Dec-00</th>
<th>Dec-01</th>
<th>Dec-02</th>
<th>Dec-03</th>
<th>Dec-04</th>
<th>Dec-05</th>
<th>Dec-06</th>
<th>Dec-07</th>
<th>Dec-08</th>
<th>10 Year Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of Return</td>
<td>10.70</td>
<td>1.90</td>
<td>(3.40)</td>
<td>(12.20)</td>
<td>24.70</td>
<td>15.30</td>
<td>8.80</td>
<td>14.20</td>
<td>11.50</td>
<td>(26.90)</td>
<td>4.46</td>
</tr>
<tr>
<td>CPI</td>
<td>(2.70)</td>
<td>(3.40)</td>
<td>(1.80)</td>
<td>(2.40)</td>
<td>(1.90)</td>
<td>(3.30)</td>
<td>(3.40)</td>
<td>(2.50)</td>
<td>(4.10)</td>
<td>(0.10)</td>
<td>(2.54)</td>
</tr>
<tr>
<td>Real Rate of Return</td>
<td>8.00</td>
<td>(1.50)</td>
<td>(5.00)</td>
<td>(14.60)</td>
<td>22.80</td>
<td>12.50</td>
<td>5.40</td>
<td>11.70</td>
<td>7.40</td>
<td>(27.00)</td>
<td>1.92</td>
</tr>
<tr>
<td>Other Distributions</td>
<td>(1.86)</td>
<td>(7.61)</td>
<td>(9.30)</td>
<td>(18.90)</td>
<td>18.55</td>
<td>7.75</td>
<td>1.15</td>
<td>7.45</td>
<td>3.15</td>
<td>(31.25)</td>
<td>(2.55)</td>
</tr>
<tr>
<td>Per Cambridge</td>
<td>3.10</td>
<td>(2.30)</td>
<td>(26.90)</td>
<td></td>
<td></td>
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<tr>
<td>S&amp;P 500 80%/LB 20%</td>
<td>0.19</td>
<td>(0.71)</td>
<td>(5.54)</td>
<td>(29.84)</td>
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<tr>
<td>MSCI World 80%/LB 20%</td>
<td>0.67</td>
<td>(0.55)</td>
<td>(5.28)</td>
<td>(33.07)</td>
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<tr>
<td>Total Fund Diversified</td>
<td>2.79</td>
<td>3.25</td>
<td>(0.85)</td>
<td>(22.07)</td>
<td></td>
<td></td>
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</tbody>
</table>
The University of North Carolina at Greensboro
Investment Fund, Inc.

Membership List

Mr. Richard R. Allen – Chairman, Lighthouse Financial Corp.
Mr. Richard T. Holderness – President Holderness Investments
Mr. M. Lee McAllister – President Weaver Investment
Mr. Thomas R. Sloan – retired Chairman of Essilor Laboratories of America
Mr. G. Dee Smith – President & CEO, Forsyth Medical Center Foundation
Ms. N. Susan Whittington – Financial Planner

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President of The UNCG Excellence Foundation – Mr. Bill Black
President of The Human Environmental Sciences Foundation – Mr. Robin Britt
The UNCG Alumni Association – Ms. Judy Garner
Associated Campus Ministries at UNCG – Mr. Bill Shealy
**Investment Objectives**

1. The primary objective of the investment management of the Fund is to preserve and enhance its real (inflation-adjusted) purchasing power while providing a relatively predictable, stable, and constant (in real terms) stream of earnings for current use.

   The Fund operates under the concept of *total investment return*, and, therefore, emphasis will normally be on *equities and other investments with the expectation of capital gains*.

2. The long term investment objective for the Fund is to attain an average annual real total return, net of investment management fees, of at least 5%, as measured over rolling five-year periods.

3. These objectives should be achieved within acceptable risk levels, or in order to avoid large short-term declines in market values.

**Real Total Return**

Real total return is the sum of capital appreciation (or loss) and current income (dividends and interest) adjusted for inflation as measured by the Consumer Price Index.