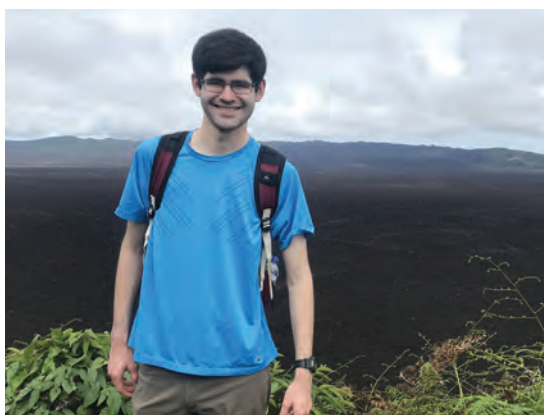
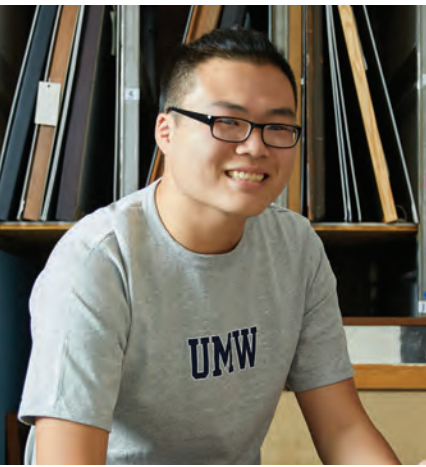


2020 ENDOWMENT REPORT

JULY 1, 2019 – JUNE 30, 2020



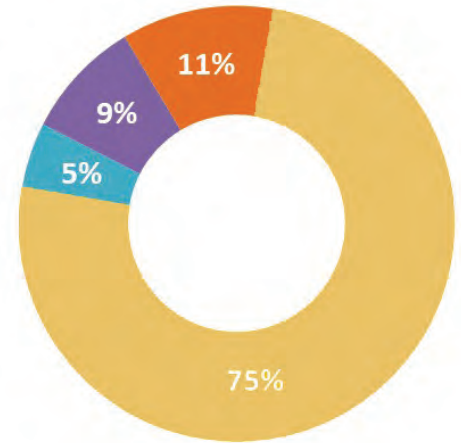


COMPOSITION OF ENDOWMENT

The UMW endowment supports a variety of scholarships, programs, and other needs at the University. This chart illustrates types of endowed awards and programs made possible through generous gifts by alumni, parents, and friends.

Total Value of the Endowment as of June 30, 2020: **\$58,798,788**

- Student Scholarships, Fellowships, and Awards
- Faculty/Staff Fellowships and Awards
- Program Support
- Chairs and Professorships

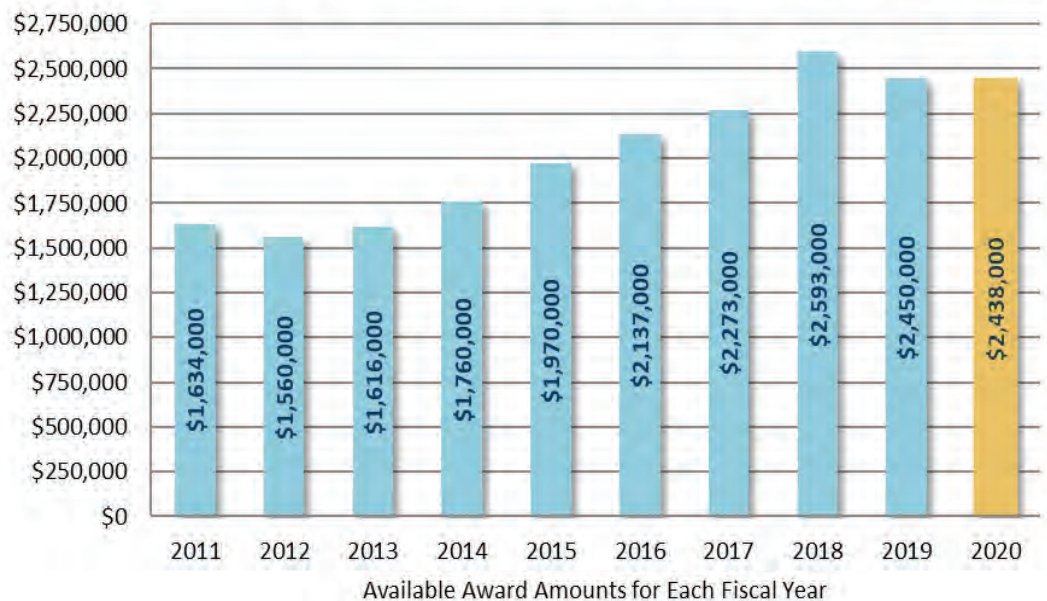


ENDOWMENT AWARDS

Annual endowment awards are based on the spending policy approved each year by the UMW Foundation Board of Directors. The spending policy ensures that the actual value of the endowment is maintained over time. This is accomplished by ensuring that the spending rate does not exceed the long-term realized returns from the Foundation's investments in the capital markets. For fiscal year 2020, the spending policy rate was 4.0% of the average account balance for the previous five years. The spending rate for FY2021 is 4.0%.

