



Investment Committee Charter

Approved by the Board of Directors on March 19, 2021

I. Purpose of the Investment Committee

This is a joint committee of the ECU Foundation and the ECU Endowment Fund Board, and its purpose is to manage and oversee the investment portfolios of the ECU Foundation and the ECU Endowment Fund Board. These portfolios include...

- ECU Foundation Endowment Portfolio
- ECU Foundation Non-Endowment Portfolio
- ECU Foundation Planned Gift Portfolios
- ECU Endowment Fund Board Endowment Portfolio

II. Committee Membership

The ECU Foundation will have at least 5 members on the Investment Committee, who are knowledgeable of investments and investment strategies, and appointed by the Executive Committee. These people are usually directors of the ECU Foundation, but up to two of them may be non-directors who have professional investment experience. In addition, three other people will serve as voting ex-officio members of the committee; the Chair of the Board of Directors, the President of the Foundation, and the Treasurer of the Foundation.

The Endowment Fund Board will have 6 members of the investment committee. According to UNC system policies, some of them must be Trustees of East Carolina University and some of them may be non-trustees who are appointed by the Board of Trustees. These appointments could include people already serving on the committee as representatives of the ECU Foundation.

The Chair of the Investment Committee will be recommended by the President, Chair of the Foundation Board, and the Chair of the Endowment Fund Board. This position requires approval from the Investment Committee and Executive Committee of the Foundation, as well as the ECU Endowment Fund Board. The Committee Chair shall serve in that position for one term (4 years) and may be approved for one additional term

to serve a total of eight years. This position will be evaluated by the President, Chair of the Board of Directors, and the ECU Foundation Investment Committee. The Chair position will then require approval by all parties previously stated to be reappointed for a second 4 year term. The Vice Chair of the Investment Committee will be elected by the Committee and will fill in for the Chair whenever the Chair is unable to participate

III. Committee Meetings

The Investment Committee shall meet quarterly and as needed. The dates and times of the quarterly meetings shall be pre-determined on an annual basis and communicated to the members of the Committee. Half of the meeting will be in-person meetings with the investment consultant and half will be conference call meetings. Committee members who cannot attend the in-person meetings may participate by teleconference.

Even though this is a joint Investment Committee, and makes investment decisions for both the ECU Foundation and Endowment Fund Board, it oversees the investments of both state and non-state funds, and therefore must document that there is a quorum and a majority vote to approve actions by the Foundation members, and a quorum and majority vote to approve the actions by the Endowment Fund Board members.

A majority of the members shall constitute a quorum, and an act of the majority, with a quorum present, shall be an act of the Committee.

IV. Committee Authority and Responsibilities

A. Investment Policy

The Investment Committee and Investment Consultant shall recommend Investment Policies for approval by the ECU Foundation Board of Directors and ECU Endowment Fund Board. These policies describe the investment objectives and policies that govern the management of the investment assets (the portfolios) of the ECU Foundation and the ECU Endowment Fund Board. These policies will be reviewed annually to determine if modifications are necessary or desirable.

There will be a joint investment policy for the Endowment Portfolios of both the ECU Foundation and the ECU Endowment Fund Board. And there will be an ECU Foundation investment policy for its Non-Endowment Portfolio.

Items to be addressed in the Investment Policies include...

1. Investment Objectives

2. Standards of Investment Judgment (as per UPMIFA)
3. Investment Time Horizon
4. Investment Restrictions
5. Acceptable Investment Risks
6. Investment Consultant Responsibilities
7. Investment Sub-Committee Responsibilities
8. Asset Allocation – with targets and ranges
9. Liquidity Management
10. Rebalancing

B. Portfolio Monitoring

The Investment Committee shall continually review and monitor investment returns against relevant and appropriate benchmarks. It shall continually monitor the allocation of investments to ensure they conform to the targets and ranges of the approved asset allocation. And it shall communicate on a regular basis with the Foundation's Executive Committee and Board of Directors, and the University's Board of Trustees, about the status and performance of the portfolios.

