

John W. Barriger III National Railroad Library

AT THE UNIVERSITY OF MISSOURI - ST. LOUIS



Report on the Barriger Library Funds

The Fiscal Year Ending June 30, 2015

09/18/2015








INVESTMENT PERFORMANCE, Net of Fees

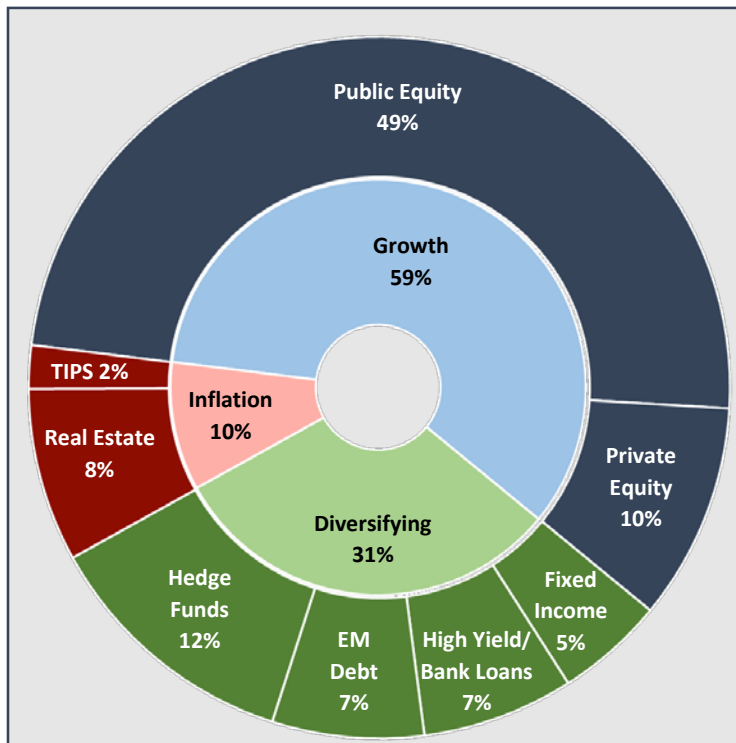
Period Ended June 30, 2015

1 Year	3 Years	5 Years	7 Years	10 Years
1.9%	10.2%	10.0%	5.8%	6.5%

ENDOWMENT BALANCES, in Thousands

	Number of Endowments	July 1, 2014 Balance	Gifts	Transfers*	Distributions	Investment Income	June 30, 2015 Balance
	3,624	\$765,005	\$45,398	\$58,426	(\$37,867)	\$16,262	\$847,225
	673	\$148,110	\$1,455	\$9,141	(\$8,337)	\$3,110	\$153,479
	667	\$148,669	\$3,880	\$1,211	(\$7,125)	\$2,857	\$149,493
	472	\$74,660	\$3,028	\$0	(\$3,507)	\$1,468	\$75,649
	39	\$178,375	\$1,045	\$12	(\$9,346)	\$3,269	\$173,355
Total	5,475	\$1,314,819	\$54,805	\$68,790	(\$66,181)	\$26,966	\$1,399,201

INVESTMENT POLICY TARGETS



PURPOSE

Purpose	Number of Endowments	Percent of Pool
Scholarships	3,323	30%
Program Support	597	11%
Faculty	441	23%
Student Support	189	2%
Unrestricted	164	13%
Library	132	2%
Fellowships	123	1%
Research	95	2%
Lectureship	94	1%
Other	317	15%
Total	5,475	100%

*A change in the Missouri State Statute allowed eligible Fixed Income Pool Endowments to be transferred to the Endowment Pool as of December 31, 2014.



INTRODUCTION

The University's Endowment Pool contains gifts, bequests, and other funds directed to be used to support a university program in perpetuity, in conformance with donor stipulations. Most donors require such a commitment as a condition of their gift ("true endowments"). Also, funds may be assigned to function as endowments by the Board of Curators or by University administration ("quasi endowments").

ENDOWMENT POOL OBJECTIVE

The Endowment Pool must be managed to provide ongoing support of endowed programs in perpetuity, in conformance with donor stipulations. To accomplish this, investment returns, net of inflation, should be sufficient over time to cover annual spending distributions while maintaining or growing the underlying purchasing power of each endowed gift.

