

**The University of North Carolina at Greensboro
Board of Trustees
Business Affairs Committee
September 12, 2017**

Information Item

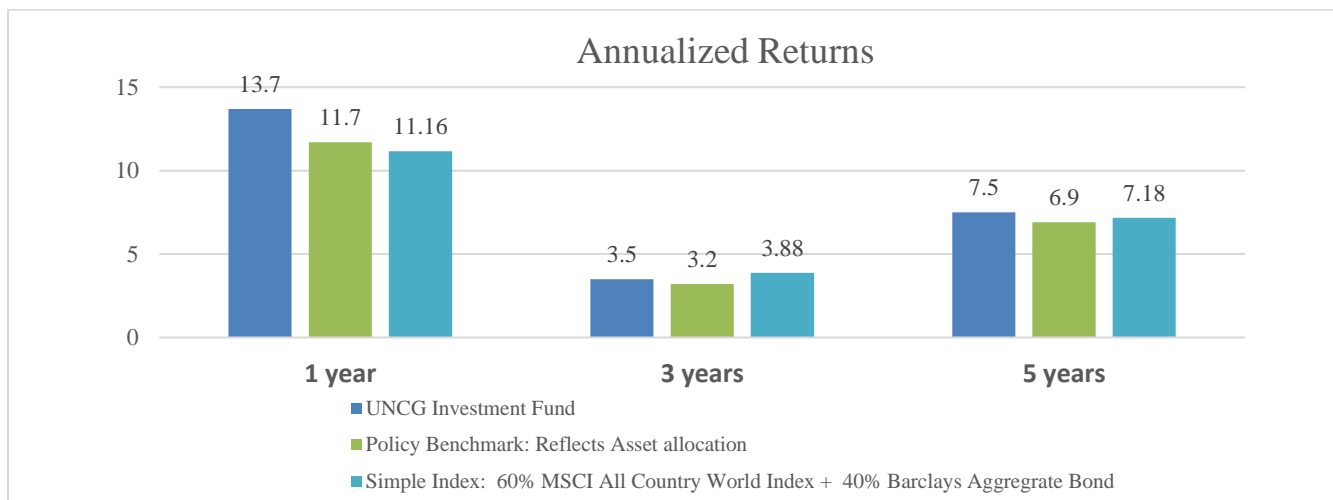
BAC – 5 University Investment Fund June 30, 2017 Update
Total market value is \$276.5 million

Background Information

The UNCG Investment Fund ended the fiscal year at \$276.5 million. Contributions into the fund over the year were \$16.8 million, while distributions in support of University programs were \$8.4 million.

The total rate of return for the Fund for the period was 13.7%. The portfolio benefited from strong global equity market returns of 18.8%, while the U.S. bond market detracted posting a small negative return of 0.3%. In addition to market returns the portfolio benefited from strong manager returns, particularly among equity managers. Across the entire Fund managers outperformed their respective market benchmarks, adding approximately 1.5% to portfolio returns.

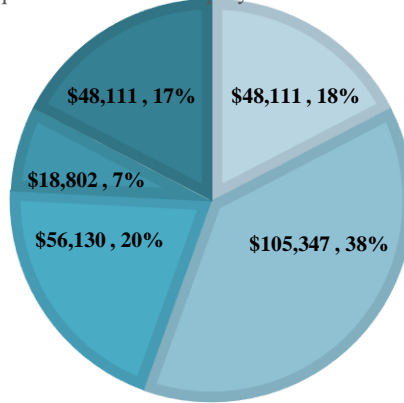
The long-term investment objective for the UNCG Investment Fund is to attain an average return on investment adjusted for inflation of at least 5%, as measured over rolling five year periods. The UNCG Investment Fund return on an annualized basis are in the chart below. The policy index is based on the asset allocation and is net of fees.



The Investment Fund invests in UNCG Endowment Partners, LP which is a professionally managed portfolio. External investment managers utilize a highly-diversified mixture of capital appreciation strategies to achieve return. The strategy includes investment vehicles of stocks, mutual funds, partnerships and private equity. The asset allocation is discussed at each quarterly meeting. A list of the portfolio investment categories is shown below.

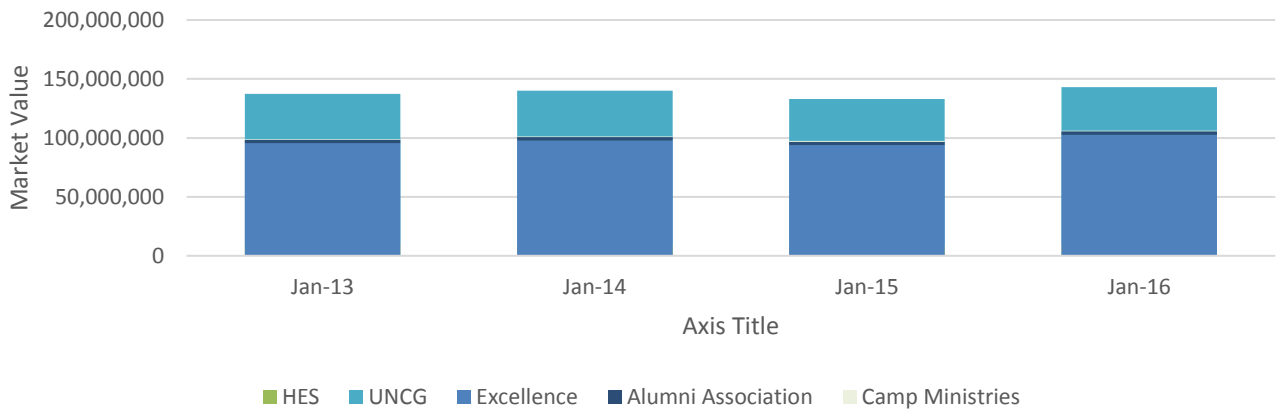
INVESTMENT TYPE (PERCENTAGE OF PORTFOLIO)

Global Equities US Equities Private Equity Inflation Sensitivite Fixed Income



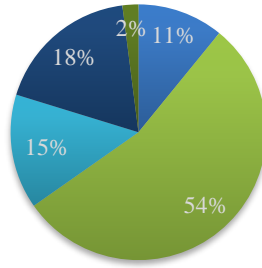
Endowment assets of UNCG and its affiliated entities are managed by the UNCG Investment Fund. This graph shows the market value of each entity (left axis). The spending bar indicates the amount of money (right axis) the entities have collectively distributed as part of an annual spending distribution.

Endowment Overview



Income from the endowment fund is contributed to the university’s operating budget and core priorities of financial aid, faculty excellence and research. Each year a portion of the endowment is paid out as an annual distribution to support the fund’s purpose. The chart below reflects the spending distribution use for fiscal year 2017.

Endowment Spending Use



■ Unrestricted ■ Scholarships ■ Professorships ■ Departmental ■ Other

Charles Mamoine

Charles Mamoine
Vice Chancellor for Business Affairs