

**WRIGHT STATE UNIVERSITY  
BOARD OF TRUSTEES**

**Wright State University Foundation Report  
April 2023**

1. President & CEO Report
2. Wright State Foundation Financial Report

**Wright State University  
Foundation  
President & CEO Report**

From February 1 through April 30, 2023, the Foundation engaged or will engage in the following activities:

The spring cycle of committee and full Board meetings were held on April 21, 2023.

- Committee meetings were held on the morning of April 21, with significant issues discussed being:
  - The FY24 operating budget was presented by the Finance Committee for approval. Per the interim MOU, the operating budget included:
    - Operating funds for University Advancement personnel
    - \$110k in scholarship support (previously allocated to Director of Planned Giving position)
    - \$100k in additional scholarship support
    - Conversations with the university have taken place around shared services in building maintenance and information technology. The additional costs associated with these and other projected expenses are included in the proposed FY24 budget.
  - The annual affirmation to BNY Mellon that we are setting aside \$600,000 for FY24 should the need arise under the STEM School guaranty agreement was voted on to be renewed.
  - The investment committee voted on a resolution to allow the endowment spending rate to sunset (per prior resolution).
  - A slate of five (5) new trustees was voted on by the Governance Committee for approval. These included:
    - Vercie Lark-Author: [Make It Rain](#); Venture Capital & Angel Investor
    - Peter Julian-President, Pathfinder Realty
    - Janet Heppard- Adjunct Professor, University of Houston Law Center; Judge-387th State District Court, Texas
    - Michael Clark-Chief Executive Officer, Electro Rent Corporation
    - David Dirksen-Partner, Flagel Huber Flagel
  - The Governance Committee considered eligible Emeritus trustees and approved the following who had earned this status:

- Andrea Kunk
  - Jerry Sutton
- The Governance Committee put forward a slate of officers and chairs for FY24. These included:
    - Chair: Linda Black-Kurek
    - Vice Chair: Rob Weisgarber
    - Secretary: Bill Diederich
    - Treasurer: Kristina Kean
    - Audit Committee Chair: Rob Weisgarber
    - Finance Committee Chair: Kristina Kean
    - Governance Committee Chair: Bill Diederich
    - Grants Committee Chair: David Donaldson
    - Investment Committee Chair: Randy Phillips
    - Engagement Committee Chair: Karla Garrett Harshaw
    - Immediate Past Chair: David Deptula
    - Member at Large: Dr. Pam vonMatthiessen

On March 13, 2023, the Foundation's Grants Committee met to review the applications for the 2023 Students First Fund Grants:

- Twenty-six (26) grant applications were received with eleven (10) being funded for a total of approximately \$50,000.
- Two key University employees supported the program by assessing the applications for alignment with University goals. The ratings given by the University reviewers were a consideration for project selection by the trustees.
- Winning grants were:
  - Alankaar: Wright State's First-Ever Indian Music Choir — Alankaar will give Wright State students the unparalleled opportunity to connect to Indian culture through music. Students will be able to train in three forms of Indian music: Bollywood, folk, and Indian classical.
  - Build Boffin Back Better — The College of Engineering and Computer Science (CECS) will purchase equipment and materials for future projects developed in the Boffin Factory, a space in Russ Engineering that engages students in activities and helps foster community. An interactive staircase in the Russ atrium will be the first project funded.
  - Peer Mentors of Wright State: Mental Health Mentorship Training Program — This program will foster collaborations among the students and professors of the School of Professional Psychology, Departments of Human Services and Social Work, and the wider Wright State community. Peer mentors will undergo a structured training program to offer emotional support, foster a culture of openness, and encourage students to seek help without fear of judgment.
  - Introductory Psychology Lab Kits: Enhancing Remote Experiential Learning — The Department of Psychology will develop an online lab component for their introductory psychology course. Online students will receive pre-prepared lab