INVESTMENTS

In accordance with the Investment Policy approved by the Board of Curators, the Endowment Pool is invested for long-term growth, with broadly diversified investments to reduce risk. The Pool employs a total return approach, with an emphasis on growth assets. The Pool is broadly invested in equities, fixed income, hedge funds, real estate, and private equities to diversify the investment portfolio.

DISTRIBUTIONS

The University is nearing the end of a transitional period in which the spending distribution rate has been lowered from 5.0% to 4.5%. This decrease reflects diminished capital market return expectations over the medium term and is consistent with our mandate to maintain the purchasing power of each endowment account.

The actual formula used to determine the Endowment Pool spending distribution for each fiscal year applies the spending distribution rate to a base equal to the 28-quarter trailing average of market values as of December 31st of the prior fiscal year. Based on this annual calculation, endowment spending distributions are paid on a monthly basis throughout each fiscal year. Spending distributions for new endowment accounts will generally begin in the first full month following receipt of the gift.

In addition to the spending distribution noted above, an administrative fee is charged each fiscal year with proceeds used by the campus Chancellors to support development functions. The administrative fee is calculated by applying a rate of 1% to a base equal to the 28-quarter trailing average market values as of December 31st of the prior fiscal year.

ESTABLISHMENT OF NEW ENDOWMENT FUNDS

In addition to review and approval by each campus, endowment agreements are also reviewed and approved by the Office of General Counsel and the Office of the Treasurer.

QUESTIONS

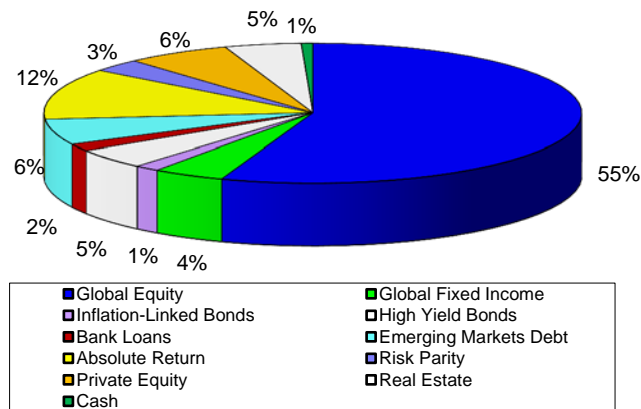
If you should have any questions, please feel free to contact the Office of the Treasurer at (573) 882-2612 or via e-mail at umtreasurerendow@umsystem.edu.

UNIVERSITY OF MISSOURI ENDOWMENT POOL

As of June 30, 2014 the market value of the University's Endowment Pool was \$1,278 million. The objective of the pool is to provide funds for current expenditure while preserving the purchasing power of the endowment principal. In order to meet this objective, the fund distributes between 4.5 and 5 percent annually of the trailing 28-quarter average of the endowment's market value. The endowment spending distributions are calculated annually and paid out monthly (1/12 each month).

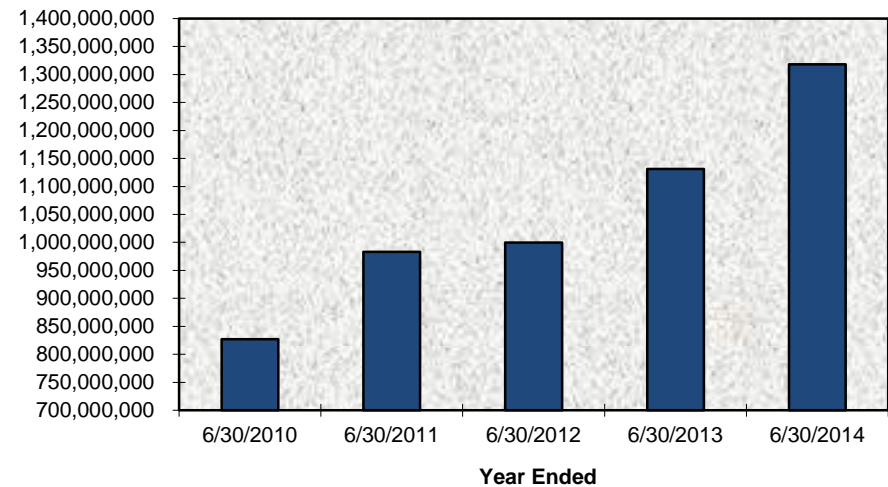
The fund is invested for long-term growth, with broadly diversified investments to reduce risk. The fund employs a total return approach, with an emphasis on equities. The pool is invested in U.S. and international equities, as well as emerging markets equities. The pool has investments in fixed income, both U.S. and international, including a dedicated allocation to global inflation-linked bonds. In addition to the above, the pool also has allocations to absolute return funds, real estate, and private equities to further diversify the investment portfolio. The current asset mix of the pool is shown below.

