



ENDOWMENT REPORT 2020–21



We are so glad to see students transitioning back to campus as we move forward with the winter 2022 semester. It is a time to be hopeful as we look ahead with cautious optimism and thank you once again for helping Memorial's students persevere through one of the most difficult periods in our history. Your thoughtful support helps lead the way to a brighter future for the Memorial community, the province of Newfoundland and Labrador, and beyond.

Our 2019-20 endowment reports were distributed this past summer. Now moving past the many disruptions caused by COVID-19, we are pleased to present to you a 2020-21 summary of the fund you support or represent. For those of you who recently established your endowed fund, this 2020-21 report will be your first annual update.

As was mentioned in the 2019-20 report, there was a brief but significant negative market fluctuation in March 2020, but we are happy to report that the loss experienced in that month has since been regained and, in fact, we have seen a strong return on the endowment overall.

In addition to your financial statement, in the following pages, you will hear directly from our students about how your thoughtful support has impacted their lives. For many students, their education is only possible through contributions from kind-hearted people like you. Your unwavering support has helped us all through this challenging time and we remain forever grateful.

At Memorial University, we take great pride in both our people and our place. Whether you were born in Newfoundland and Labrador, are alumni of our university, or have an interest in our community – we are connected. As indicated in our five-year strategic plan, *Transforming Our Horizons*, we must create pathways and actions that prioritize our responsibility as a university for our province, while also sharpening our focus as a university for the world and the future.



We look forward to working with you and all our donors in the coming years to bring this vision to life by improving the student experience and equipping them to become global citizens. We can't do it without your support.

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 that appear in your specific fund report. 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".

Penny Blackwood, PhD
Executive Director
Office of Development

2020–21 ENDOWMENT UPDATE

Memorial's Pooled Endowment Fund is comprised of more than 900 individual funds and has a total market value of over \$145.9 million as of March 31, 2021. This is up from \$118.8 million at the same time in the previous year.

Thanks to your generous support, the Fund continues to grow. We know that through our sound investment strategies and spending policies, this Fund will exist in perpetuity, a vital financial resource for Memorial and the future students of our great university.

SUCCESS STORIES

There are many stories of success that come from enabling the incredible potential and talent that defines our Memorial community.

Celebrating a milestone

After a remarkable 25 years, more than a thousand students have been supported by the Fry Family Foundation.



"It motivates me to keep working hard and persevere."

- Mikayla Downey

Life-changing event

Xiaolei Li has an opportunity to succeed thanks to the generosity of 2021 Alumnus of the Year, Dr. Liqin Chen.



"I realized that there were people believing in me."

- Xiaolei Li

To learn more about the incredible history and support of the Fry Family Foundation, our amazing Chen Scholars and many more stories that demonstrate the impact of your support, visit www.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).
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 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 2021 Investment Committee Annual Report, which is now available online at: https://www.mun.ca/regents/about/committees/invest_com_ann_rep_03_31_21.pdf. 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.