- kits that include a course-pack with worksheets to accompany video tutorials in Pilot, as well as materials for demonstrations and experiments.
- Graduate and Honors Hub — The Graduate and Honors Student Advisory Board will develop a Graduate and Honors Hub where students can relax, study, gather and communicate, leading to valuable collaboration opportunities. The Hub will be furnished with essential study room equipment, such as desks, chairs and a bookshelf stocked with free graduate and professional exam preparation books and materials.
  - PEEPS: A Nursing Student-Led Peer Mentoring Program — Wright State's Association of Student Nurses will create the Peers Enrichment and Empowerment Program for Success (PEEPS), the university's first student-led nursing peer mentorship program. Junior and senior nursing students can volunteer to provide year-long mentoring support to freshman nursing students to help improve academic success and student retention.
  - LakerSpace — Spearheaded by the Workforce Development and Business Enterprise Center at Lake Campus, LakerSpace provides a place where students can create new ideas for real-world applications. The Students First Fund grant will be utilized to purchase new equipment and tools for LakerSpace including a vinyl cutter and plotter, 3-D scanner, sewing machines, 3-D pens and supplies.
  - Raider Active Relaunch — Raider Active, a for-credit health/fitness program, was discontinued in 2020 due to COVID. The Students First Fund grant will help the Department of Kinesiology and Health, Campus Recreation, and Counseling and Wellness Services promote the relaunch of the program and encouragement enrollment.
  - Teach Better for All — Led by the education department at the Lake Campus, the Teach Better for All initiative will provide professional development opportunities for education students at the Dayton and Lake Campuses, as well as for teachers at partner schools throughout the region.
  - Math Learning Center Graphing Calculator Rental Program — Thanks to a Students First Fund grant, the Math Learning Center will be able to purchase additional graphing calculators for its rental program. A required technology for many mathematics and statistics courses, the calculators are especially important for such introductory courses as college algebra and calculus. Since these introductory courses may be the only mathematics course that students have to take, the Graphing Calculator Rental Program prevents students from having to pay over \$100 for a graphing calculator that they may use for only one semester.

#### Other Foundation updates

- altafiber has begun construction on their 5,000sf Corporate Briefing Center at the Foundation building (Emergence Center 1)

- An interim Memorandum of Understanding was arrived at with the university.

## Wright State University Foundation Financial Report

April 2023

With inflation and Fed rate increases still providing headwinds, the Foundation's endowment portfolio nonetheless found itself in positive territory by the end of February 2023. Although overall losses in value during February trimmed positive results through January, February's FYTD return was still solidly positive at 3.9%. That return exceeded the portfolio's composite benchmark by 13 basis points. The portfolio ended the month of February valued at \$104.9. Investment earnings and net capital activity for the fiscal year have added nearly \$3.9 million in value to the portfolio since the beginning of the fiscal year. Returns for the one-, three- and - five year out periods have all outperformed their benchmarks. Seven- and ten-year returns have underperformed, but the ten-year return by only seven basis points.

In FY23, equity returns have outpaced all other securities returning 7.5%. In the domestic space, small cap has outperformed large cap, with the former adding 11.3% to our return. Large cap has returned 6.6%. Overall U.S. equity investments have returned 8.4%. World equities (excluding U.S.) have returned 7.9% for the first eight months of FY23, with developed markets outperforming emerging markets. Global equities have also performed well (+4.4%).

In the fixed income space, overall returns are relatively flat for the year, an improvement over the first quarter of FY23. Both high yield bonds and emerging market debt have performed well (+5.1% and +5.7%, respectively), while core fixed income has suffered losses for the year to the tune of 2.3%. Overall fixed income returns have amounted to +0.1% for the year.

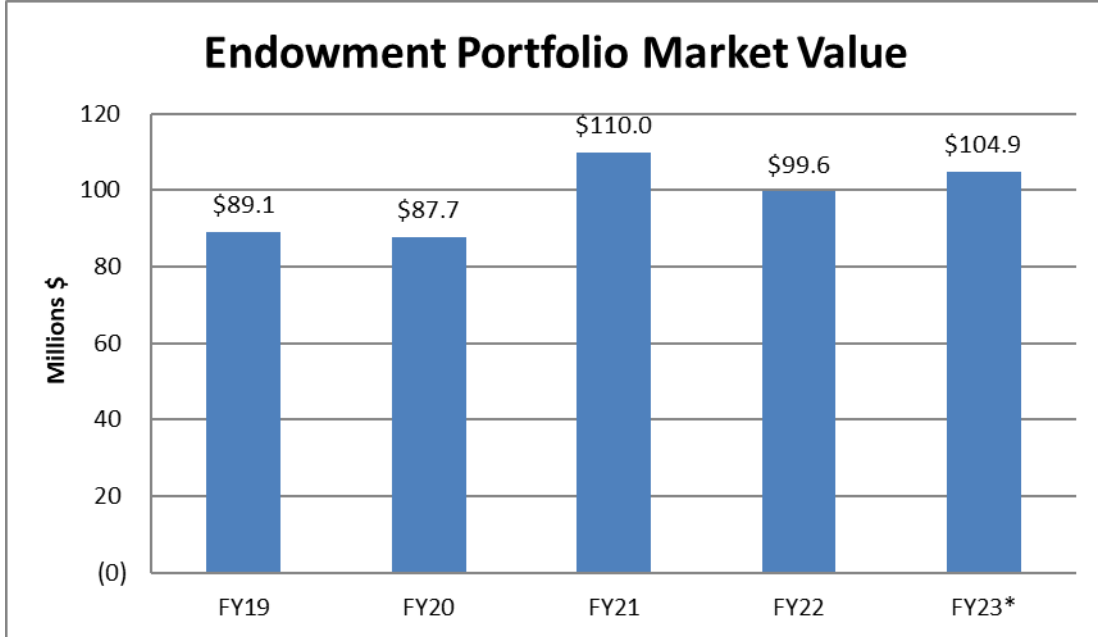
Alternative investments, which had been performing admirably through the end of 2022, reversed course and have lost 0.8% cumulatively for FY23. All of our individual alternative investments reported losses through the end of February, led by our energy debt investment which had lost 2.8%. Likewise, our hedge fund of funds has lost 2.5% for the year.

