



Endowment Report 2022

July 1, 2021 - June 30, 2022

University of
Mary Washington



COMPOSITION OF ENDOWMENT

The University of Mary Washington Foundation (UMWF) endowment consists of 483 individually endowed funds that have specific donor-designated restrictions for their purpose and use. Income from these funds provides perpetual support for students, faculty, and programs. This chart illustrates the types of endowed awards made possible through generous gifts by alumni, parents, and friends.

Experiential learning opportunities at UMW include internships, independent student research, and international and domestic education abroad.

Total Value of the Endowment as of June 30, 2022:
\$60,429,775

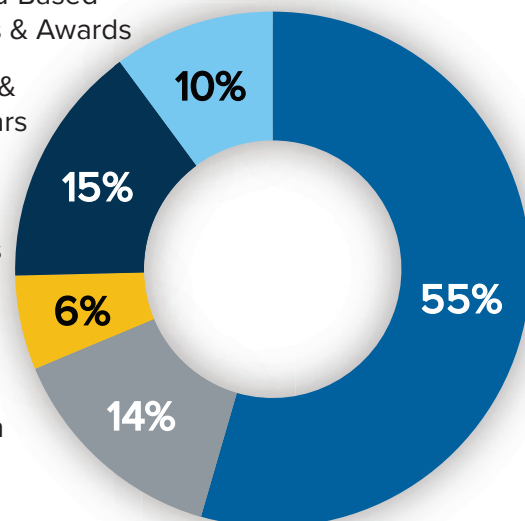
■ Merit & Need-Based Scholarships & Awards

■ Washington & Alvey Scholars

■ Experiential Learning Opportunities

■ Faculty Support

■ Academic and Program Support

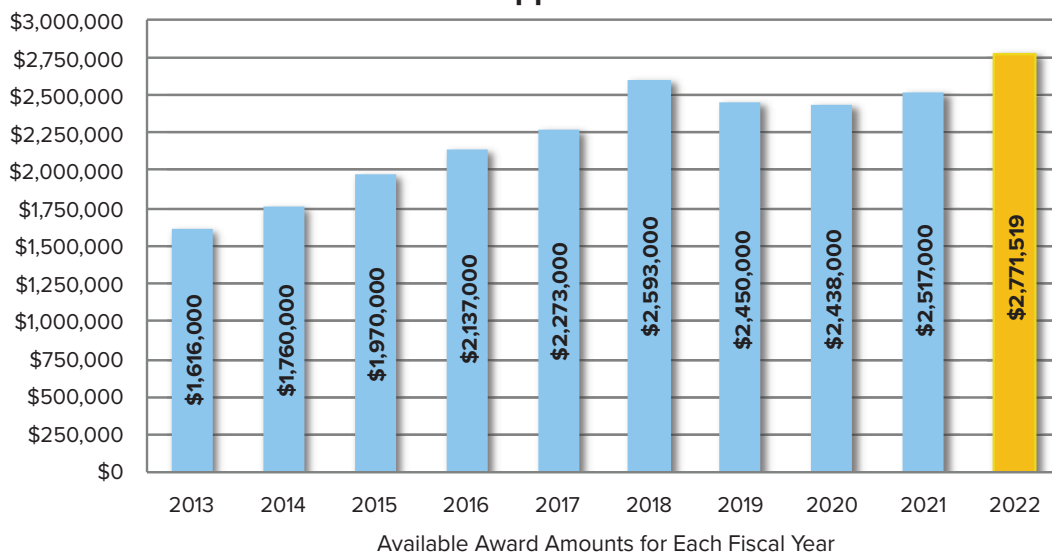


ENDOWMENT PAYOUT

Annual endowment awards are based on the spending policy approved each year by the UMWF Board of Directors. The spending policy ensures that the actual value of the endowment is maintained over time. This is accomplished by adjusting the spending rate so that it does not exceed the long-term realized returns from the Foundation's investments in the capital markets. The board continued to hold the spending rate at 4.0% for FY2022 and FY2023. Each individual endowment award payout is calculated by multiplying the spending rate by the average account balance for the previous five years.*

The chart below shows the growth of the total amount available for students, faculty, and programs over the past 10 years from both endowed and current-use accounts. In 2022, students received more than \$2.2 million through 817 scholarships and individual awards, and an additional \$565K was available for faculty and programs.

