

**WRIGHT STATE UNIVERSITY
BOARD OF TRUSTEES**

**Wright State University Foundation Report
January 2024**

1. President & CEO Report
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Wright State University Foundation President & CEO Report

From November, 2023 through January 30, 2024 the Foundation engaged or will engage in the following activities:

The winter cycle of committee and full Board meetings were held on January 26.

- Committee meetings were held that morning, with the following significant issues considered:
 - Guidelines for building the FY25 budget were reviewed by the Finance Committee as well as a review of various funding models to consider as guidelines for future distributions to the university.
 - The Engagement Committee discussed a number of ways Foundation board members can assist in further engaging alumni in the life of the university as well as hearing about progress with the campaign.
 - Governance approved the pursuit of at least one additional board member with finance experience.
 - The Investment Committee approved engaging an outside firm to perform a review of SEI, the Foundation's OCIO. A review of SEI was last performed three years ago.
 - Doug Fecher joined the Executive Committee to further discussions around the MOU.

- The full board meeting included:
 - Board Chair, Linda Black-Kurek, providing an update on the MOU and commented that "the Foundation believes that the Foundation and University are close on this matter and hopes that the Memorandum of Understanding can be wrapped up quickly".
 - President and CEO, Scott Rash, shared advancements with the Emergence Center, which include the installation of branding in meeting rooms, and potential vertical markets Studio 5G can open up for expanded usage of the building.



Wright State University Foundation Financial Report

January 2024

The Foundation's investment portfolios rebounded in the second quarter of the fiscal year as financial markets clawed back significant losses experienced during the first quarter. In total, our portfolios finished December valued at \$154.4 million, up \$7.3 million or 5.0% for the first six months of FY24. Our endowment portfolio, especially, benefitted from the FY24Q2 earnings, adding \$5.3 million in value to end the month of December at \$113.2 million. The portfolio earned 7.19% (net of fees) for the quarter, pushing the fiscal year-to-date earnings rate up to 5.23%.

Total investment earnings thus far in FY24 have amounted to \$6.9 million. Income earnings have exceeded unrealized gains in value. Most of the earnings came from realized gains on the sale of securities within the SEI mutual funds we own, as well as dividends paid in December. Those earnings were significantly lower than the same period last year.

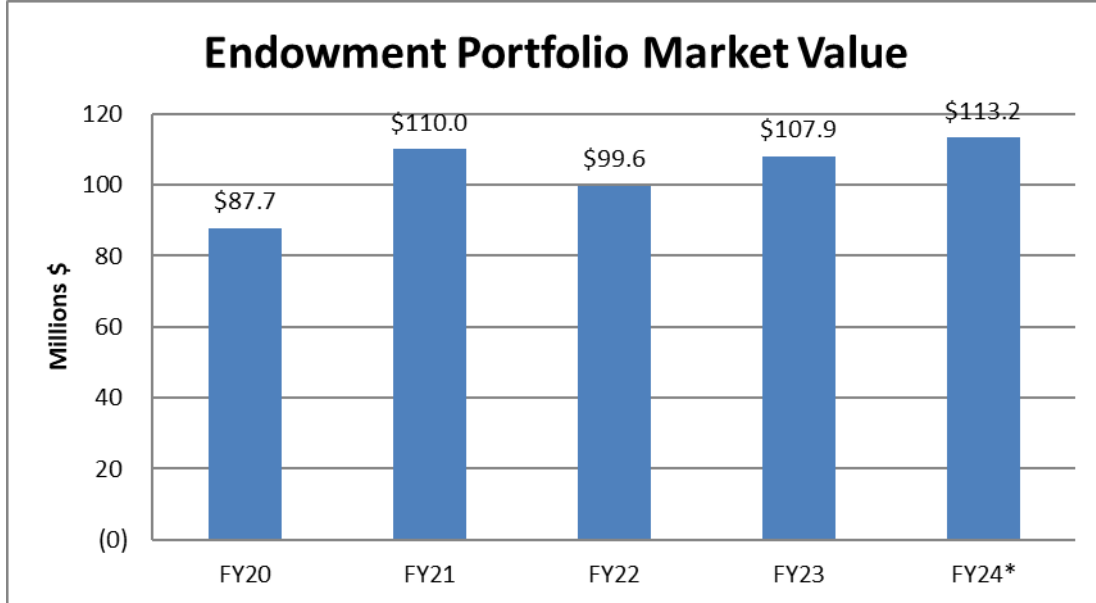
For the first two quarters of FY24, the Foundation's endowment portfolio has underperformed its benchmark by 31 basis point. Nevertheless, absolute performance saw a turnaround led by a rebound in returns on equity assets. Equity shares saw a positive return of 9.48% for the second quarter. International stocks performed slightly lower at 9.31% while US equities provided double-digit returns of 11.84%. Global equities returned 5.54%. Fixed income investments also experienced equity-like positive performance during the quarter, returning 7.39%. Alternative assets saw an overall decline of 0.56%, mostly due to fluctuation in allocations within our portfolio.

