

University of Virginia Investment Management Company

# ANNUAL REPORT

2020 – 2021





Front cover photo: "Brighter Together" on the McIntire Amphitheatre, featuring projection mapping artwork of local artist Jeff Dobrow. Presented by UVA Arts, the Office of the Provost and Vice Provost for the Arts, and the Division of Student Affairs.

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# MISSION

UVIMCO strives to generate exemplary investment returns to further the University of Virginia's mission in perpetuity by providing support to current and future generations of students, faculty, staff, and patients.



# A Message from the CEO/CIO



**ROBERT DURDEN, CFA**  
Chief Executive Officer and Chief Investment Officer

**John W. Gardner said, “History never looks like history when you are living through it,” but the past year contradicts his assertion.**

Society is well aware of the considerable impact that COVID-19 is having on our world, and investment market activity over the past year was similarly historic. During the fiscal year that ended June 30, 2021, UVIMCO’s Long Term Pool recorded an investment return of 49%, gaining more than \$4.8 billion in value for investors and exceeding by a wide margin the 29.4% gain of the passive

benchmark. Investment markets generously rewarded all the central hallmarks of our investment strategy: active management, equity risk, growth, innovation, and a long time horizon. Although the recent gains in investment markets may reverse, we expect a good deal of the value generated by the Long Term Pool over the past year to continue to provide UVA with the financial resources needed to fulfill President James E. Ryan’s vision of a University that is both great and good.

**This past year represents a single, highly unusual point in time, and UVIMCO’s investment performance over the past few decades is what really matters.**

Over the last ten- and twenty-year periods, the Long Term Pool generated annualized returns of 12.1% and 10.6%, respectively, exceeding the policy benchmark returns of 8.8% and 7.4% (respectively) and preserving the purchasing power of the endowment after spending and inflation. These returns have an ongoing positive impact on the University, providing invaluable support for critical research, financial aid for students, and other strategic initiatives. The University faces many challenges, including the ongoing pandemic and related impacts, and these headwinds underscore the importance of excellent management of the University’s long-term financial assets.

**Implementing a successful long-term strategy requires an exceptional team and strong partnership with both the University and high-caliber investment partners.**

The collaboration, innovation, and dedication of our talented staff are the foundation of our past and continued success. We are thankful for our strong partnership with the University and its continued leadership on the pandemic response. We are also profoundly grateful for the incredible efforts of the managers with whom we invest and commend them for all that they do for UVIMCO, the University of Virginia, and similar institutions around the world.

**While it’s important to celebrate the success of the past year, we don’t know what lies ahead.**

Investing can be difficult and uncomfortable at times, and sustained performance often requires being early, unconventional, or seen as taking excessive risk. Yet, I am confident that UVIMCO and the University’s combined strength will help us steer the course ahead. We will seize the opportunities presented and navigate the risks together to ensure the continued prosperity of the University for future generations.

“  
In investing,  
just as in  
baseball, to  
put runs on  
the scoreboard,  
one must  
watch the  
playing field,  
not the  
scoreboard.”

Warren Buffett



# Serving the University

UVIMCO provides investment management services to the University of Virginia and associated organizations to serve the University’s mission. The partnership between UVIMCO, the University, and associated organizations is unique. We all share a love of excellence, strive to be both great and good, feel called to serve the University, and appreciate our strong and enduring roots in the Charlottesville community.