Total Available for Students, Faculty, and Programs from Private Support – all sources



*The endowment spending rate was 5% in FY2013-2017, 4.7% in FY2018, 4.3% in FY2019, and 4% in FY2020-2022.

INVESTMENT PERFORMANCE

The transition beginning in 2015 from former managers (Mangham) to Artemis is essentially complete. In fiscal year 2022, equity valuations skyrocketed to record highs, even while the economy struggled to recover. Overall, the UMWF endowment portfolio reported single-year investment gains of 17.1%, which underperformed its peers. However, due to outperformance in fiscal years 2019 and 2020, UMWF's 3-year and 5-year average annual returns compare favorably to the benchmarks. Artemis has positioned the portfolio to allow UMWF flexibility to respond to both short- and long-term market volatility.

The UMWF endowment participates in the NACUBO TIAA Study of Endowments (NTSE) and benchmarks its performance to comparatively sized endowments in the survey (\$25-\$50 million for FY2013-FY2017 and \$51-\$100 million for FY2018-FY2022). The UMWF continues to achieve strong absolute performance and strives to perform on a risk-adjusted basis equal to or greater than the average of colleges and universities with comparably sized endowments.

*National Association of College and University Business Officers (NACUBO)-Commonfund Study of Endowments (FY2010-FY2017); NACUBO-Teachers Insurance and Annuity (TIAA) Study of Endowments (FY2018-FY2021)

INVESTMENT PERFORMANCE		
FISCAL YEAR	UMW FOUNDATION	NACUBO BENCHMARK
2013	10.50%	11.40%
2014	12.90%	15.20%
2015	(-1.9%)	1.90%
2016	(-7.0%)	(-1.6%)
2017	9.20%	11.70%
2018	6.20%	7.70%
2019	6.40%	4.90%
2020	6.60%	1.80%
2021	17.10%	26.60%
2022	(-14.1%)	(-9.70%)
3-year average 2020-2022	3.00%	5.80%
5-year average 2018-2022	4.70%	5.90%
10-year average 2013-2022	4.20%	6.90%

INVESTMENT PORTFOLIO

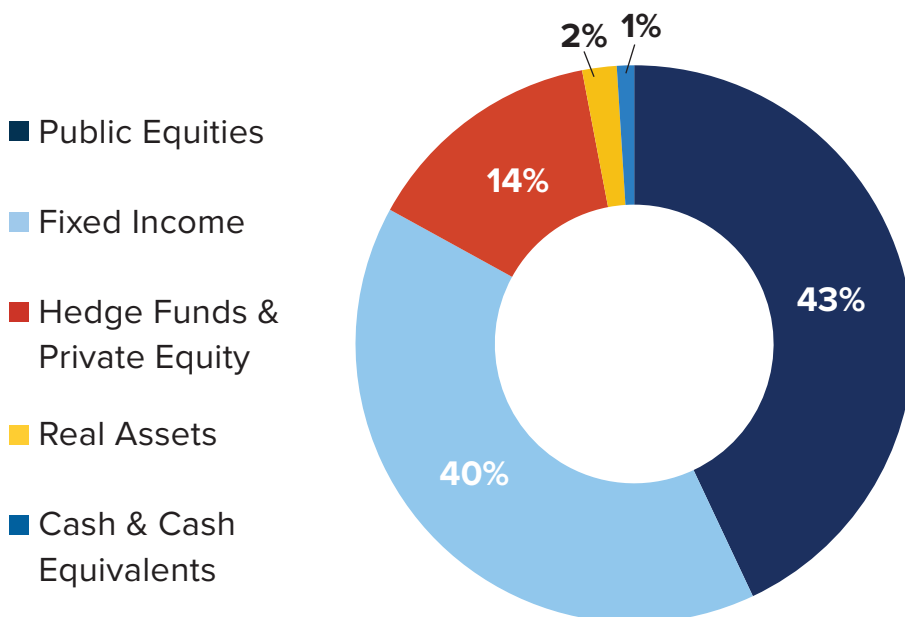
The UMW portfolio is actively managed by Artemis Wealth Advisors of New York, N.Y., with oversight by the UMW Foundation Investment Committee. Investment goals are designed to manage risk while sustaining and increasing both the annual support to the University and the value of the endowment principal. Diversification and asset allocation targets are intended to reduce risk and increase returns.