This chart shows the growth of the total amounts available for awards to students, faculty, and programs over the past ten years.*

Endowment Awards: Scholarship, Program, and Other Endowments



*Previous years' spending rates: 4.7% in FY2018, 4.3% in FY2019, and 4.0% in FY2020.

ENDOWMENT PERFORMANCE

One- and three-year reporting showing healthy recovery

At the end of FY2020, the transition from former managers to Artemis Wealth Advisors was approximately 97% complete. The protracted transfer of the portfolio, coupled with volatile markets in fiscal years 2015 and 2016, resulted in lower average overall returns. However, returns have rebounded in recent fiscal years and outperformed their respective benchmarks in the last two years.**

The UMW Foundation (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 FY2010-FY2017 and \$51-\$100 million for FY2018-FY2019). 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-FY2020)

**NTSE projected results for FY2020 indicate the UMWF endowment outperformed its peer group for the one-year and three-year reporting periods ending June 30, 2020.

INVESTMENT PERFORMANCE		
FISCAL YEAR	UMW FOUNDATION	NCSE/NTSE* BENCHMARK
2010	10.0%	12.0%
2011	17.4%	19.4%
2012	(1.8%)	(0.5%)
2013	10.5%	11.4%
2014	12.9%	15.2%
2015	(1.9%)	1.9%
2016	(7.0%)	(1.6%)
2017	9.2%	11.7%
2018	6.2%	7.7%
2019	6.4%	4.9%
2020	6.6%	N/A**
10-year average 2010-2020	6.1%	8.2%

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 designed toward these goals.

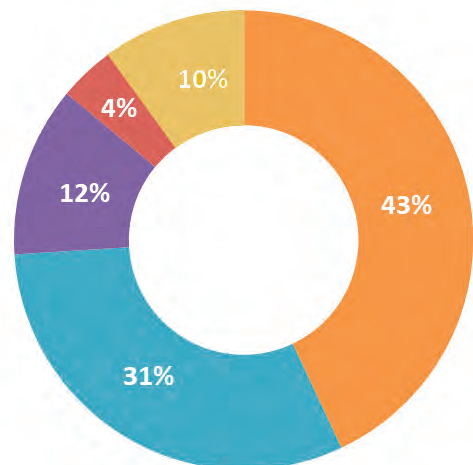
Portfolio Composition and Asset Allocation

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.

Source: Artemis Wealth Advisors Quarterly Investment Performance Reports

Composition of Investment Portfolio as of June 30, 2020:

MARKET VALUE: **\$58,798,788**



- Public Equities
- Fixed Income
- Hedge Funds & Private Equity
- Real Assets
- Cash & Cash Equivalents

FROM SURVIVAL TO HOPE

During the past several months, UMW senior Delaney Quigley has faced job loss, financial uncertainty, homelessness, and hopelessness.

“In August, I thought I was going to have to live in my car,” says Delaney. “Fortunately, someone at UMW helped me find a place on campus so I averted that disaster this time.”

Due to an unstable family situation, Delaney does not have the support of her parents – financial or otherwise. Since her early teenage years, Delaney has been working hard and struggling to save money to fund her dream of receiving a college degree.

She was thrilled to be accepted at Mary Washington. It quickly became her home and her safe space. She received the Marjorie Jean Frost '44 Scholarship to help with tuition. She found employment on campus, worked off-campus jobs, volunteered at Hope House through UMW's Community Outreach and Resources (COAR) program, and still found time and energy to pursue two majors and two minors. She had a plan to earn enough money to pay for each semester through graduation in May 2021. Then, COVID-19 changed everything.

*“I could not go back home,
and I had no safe place to live.”*

“In the spring and summer, my campus jobs and my off-campus jobs were either reduced or eliminated,” she says. “I could not go back home, and I had no safe place to live.” She eventually found a less-than-ideal place to live temporarily, but then fall move-in was delayed due to COVID and she was confronted with a housing gap that could extend weeks or longer.

Now, back on campus, Delaney is grateful for the privately funded scholarship that helps pay her tuition. Despite lingering financial uncertainties, she is holding on to her career aspirations of becoming a child advocacy lawyer or a social worker.



Delaney Quigley '21 is grateful for financial support offered through a privately funded scholarship.

“No child should have to endure the types of hardships or stresses I have experienced,” she says. “I had no control of my own childhood at all, but someday I hope to be able to redirect the future for others.”

Director of Financial Aid Timothy Saulnier explains that the amount of financial aid a student receives is based on a calculation utilizing parent and student information provided to UMW through a federal application form. “A parent’s refusal to help is not a factor in determining expected family contribution (EFC),” says Timothy. “This is where emergency funding that is not ‘need-based’ could provide essential support.”

Gayle Mitchell, director of the Rappahannock Scholars Program at UMW, says Mary Washington students often face similar situations; many were made worse by the pandemic.

“The University made alternative living arrangements for several students so they would be safe and have access to internet, food, and necessities,” says Gayle. “There is always need for financial aid and private scholarships – especially for first-generation students and those from low-income families. Now, we also are seeing need for food, shelter, and other incidentals.”

Too many college students face housing and/or food insecurity, making it difficult to focus on their studies. For more information about funding a scholarship or helping with emergency student needs, visit <https://fund.umw.edu> or contact the Office of University Advancement at advance@umw.edu.



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