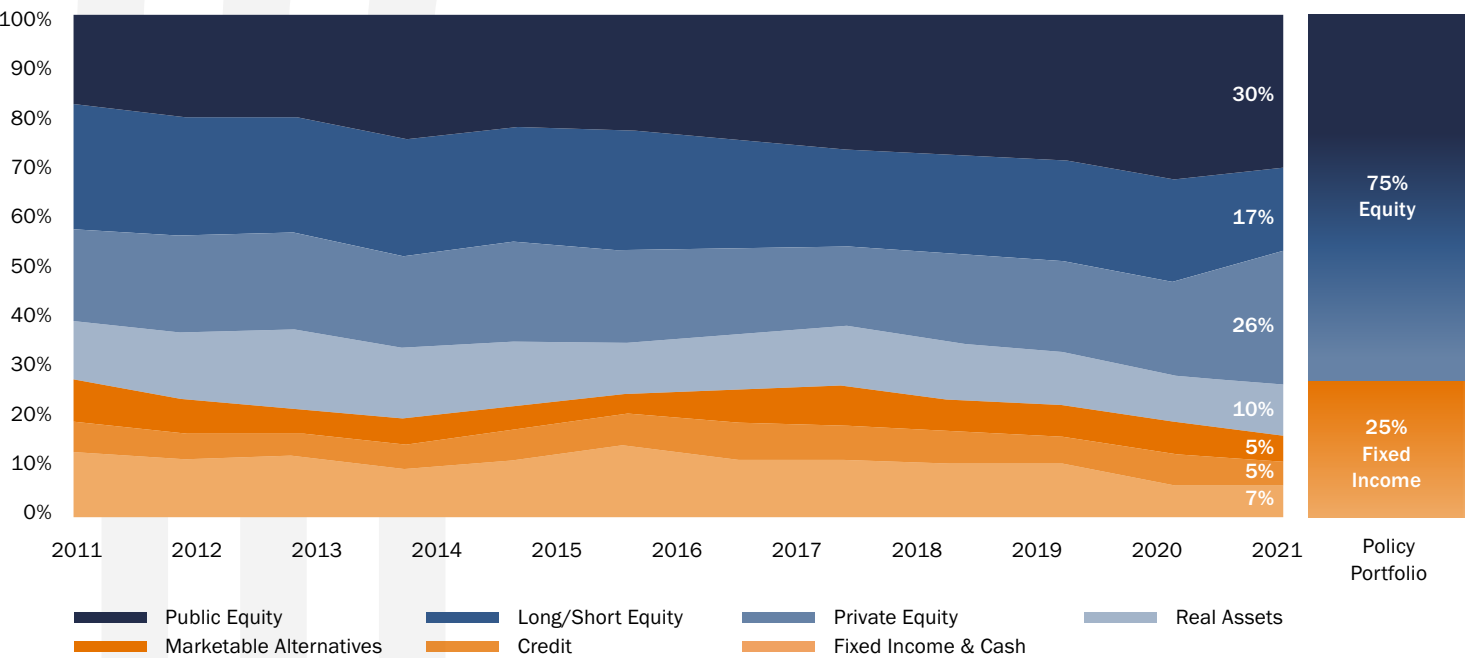
UVIMCO invests the endowment and other long-term funds of the University and associated organizations in its Long Term Pool. A majority of the Long Term Pool’s holdings are in the form of pooled investments and commingled funds, which are managed by external investment managers rather than through direct ownership

of individual securities. The Pool also includes fixed income and cash.

UVIMCO’s primary objective is to maximize the long-term, inflation-adjusted returns commensurate with the risk tolerance of the University. The secondary objective is to secure higher returns than the passive policy portfolio, which represents an appropriate mix of diversified market risks for institutional investors like the University. The passive policy portfolio is comprised of public market indices: 75% equity represented by the MSCI All Country World Index (ACWI) and 25% fixed income represented by a blended Bloomberg U.S. Treasury Bond Index. UVIMCO’s asset allocation in the Long Term Pool has been relatively stable over the last decade (Graph 1).

**GRAPH 1** UVIMCO Long Term Pool Historical Asset Allocation

As of June 30, 2021



The policy portfolio serves as an indicator of how the endowment would fare under passive management, while UVIMCO’s returns relative to the policy portfolio demonstrate the added value of active management by its internal team and external investment managers. UVIMCO carefully hand selects managers from around the globe who bring a diversity of thought, outstanding expertise, and innovation to their investment decisions—ultimately increasing the long-term value of the University’s assets.

By generating inflation-adjusted net returns in excess of the University’s spending rate, UVIMCO is providing a steady source of income to support the University’s mission for future generations of students, faculty, staff, and patients. Each year, a portion of the endowment value is paid out to support the University’s purpose, and earnings in excess of this distribution build the Long Term Pool’s market value over time. This distribution supports an increasing number of scholarships, professorships, and research funds, and helps expand program offerings and facilities—with the ultimate effect of attracting some of the best students in the nation and world-class faculty to Grounds.

