

2012/2013 Report on the Endowment Fund (April 1, 2012 - March 31, 2013)

The University of Winnipeg Foundation

is an independent charitable foundation created to support the strategic priorities of the University of Winnipeg. We steward donations professionally, transparently and to the highest standard, ensuring donors' intentions are fulfilled and campus needs are met.

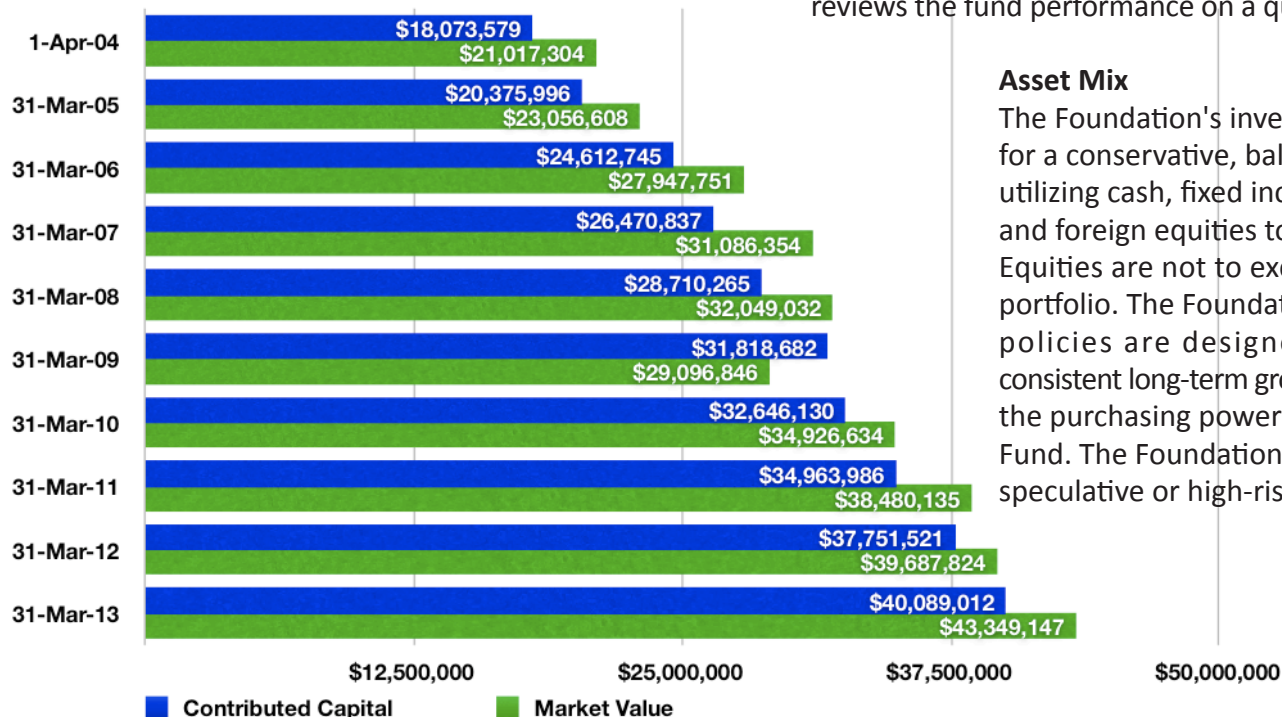
Our Strategic Intent

To substantially increase the value of charitable gifts in support of the needs of The University of Winnipeg by delivering comprehensive fundraising campaigns to include Annual, Major and Planned Gifts, together with special contributions from Government and by being responsive and accountable for investment management and growth.

The Endowment Fund

The Endowment Fund generates revenues to support many University awards, programs and projects. Its resilience and growth is important in both the short and long term. The Foundation's policy is that contributed capital is not to be encroached upon and is preserved in perpetuity.

From the time the Endowment Fund was transferred to the Foundation on April 1, 2004 to March 31, 2013, the Endowment Fund has grown from \$18,073,579 to \$40,089,012 in Contributed Capital and from \$21,017,304 to \$43,349,147 in Market Value.



The University of Winnipeg Foundation stewards more than 520 individual Endowment Funds that are pooled for investment purposes to allow for diversification of the total portfolio in order to lower risk and improve performance.

Bequests & Expectancies

Since April 1, 2004, the Endowment Fund has benefited from \$3,417,452 in bequests. In addition, donors have informed The University of Winnipeg Foundation of future bequests in support of the University totalling more than \$6.9 million.

The Investment Committee

The Board of The University of Winnipeg Foundation determines the investment policies of the Endowment Fund. The Investment Committee advises the Board as to appropriate investment policies as well as the selection and review of the investment manager(s).

The Investment Committee members are Dr. James D. MacDonald (Chair), Vice President and Director of RBC Dominion Securities Inc.; Dr. Douglas Leatherdale, former Chairman and CEO of the St. Paul Companies Inc.; and Mr. Daniel Bubis, President and Chief Investment Officer, Tetrem Capital Management. The Investment Manager is MFS McLean Budden Limited. The Investment Committee reviews the fund performance on a quarterly basis.

Asset Mix

The Foundation's investment policies call for a conservative, balanced approach utilizing cash, fixed income, and Canadian and foreign equities to prescribed limits. Equities are not to exceed 70% of the portfolio. The Foundation's investment policies are designed to provide consistent long-term growth while protecting the purchasing power of the Endowment Fund. The Foundation does not invest in speculative or high-risk investments.