Current Asset Mix



Dollars

Endowment Pool Market Value



Historical Total Returns (Annualized)

For Periods Ended June 30, 2014

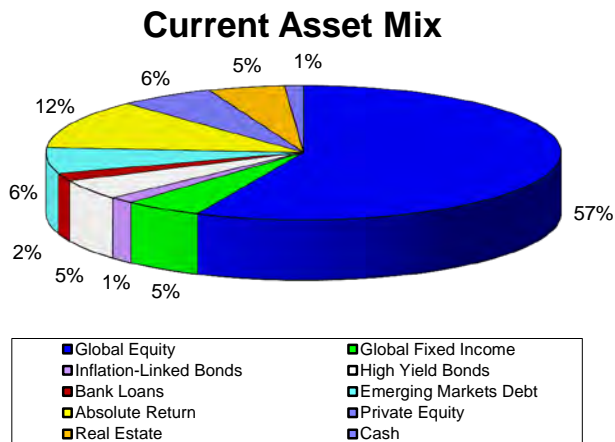
(Returns are shown net of investment managers' fees)

	Univ of Mo Total Return	Univ of Mo Benchmark	MSCI ACWI IMI (Eqys)	Barclays Global (Bonds)	CPI
1-year	16.7	17.6	24.0	1.5	2.1
3-years	9.2	9.7	11.0	0.7	1.8
5-years	12.0	12.4	15.3	3.4	2.0
10-years	7.2	7.6	8.3	4.6	2.3

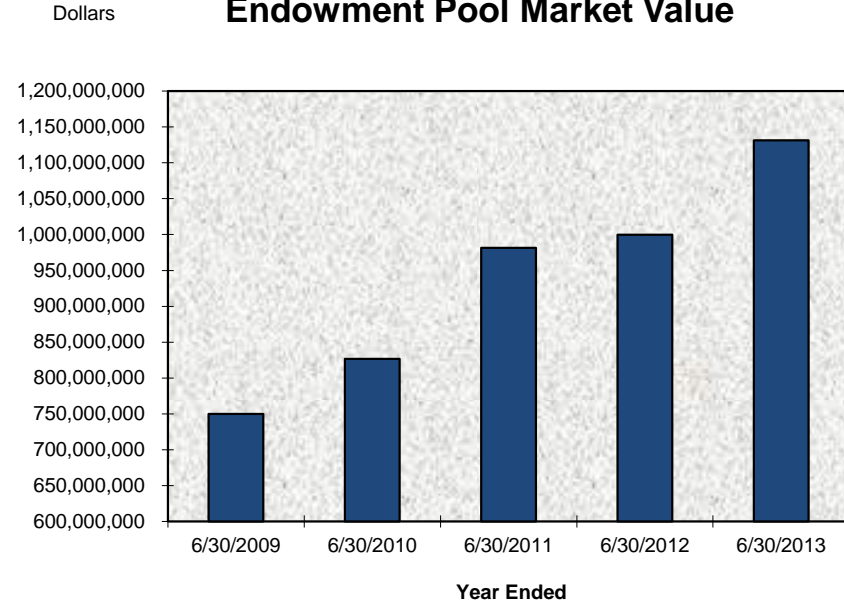
UNIVERSITY OF MISSOURI ENDOWMENT POOL

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The fund is invested for long-term growth, with broadly diversified investments to reduce risk. The fund employs a total return approach, with an emphasis on equities. The pool is invested in U.S. and international equities, as well as emerging markets equities. The pool has investments in fixed income, both U.S. and international, including a dedicated allocation to global inflation-linked bonds. In addition to the above, the pool also has allocations to absolute return funds, real estate, and private equities to further diversify the investment portfolio. The current asset mix of the pool is shown below.



