

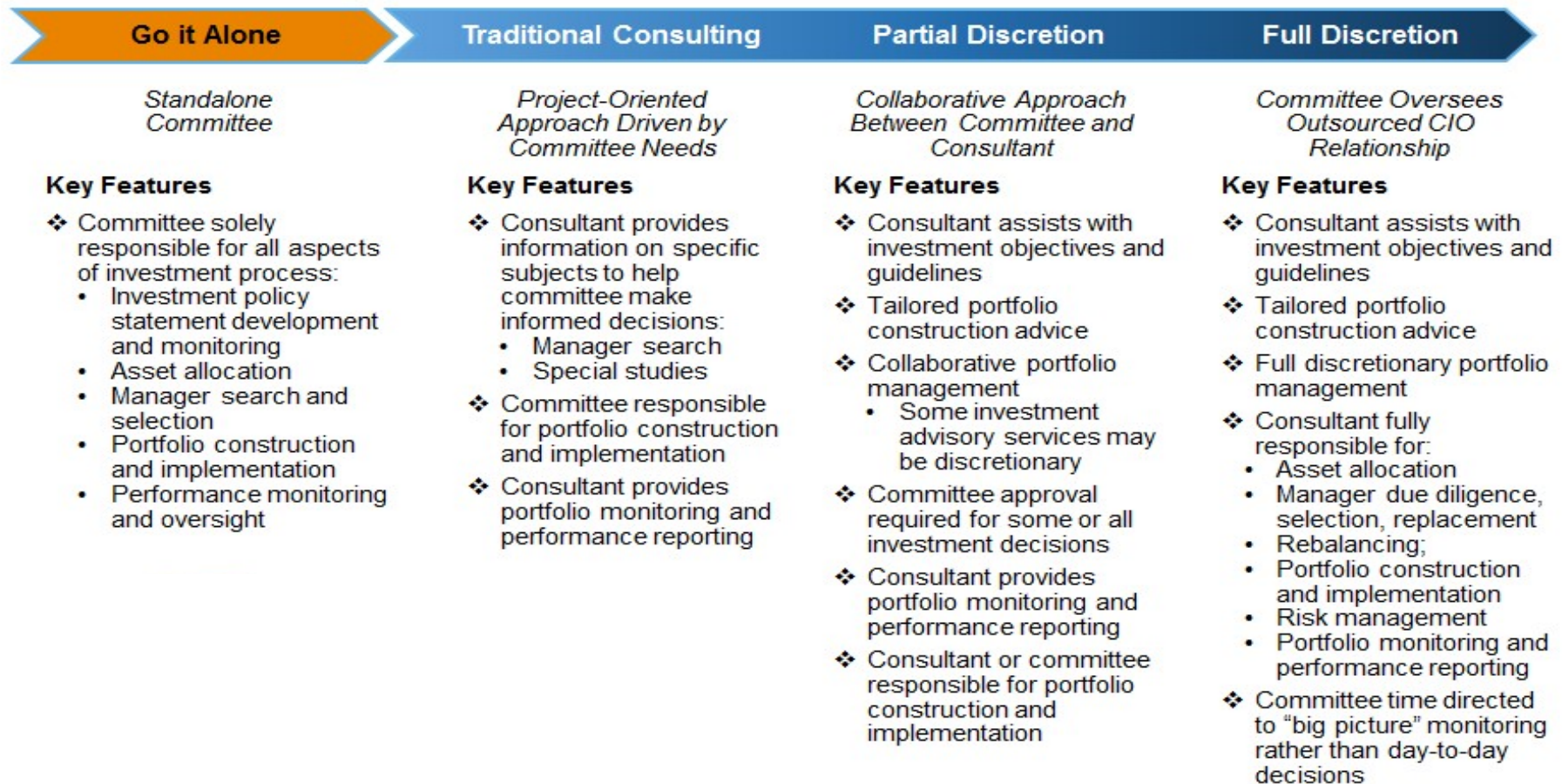
Endowment and Foundation
Investment Committees' Initiative
Briefing
Investment Management Structures



Background: Investment Committee Initiatives

- Results of combined efforts of Endowment & Foundation Investment Committees over past few years:
 1. Updated and revised Investment Policy Statement (IPS)
 2. Systematic review of asset allocation at portfolio level
 3. Refined Investment Performance Report against benchmarks
- Committees recommended UNCW staff's next project be an assessment of our current investment management structure
- UNCW issued Request for Information (RFI) in July, 2013 to conduct assessment and gather relevant information on the spectrum of investment consulting services offered

A Spectrum of Services



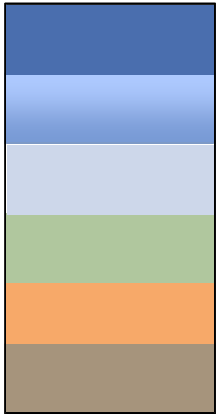
Background: Investment Committee Initiatives

- UNCW staff reviewed all 40 responses and recommended on-campus visits from 3 firms whose core client base consist of higher education institutions and who offer full range of discretionary services
- Visits from following (3) firms completed on January 15, 2014:
 - Fund Evaluation Group
 - Hirtle Callaghan
 - Cambridge Associates

Three Common OCIO Models

Single commingled fund

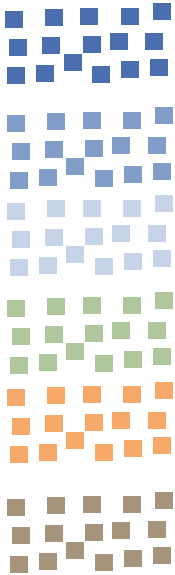
Ex: UNCMC, TIFF



Multiple commingled funds



Multiple direct investments



No ownership of managers
Cash in / cash out

Complex administration



Next Steps: Request for Proposal

- Endowment & Foundation Board member participants in this process:
 - Britt Preyer
 - Edward Alexander
 - Steve Warwick
 - Hank Miller
 - Jason Wheeler
 - Chad Paul
 - David Hartness
 - Charles Mattox
 - Robert Keith
- ***Committees and UNCW staff recommend issuing a Request for Proposal for outsourced Chief Investment Officer (CIO) consulting services with full discretion***