UVIMCO also manages a Short Term Pool for the University and associated organizations to serve important near-term liquidity needs. This Pool offers a way to preserve principal and provide a low-cost, stable, highly liquid, and secure investment vehicle to investors. The Short Term Pool is primarily invested in U.S. Treasury notes, bonds, and bills with maturities of not more than one year, except for U.S. Treasury floating rate notes, which may have a maturity of up to two years. By varying allocations of investment funds between the Long Term Pool and Short Term Pool, investors can tailor an individualized portfolio to their desired risk and liquidity level.

UVA’s endowment ranks among the five largest for public institutions and among the twenty largest of all U.S. colleges and universities.



# A Conversation with the COO

**Q: You've served as UVIMCO's Chief Operating Officer for an impressive eighteen years. Your long tenure speaks volumes about the organization. What has kept you here for almost two decades?**

I feel very fortunate to have worked at UVIMCO since graduating from UVA's Darden Graduate School of Business in 2003. It sounds trite, but what has kept me at UVIMCO for so long are the mission and the people. Our staff represents an exceptional team of people who are truly grounded in the mission and values of the University of Virginia. We are driven by returns but are also fully invested in the success of the University and the impact our efforts will have on future generations of students and faculty.

During my time at UVIMCO, our assets under management have grown from \$1.8 billion to \$14.5 billion, and the size of our staff has tripled. We have managed UVA's investments through countless market events both big and small: the Great Financial Crisis; the swift ascendancy of Chinese companies accompanied by the increasing dominance of a handful of U.S. companies, including Google and Amazon; Brexit; incalculable progress driven by technology and innovation;

persistently low interest rates and a corresponding reduction in required return for all forms of risk; the adoption of cryptocurrencies by mass markets; significant retail market trading based on Reddit threads alone; and, of course, the ongoing COVID-19 pandemic. Throughout all these events and transitions, UVIMCO has remained successful due to its continued focus on our core investment tenets and dedication to continuous improvement.

**Q: What makes UVIMCO distinct from other investment management companies?**

UVIMCO does two things remarkably well: portfolio management and manager selection. We have dedicated a lot of time to evolving and strengthening our highly skilled risk team, and UVIMCO's risk system and data management are second to none. The top-down portfolio management efforts of CEO/CIO Robert Durden and the risk team are complemented by our longstanding excellence in manager selection, in which UVIMCO maintains an edge first established by Alice Handy, her staff, and our Board of Directors several decades ago. We stand on the shoulders of giants, and all of us at UVIMCO recognize the responsibility we have in preserving what makes

UVIMCO excellent while adapting to evolving investment markets and an ever-changing world.

**Q: What do you look for in external investment managers?**

UVIMCO identifies and partners with high-caliber investment managers from around the world to help us outperform our passive policy benchmark. We value integrity, collaboration, excellence, diversity of thought, and intellectual honesty in these managers, and we appreciate their investment acumen and willingness to help UVIMCO succeed. We're constantly searching for new partners who demonstrate excellent returns and have innovative ways of looking at investment markets, and we look forward to continued partnerships with existing managers who have helped us maintain the Long Term Pool's position as a top quartile endowment.

**Q: Talk to us about diversity, equity, and inclusion at UVIMCO.**

As a first-generation college graduate and a working mom, I'm a passionate student of diversity and think a lot about how each person's life story impacts who they are and how they experience the world around them. The U.S. investment management industry remains



**KRISTINA ALIMARD, CFA**  
Chief Operating Officer

largely dominated by those coming from backgrounds of privilege, and both UVIMCO and the University of Virginia are in positions to help challenge the status quo. We strive to lead by example and are very interested in expanding the diversity of our Board and staff while we continue to learn more about how to ensure both inclusion and equity in all aspects of our operations. Furthermore, we look forward to working with our external managers to promote diversity, equity, and inclusion across the investment management industry, and we expect others in our industry to do the same.