The Foundation's current endowment portfolio composition, including allocation ranges, actual allocations, and market values, as of December 31, 2023, is presented below:

Endowment Portfolio Composition

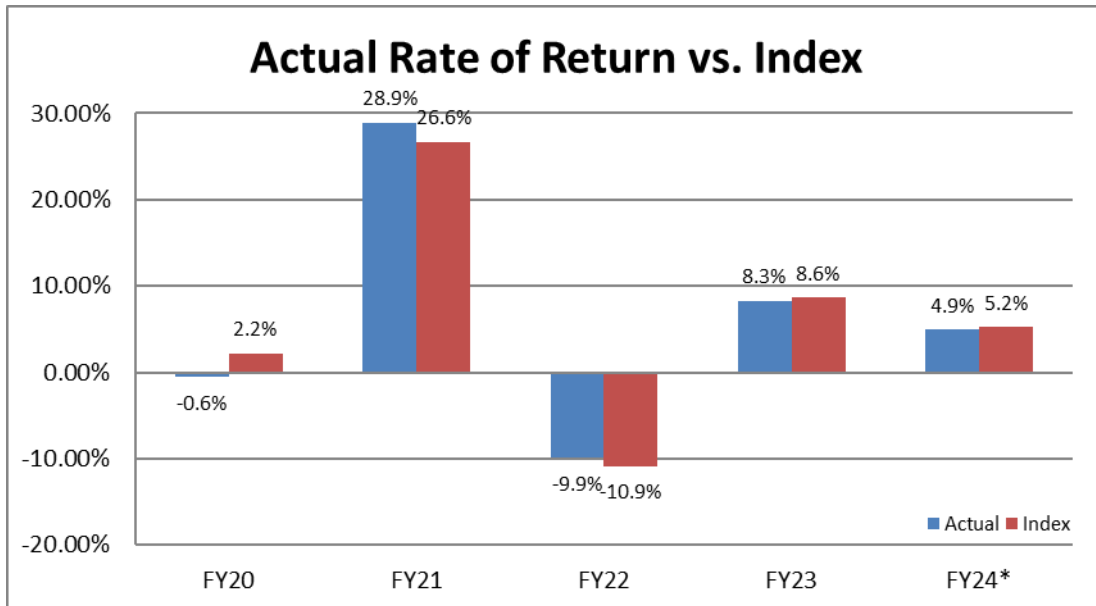
<u>Asset Class</u>	<u>Allocation Range</u>	<u>Actual Allocation</u>	<u>Market Value December 31, 2023</u>
Equity	30%-70%	61%	\$69,608,263
Fixed income	15%-50%	23%	25,537,281
Alternatives	1%-30%	16%	18,076,263
Cash & equivalents	0%-20%	0%	-0-
Totals	n/a	100%	\$113,221,807

Endowment Value



*As of December 31, 2023

Endowment Historical Rates of Return



*As of December 31, 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).