The Foundation's current endowment portfolio composition, including allocation ranges, actual allocations, and market values, as of February 28, 2023, is presented below:

### Endowment Portfolio Composition

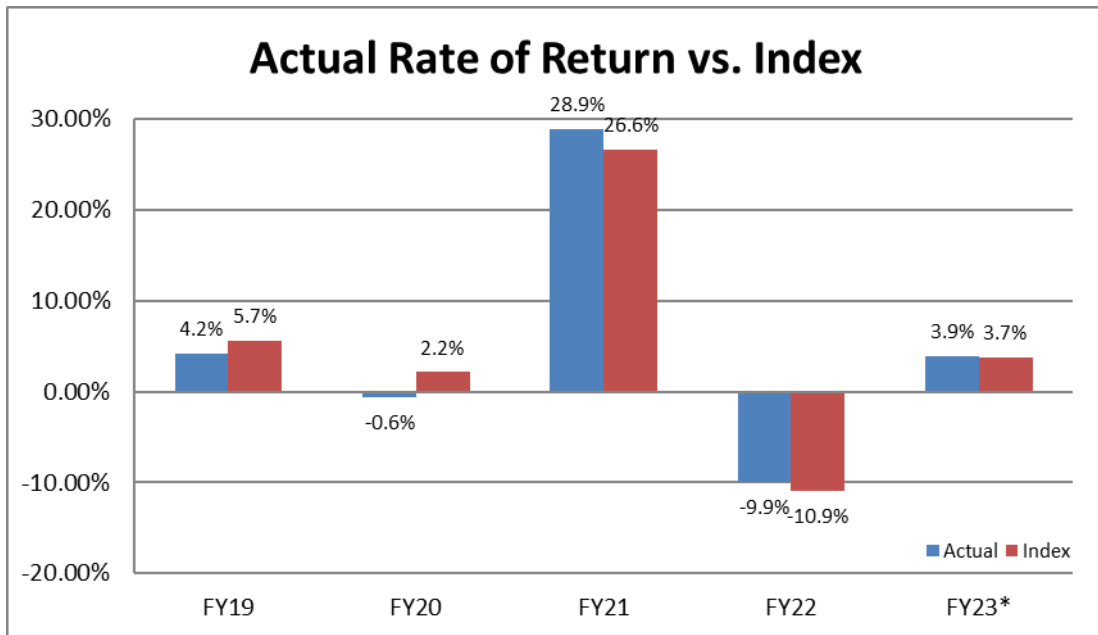
<u>Asset Class</u>	<u>Allocation Range</u>	<u>Actual Allocation</u>	<u>Market Value February 28, 2023</u>
Equity	30%-70%	62%	\$65,333,850
Fixed income	15%-50%	24%	25,172,940
Alternatives	1%-30%	14%	14,367,830
Cash & equivalents	0%-20%	0%	-0-
Totals	n/a	100%	\$104,874,620

### Endowment Value



\*As of February 28, 2023

### Endowment Historical Rates of Return



\*As of February 28, 2023

The index is composed of various market indices of like asset classes in the same proportion as the Foundation's approved asset allocation as defined in its Investment Policy Statement (IPS).