



ENDOWMENT REPORT 2021–22



On behalf of Memorial University, I am pleased to provide you with a summary of the fund(s) that you support or represent for the fiscal year 2021-22. For those of you who recently established your endowed fund, this report will be your first annual update.

The investment returns for 2021-22 continued with the same strong trend shown in the 2020-21 report. The Finance Committee reviewed the endowments to determine if the scheduled three-year rebalancing at March 31, 2022 would be viable. Although 2021-22 had very strong returns, in consideration of some market losses in the first quarter of FY23, the committee decided to postpone the rebalancing decision until March 2023.

In addition to your financial statement, in the following pages, you will hear how our donors have helped students continue their academic journeys – and thrive. It’s an exciting time at Memorial.

The President’s Report for 2022 is a wonderful update on the many great things happening at our university and can be found online at mun.ca/report. As a partner in Newfoundland and Labrador’s economic, social and cultural success, Memorial is an integral part of what makes this province great. Donors are so critical in this work, helping create an environment of inspiration and innovation through support that allows us to provide proactive programming and dynamic research opportunities for our students.

Through your kind support of Memorial University and our students, you are investing in a better future for us all, on a local, provincial and national level. Your contribution makes a real difference in individual lives and the collective wellbeing of our province.

Your attached report(s) contains up to five of the most recent years of activity for the associated fund. Also included is additional information on Memorial’s endowment, along with a glossary, to help explain the terms and other references used here.



If you have any questions about this report or other inquiries related to your giving to Memorial, please contact us at giving@mun.ca or 709-689-0292 and we’ll be happy to assist.

On behalf of the entire university community,
thank you.

Sincerely,

A handwritten signature in black ink that reads "Penny Blackwood". The signature is fluid and cursive.

Penny Blackwood, PhD
Executive Director
Office of Development

2021–22 ENDOWMENT UPDATE

Memorial's Pooled Endowment Fund is comprised of more than 900 individual funds and has a total market value of over \$159.0 million as of March 31, 2022. This is up from \$145.9 million at the same time in the previous year. This Fund will exist in perpetuity with our commitment to sound and responsible spending policies and investment strategies. Thanks to your wonderful support, the Fund continues to grow, becoming an even stronger financial resource for our university and future students.

SUCCESS STORIES

Once again this year, many success stories have come from supporting our amazing students. Below is just a small sample of the talent and dedication that we witness every day at Memorial.

A natural scientist

The Dr. Doris M. Babstock Memorial Scholarship is a scholarship established in memory of an exceptional wife, mother and scholar who took a non-traditional academic journey with outstanding results.



Dr. Doris Babstock

"I cannot thank the family enough for their generosity, as well as their recognition of the challenges involved in taking a non-standard path to graduate studies..."

- Mark Corrigan (inaugural award recipient)

Giving thanks

Scholarship recipient and curler Nathan Young talks about how student support helps him balance academics and athletics – and achieve success!



Nathan Young

"This kind of support is also a good example of how consistent effort and dedication does lead to a light at the end of the sometimes seemingly endless tunnel!"

- Nathan Young

To learn more about these and other stories that demonstrate the impact of your support, visit mun.ca/give/impact.

UNDERSTANDING THIS REPORT

This report includes a summary of your endowed fund covering up to five years of activity. As this may be your first time seeing this report, we recognize you may have specific questions. Please use the glossary of terms below as a way to guide you through the report. As well, a member of our development team is available to assist you if desired. Please do not hesitate to contact us at 709-689-0292.

TERM	DEFINITION
Allowable Payout	The Allowable Payout is the lesser of <ul style="list-style-type: none">• the book value of the unrestricted closing balance adjusted for unrealized gains/losses• the book value of the restricted closing balance x the current spending rate (the current spending rate is 4%)
Book Value	Amount donated plus subsequent transactions for the investment (donated funds + realized income - funds awarded).
Custodial Service	Custodial Service in respect of securities refers to the service of safekeeping of the securities and other administrative responsibilities relating to the custody of the securities.
Market Value	The value of the endowment if all investments were sold at March 31 (Fiscal year end) (closing book value + unrealized gains/loss).
Restricted	That portion of the fund that cannot be spent or infringed upon in perpetuity (often referred to as the 'principal'). Initially, this represents 90% of the overall fund (in accordance with university policy).
Unrestricted	That portion of the fund that is available to spend based on the university's spending policy. Initially, this represents 10% of the overall fund (in accordance with university policy).
Rebalancing	Memorial's endowment policy is designed to ensure as much as possible that, over time, the rate of growth in the restricted capital value of endowed funds matches inflation. To that end, the endowments are reviewed every three years to determine whether the performance is sufficient to enable an increase in the level of scholarship funding. If so, this is accomplished by transferring funds from the unrestricted portion to the restricted capital portion, giving consideration to inflation, real rate of return and the spending rate.
Unrealized Gains/Losses	The cumulative market gains or losses on the fund, as at March 31 (Fiscal year end).

The purpose for the breakdown of the fund as 90 per cent restricted and 10 per cent unrestricted is to allow the fund to support a scholarship/award/other use immediately without having to wait until sufficient income is earned to support the payout. Currently, the unrestricted amount represents just over two years of payout. New donations to an endowment are automatically split 90/10 (restricted/unrestricted).

The endowed funds at Memorial University are overseen by the Investment Sub-Committee (Sub-Committee of the Finance Committee of the Board of Regents of Memorial University) and governed by the Statement of Investment Policy and Objectives (SIPO). Additional details on Memorial's endowed and non-endowed funds can be found in the 2022 Investment Committee Annual Report, which is now available online at:

mun.ca/regents/about-the-board/committees-of-the-board/investment-sub-committee/. To request a full copy of the SIPO or if you have additional questions about investments at Memorial, please contact us at the numbers listed above.