Endowment Pool Market Value



Historical Total Returns (Annualized)

For Periods Ended June 30, 2013

(Returns are shown net of investment managers' fees)

	Univ of Mo Total Return	Univ of Mo Benchmark	MSCI ACWI IMI (Eqys)	Barclays Global (Bonds)	CPI
1-year	12.6%	12.4%	17.7%	-2.2%	1.8%
3-years	10.6	11.3	13.2	3.6	2.3
5-years	4.5	4.4	3.3	4.5	1.3
10-years	7.2	7.7	8.6	4.6	2.4

**JOHN W. BARRIGER III NATIONAL RAILROAD LIBRARY
SUMMARY OF FUND BALANCES ***

	Balance Available June 30, 2014	Balance Available June 30, 2015
BARRIGER III LIBRARY	\$ 237.71	\$ 5,322.24
BARRIGER MEMORIAL BOOK FUND	11,679.35	16,083.32
UP RAILROAD ACQUISITION FUND	1,732.97	3,292.65
CN ENDOWED ACQUISITIONS FUND	2,247.68	54.54
BARRIGER ORAL HISTORY	15,077.15	15,228.54
BARRIGER CMPGN EXCL & GROWTH	44,244.66	6,094.31
AAR Scholarship	6,469.58	6,081.91
MCKNIGHT ENDW CUR BARRIGER LIB	63,027.69	64,308.55
Expendable Funds	\$ 144,716.79	\$ 116,466.06
		-
BARRIGER III LIBRARY	\$ 421,693.77	\$ 409,174.28
BARRIGER MEMORIAL BOOK FUND	126,174.89	122,428.93
UP RAILROAD ACQUISITION FUND	77,512.23	75,827.85
CN ENDOWED ACQUISITIONS FUND	26,748.79	25,954.66
JOHN W BARRIGER IV FUND	28,580.69	29,134.36
AAR Scholarship	13,634.89	13,230.09
MCKNIGHT ENDW CUR BARRIGER LIB	3,069,709.63	3,003,003.38
Endowed Funds	\$ 3,764,054.89	\$ 3,678,753.55
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* Excludes Gifts-In-Kind.

JOHN W. BARRIGER III NATIONAL RAILROAD LIBRARY
CONSOLIDATED INCOME STATEMENT & CHANGES IN FUND BALANCE
ENDOWED FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

BEGINNING BALANCE	\$ 3,764,054.89
REVENUES	
Endowment income-balanced pool	36,861.37
Endowment-Monthly Spend Distr	(151,112.66)
Endowment Management Fee	(4,698.24)
Real gain(loss)-sale of invest	215,447.53
Unrealized gain(loss)	(181,799.34)
494001-Misc Revenue	(85,301.34)
TOTAL REVENUES	(85,301.34)
EXCESS OF REVENUES OVER EXPENDITURES	(85,301.34)
ENDING BALANCE	\$ 3,678,753.55

JOHN W. BARRIGER III NATIONAL RAILROAD LIBRARY
CONSOLIDATED INCOME STATEMENT & CHANGES IN FUND BALANCE
EXPENDABLE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

BEGINNING BALANCE	\$ 144,716.79
REVENUES	
Gift income	43,163.89
Gifts - In-Kind	3,082.68
480001-Gift income	46,246.57
Endowment-Monthly Spend Distr	151,112.66
Investment income	1,366.33
Real gain(loss)-sale of invest	(161.16)
494001-Misc Revenue	152,317.83
TOTAL REVENUES	198,564.40
EXPENSES	
Ben Elg Academic (Non-Faculty)	62,905.28
Student Faculty (Grads)	1,941.66
Benefit Eligible Staff	16,096.33
Non-Benefit Eligible Staff	7,640.05
Non-Academic Student Employees	1,356.47
S&W - Overtime	680.34
700000-S&W-Budget Pool	90,620.13
TOTAL SALARIES & WAGES	90,620.13
Flat Rate Benefits	21,898.82
FICA Benefits	6,606.17
710000-Staff Benefits	28,504.99
TOTAL BENEFITS	28,504.99
Business travel	4,957.76
Business mtg exp-food catering	803.00
Postage/Shipping & Delivery	122.45
Copy Service	12,528.88
Business Meeting Expense	650.00
Supplies	65,675.90
Misc Facilities Charges < 5000	1,617.21
Library Acquisition-Capital	8,413.01
Building services Non Cap	11,921.80
720001-Department operating expense	106,690.01
Undergraduate resident aid	1,000.00
760001-Student aid	1,000.00
TOTAL OTHER EXPENDITURES	107,690.01
TOTAL DIRECT COSTS	226,815.13
TOTAL EXPENSES	226,815.13
EXCESS OF REVENUES OVER EXPENDITURES	(28,250.73)
ENDING BALANCE	\$ 116,466.06