**Q: How is UVIMCO approaching investor responsibility issues like environmental, social, and governance (ESG)?**

UVIMCO believes that investing in companies that have advanced ESG policies and best practices makes perfect sense from an investment, business, and social standpoint. ESG factors are a subset of the risk and return characteristics that our team and external investment managers utilize as a part of their routine investment processes. We also invest in managers who focus on specific areas of ESG—everything from green technology to

improving corporate practices. Many of our managers maintain well-documented and robust ESG practices, including disclosing fossil fuel emissions and reduction targets, making annual disclosures to the CDP, disclosing credible low-carbon transition plans, and voting against shareholder resolutions for companies that do not follow certain ESG criteria.

**Q: What is the goal of UVIMCO's new Advisory Committee on Investor Responsibility?**

We're thrilled about the launch of this committee, which serves as a channel between UVIMCO and the students, alumni, faculty, and leadership of UVA on matters related to investor responsibility. Members will guide UVIMCO on actively incorporating ESG best practices into our investment decisions while maintaining strong long-term returns for the University. I am honored to represent UVIMCO on this committee, and I look forward to continuing to identify ways to improve the implementation of ESG best practices at UVIMCO.

“Everything is hard before it is easy.”

Goethe



# Driving Exceptional Returns

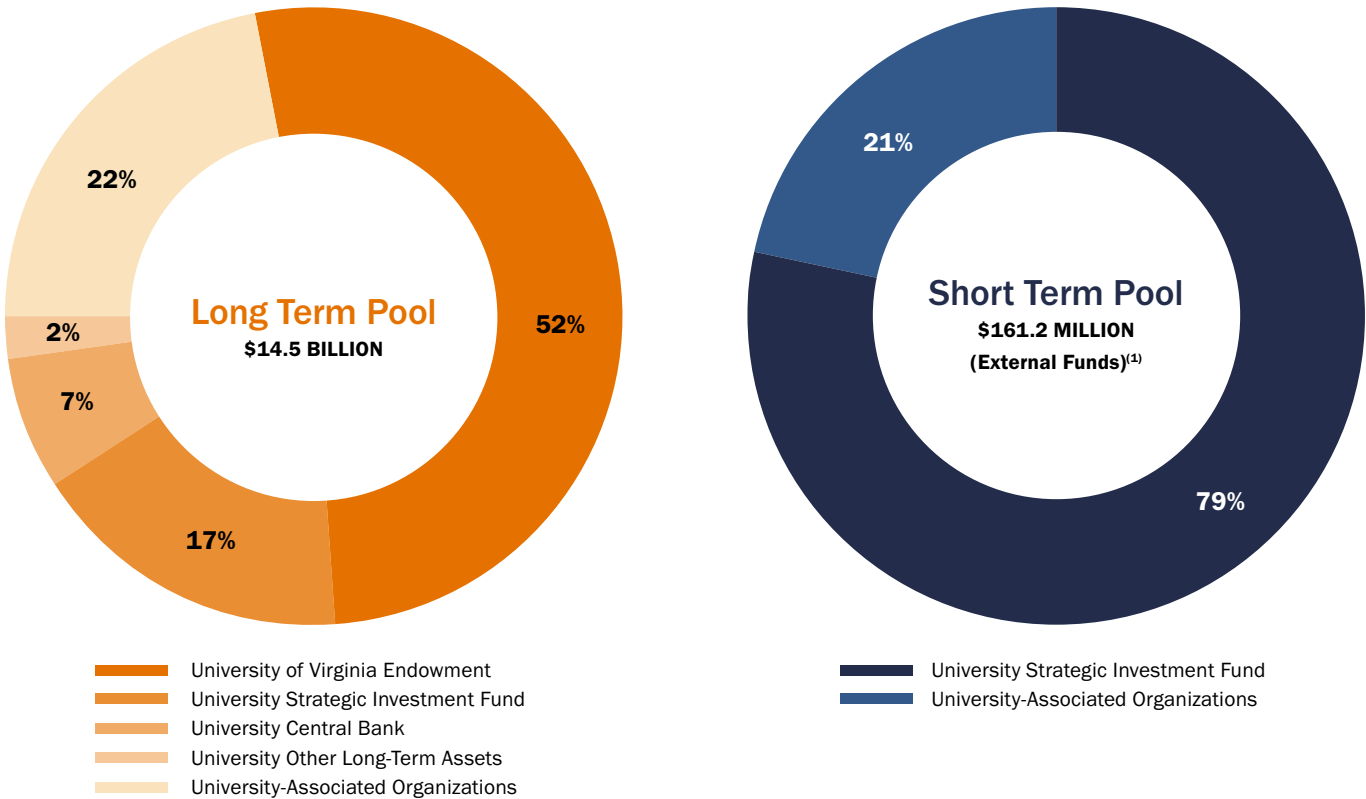
Fiscal year 2021 was remarkable. COVID-19 continued to pose unprecedented global challenges while science and governments fought back with regulations, social measures, and vaccinations. Meanwhile, market participants watched in awe as global equity markets broke records time and time again.