Portfolio Composition and Asset Allocation

Diversification among asset classes has historically increased returns. The Foundation strives to diversify both by asset class (e.g., public equity, fixed income, private equity, hedge funds, real assets, and cash and cash equivalents) and within asset classes (e.g., within equities by economic sector, industry, quality, and size). This strategy enhances returns and reduces the risk of significant declines in the market value of the endowment.

Market Value: \$60,429,775

Composition of Investment Portfolio as of June 30, 2022



Source: Artemis Wealth Advisors Quarterly Investment Performance Reports

Mental Health is Top of Mind at Mary Washington

Two years ago, 2010 alums **Jake Kelly**, **Jonathan Wigginton**, and **Jeremy Wood** were shocked to learn that their friend and former roommate, **Phil Smith**, had taken his own life.

“It totally hit us out of the blue,” said Jake, who returned with Jonathan to the University of Mary Washington last fall to speak to incoming freshmen on mental health and suicide prevention. “We asked ourselves questions we couldn’t answer. Why did he do it? What did we miss?”

They wanted to honor their friend’s legacy – and reduce the stigma around mental health – so they worked with UMW’s Office of University Advancement to establish the *Phil Smith ’10 Talley Center Endowment*, which was fully funded as of last fall. Along with other alumni who have created endowments for the Talley Center for Counseling Services, their private support helps provide counseling, education, outreach, and other critical resources for current and future students.



From left: 2010 graduates Jeremy Wood, Jonathan Wigginton, Phil Smith, and Jake Kelly. When Phil took his life in 2020, his friends worked with Mary Washington to establish the Phil Smith ’10 Talley Center Endowment to provide mental health and suicide prevention resources to UMW students.

Talley Center Director Tevya Zukor said that “an unprecedented volume” of students sought help after Phil’s friends spoke at Orientation. “As a firm believer that proactive treatment and intervention are the best ways to prevent crises, it’s been gratifying to see so many Eagles attending to their mental health needs.”

It’s even easier now for UMW students to reach licensed professionals through ProtoCall, an after-hours and on-weekends phone line that debuted last fall, making counseling accessible 24 hours a day, seven days a week.

Services like this weren’t available when **Kathleen O’Neill ’70** was a student, so she and her classmates established the *Talley Center for Counseling Services Endowment* for their 50th class reunion in 2020. The endowment creates an internship for doctoral candidates to assist the staff and gain field training, and funds guest speakers, professional development, and more.

“Mental health wasn’t a topic discussed when we were in college,” Kathleen said. “Our class wanted to build on Betty Talley’s work and provide a lasting gift for current and future students.”

For information about funding an endowment or other ways to support UMW students, visit giving.umw.edu or contact the Office of University Advancement at advance@umw.edu or 540-654-1024.

“Our class wanted to build on Betty Talley’s work and provide a lasting gift for current and future students.”

– Kathleen O’Neill ’70

A lifelong counselor, **Betty Dobbins Talley ’68** made a significant gift in 2014 to name the Talley Center. She sponsored a Giving Tuesday challenge in 2021 for Phil’s endowment, making a \$5,000 gift as part of a dollar-for-dollar match.

“If you look at what is going on in the world today, everything points to the need for more counseling,” Betty said. “College students have a lot of pressures from home, from society, and from what they put on themselves. The Talley Center does a tremendous job helping them navigate those issues.”



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