2012/2013 Report on the Endowment Fund Continued...

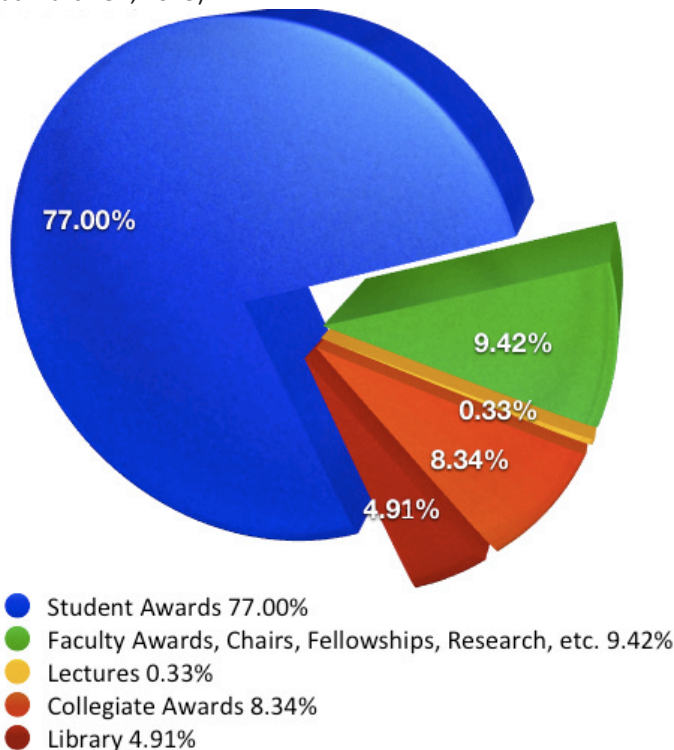
Spending Policy

Each year, representatives from the Foundation and the University meet to assess the status of the Endowment Fund, the University's needs, Canada Revenue Agency's disbursement quota requirements as well as the Foundation's ability to provide a gift to the University from the Endowment Reserve Fund. Based on these discussions, a disbursement level for the Annual Gift from the Endowment Fund is recommended. The Boards of the University and the Foundation then agree on the Annual Gift as an agreed percentage of prorated contributed capital.

For the 2012/2013 fiscal and academic year, the Annual Gift to the University was \$1.264 million. This represented 3.50% of the prorated contributed capital held in the Endowment Fund.

If the University is unable to fully award the monies received for a specific Endowment Fund after a specified period of time, the University transfers back to the Foundation any unawarded or unspent amounts (known as "residuals"). These residual monies are then reinvested in the specific Endowment Fund and form part of the contributed capital.

Total Contributed Capital - \$ 40,089,012.41
(at March 31, 2013)



Use of Funds

Gifts are made to the University of Winnipeg based on the contributed capital in each Endowment Fund for use by the University in accordance with the Terms of Reference established for each Fund.

Ensuring a Reliable Source of Funding in Today's Markets

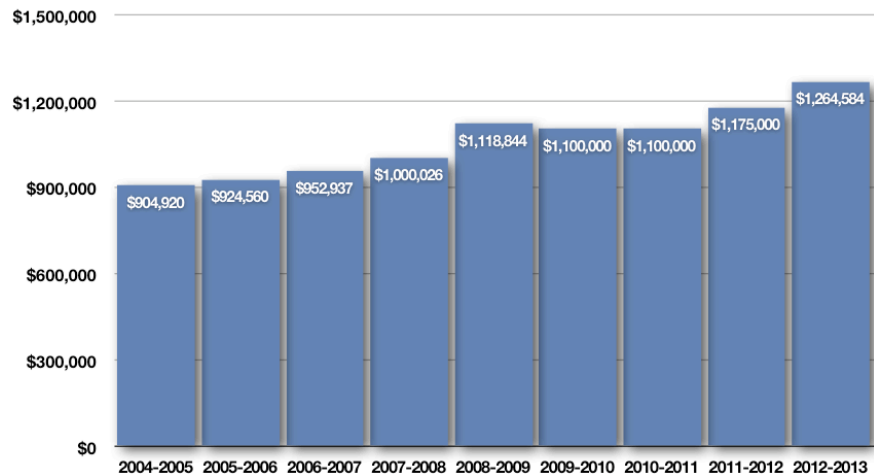
The University of Winnipeg is in a state of growth, both in physical size and enrolment. There has been a corresponding growth in programs and awards. The Foundation's Endowment Fund was established in order to ensure reliable regular funding to support these programs and awards. The Foundation does this in two ways: through its asset mix and by way of a Reserve Fund, which serves as a hedge against fluctuations in investment earnings that may occur.

Reserve Fund (Market) at March 31, 2013: \$3,260,135

Supporting Students

For the fiscal year to date, the University of Winnipeg Foundation Endowment Portfolio outperformed the market benchmark by 1.4%. This positive growth, due to the continued improvement in market conditions, combined with growth in the number of endowed funds under our stewardship (20 new funds) has replenished the Endowment Fund Reserve, enabling the Foundation to provide the University with the gift of \$1.264 million.

2012/2013 Gift to the University



Selection of Recipients for Student Awards

The University, through its Senate and Awards Office, is responsible for the selection of qualified candidates for student awards.

Contact Information

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