C. UPMIFA

The Investment Committee is to manage the investment portfolios in accordance with the standards for the management and investment of institutional funds that are described in the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the North Carolina General Assembly in March 2009. The UPMIFA standards for the management and investment of these portfolios shall be included in the Investment Policies.

D. Investment Consultant

The Investment Committee will select and utilize and evaluate the services of an Investment Consultant. Guidelines for selecting and evaluating the consultant will be included in the Investment Policy. And, the responsibilities of the Investment Consultant will be defined in the Investment Policy.

E. Investment Sub-Committee

The Investment Committee may appoint members to serve on a subcommittee to evaluate investment opportunities recommended by the Investment Consultant or to approve the Consultant's plans for periodic rebalancing. Its recommendations on investment opportunities shall be presented to the Investment Committee for approvals. Its approval to rebalance the portfolio, within the approved funds, and managers, and asset allocations, will be communicated to the Investment Committee. The duties and responsibilities of the Sub-Committee will be defined in the Investment Policies.

F. Planned Gift Investments

The ECU Foundation acts as the trustee for its current remaining charitable gift annuities, and they are invested as part of its Endowment Portfolio. Moving forward the ECU Foundation, Inc. as well as the 3 other foundations at ECU will utilize the NC Gift Planning LLC. in an Agency Relationship for the management of charitable gift annuities and charitable remainder trusts. The assets for both are managed through NC Gift Planning LLC through TIAA Kaspick in a traditional 60%/40% Growth and Income portfolio. This NC Gift Planning LLC enables ECU to offer our donors a .776 basis points investment fee on charitable gift annuities and charitable remainder trusts. The possibility still exists that if the donor prefers some other institution to be the trustee or themselves, the Investment Committee, or a Sub-committee, will meet with the trustee annually to review the portfolio and its performance.

G. Alumni Association Endowments

As per an agreement between the ECU Foundation and the ECU Alumni Association, the Alumni Association's endowments are included in the ECU Foundation Endowment Portfolio, and their endowments are managed according to the Endowment Policy approved by the Investment Committee and Board of Directors of the ECU Foundation. In addition, a representative from the Alumni Association may attend Investment Committee meetings, in a non-voting capacity, and copies of the quarterly investment performance reports will be available for the representative to share with the Alumni Association.

H. Endowment Management Policy

The Investment Committee will review and approve the Endowment Management Policy each year before it is presented to the Executive Committee and full Board of Directors for their approval. Endowment spending rates and fees are reviewed and approved each year. The Investment Committee is to ensure that the spending rates and fees are compatible with the investment objectives and expected investment returns, and that university's endowments can provide stable perpetual support to the university while continuing to maintain their "intergenerational equity"

I. Accountability and Transparency of the Endowment Portfolio


The philosophy of ECU Foundation, in the management of its Endowment Portfolio, is "we are investing other people's money and we want them to know what we are doing and the results we are getting". To demonstrate to current and future donors that the Investment Committee is a good steward of the gifts to establish endowments, the Investment Committee shall ensure that the following information is available on the ECU Foundation website:

Investment Committee Charter
Endowment Portfolio Investment Policy
Endowment Portfolio Periodic Investment Performance Report

J. Support from ECU Financial Services

The Investment Committee will rely on the University's Financial Services staff to accomplish the following support functions...

Reconciliation of the monthly investment statements
Transfer of funds in and out and within the portfolios
Applications for investments in new funds
Preparation of RFP when searching for an Investment Consultant

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Burney S. Warren, III, Chair
Board of Directors
ECU Foundation, Inc.

Date: 4/5/2021 | 1:06 PM PDT

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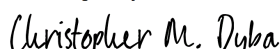
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Mary Ann Best, Chair
Investment Committee
ECU Foundation, Inc.

Date: 4/6/2021 | 8:31 AM PDT

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Vern Davenport, Chair
ECU Board of Trustees
& ECU Endowment Fund Board

Date: 4/5/2021 | 8:54 AM PDT

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Christopher M. Dyba
Vice Chancellor for University Advancement &
President of the ECU Foundation, Inc.

Date: 4/5/2021 | 12:00 PM EDT