The MSCI ACWI global equity index rose almost 40%, the strongest fiscal year return on record since the index was launched in 1988.

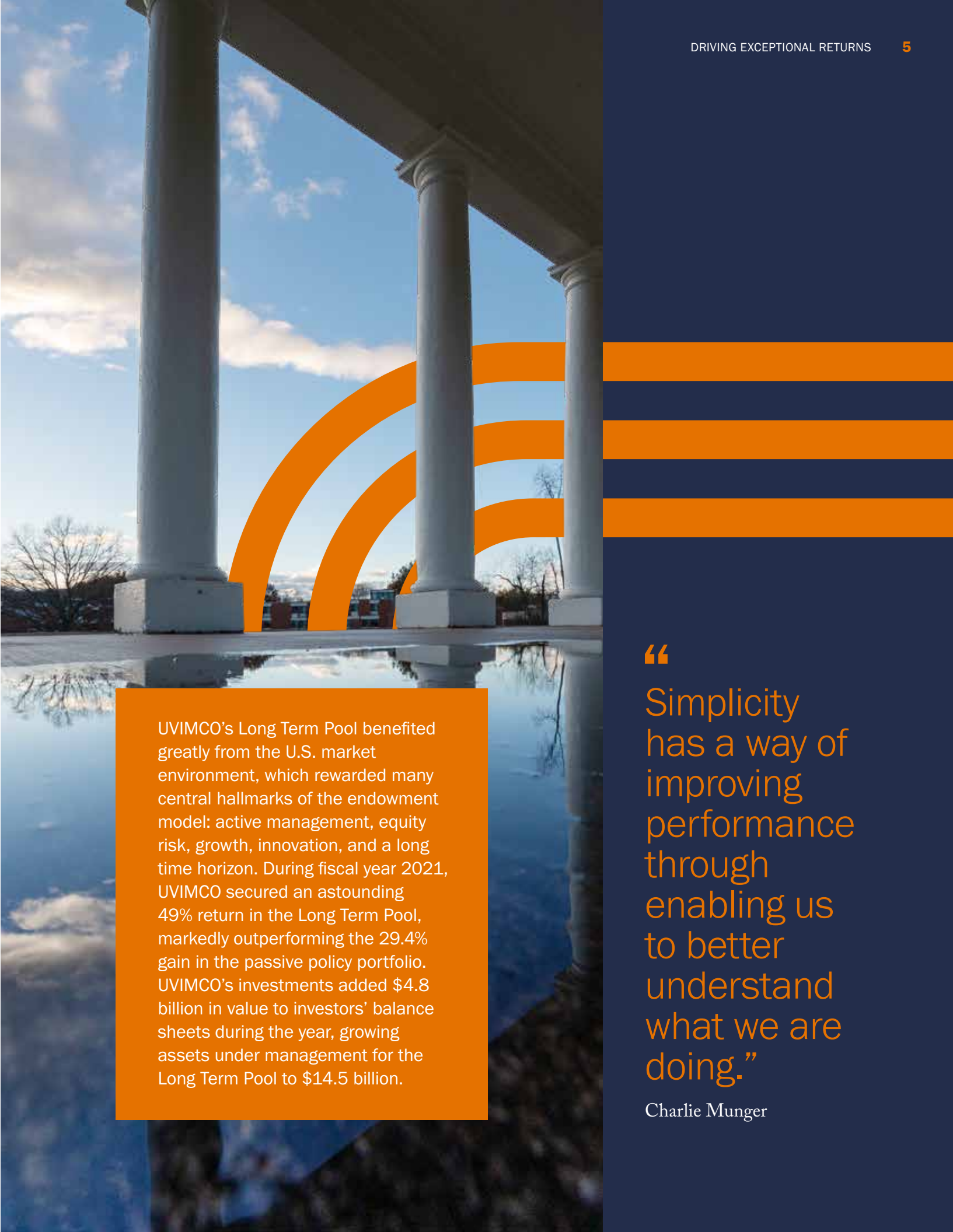
Domestic equities gained a similar amount, with financial, energy, materials, technology, and internet stocks driving the S&P 500 to a total return of 41% for the year. Meanwhile, private equity benefited from the substantial shift to online activities, resulting in dramatically accelerated growth for many software and internet businesses. Domestic real asset sectors enjoyed positive performance, with both hospitality and retail investments rebounding from pandemic lows and oil prices rising more than 80% for the

year. Not surprisingly, during this period of exuberance for equity investments, returns from U.S. Treasuries and investment-grade bonds lagged other investment options. The fixed income portion of UVIMCO’s passive policy benchmark, a blended Bloomberg U.S. Treasury Bond Index (50% Treasuries, 50% TIPS), gained 1.5% for the fiscal year.

GRAPH 2 Investor Composition



<sup>(4)</sup> The Long Term Pool’s cash portfolio invests in the Short Term Pool. The Short Term Pool market value reflected above excludes Long Term Pool assets.



UVIMCO’s Long Term Pool benefited greatly from the U.S. market environment, which rewarded many central hallmarks of the endowment model: active management, equity risk, growth, innovation, and a long time horizon. During fiscal year 2021, UVIMCO secured an astounding 49% return in the Long Term Pool, markedly outperforming the 29.4% gain in the passive policy portfolio. UVIMCO’s investments added \$4.8 billion in value to investors’ balance sheets during the year, growing assets under management for the Long Term Pool to \$14.5 billion.

“Simplicity has a way of improving performance through enabling us to better understand what we are doing.”

Charlie Munger

All of UVIMCO’s equity-oriented strategies recorded impressive gains in fiscal year 2021. Public equity increased 51.4%, long/short equity increased 33.3%, private equity increased 98.7%, and real assets increased 49%. In addition, UVIMCO’s composite return for marketable alternatives, credit, fixed income, and cash returned 11.1% for the year (Table 1).

The Long Term Pool’s 49% return has driven sharp increases in UVIMCO’s annualized three- and five-year returns, which now exceed the University’s spending rate by a wide margin. With the continued uncertainty of the impact of the pandemic on higher education, UVIMCO’s ability to secure strong returns is critical to reaching the University’s goal of being the best public university by 2030.

This year’s performance also impacted UVIMCO’s exceptional long-term returns over the last few decades. Over the last ten- and

twenty-year periods, the Long Term Pool generated annualized returns of 12.1% and 10.6%, respectively, exceeding the policy benchmark returns of 8.8% and 7.4%. Over the past decade, UVIMCO’s active management of the Long Term Pool has added more than \$3.6 billion to the University’s funds beyond the amount that would have been earned by investing in its policy portfolio.

According to the Wilshire Trust Universe Comparison Service (TUCS) All Master Trust Universe, UVIMCO consistently outperforms its institutional peers. Over the last twenty years, UVIMCO’s Long Term Pool had an annualized return of 10.6% compared to the 7.4% median of UVIMCO’s peers (Graph 3).

Looking ahead to the fiscal year 2022, UVIMCO’s primary focus is finding great investment ideas and maintaining an appropriate risk profile for the Long Term Pool, to generate superior long-term, risk-adjusted returns for the University and associated organizations.

TABLE 1 UVIMCO Long Term Pool Strategy Allocation and Investment Returns

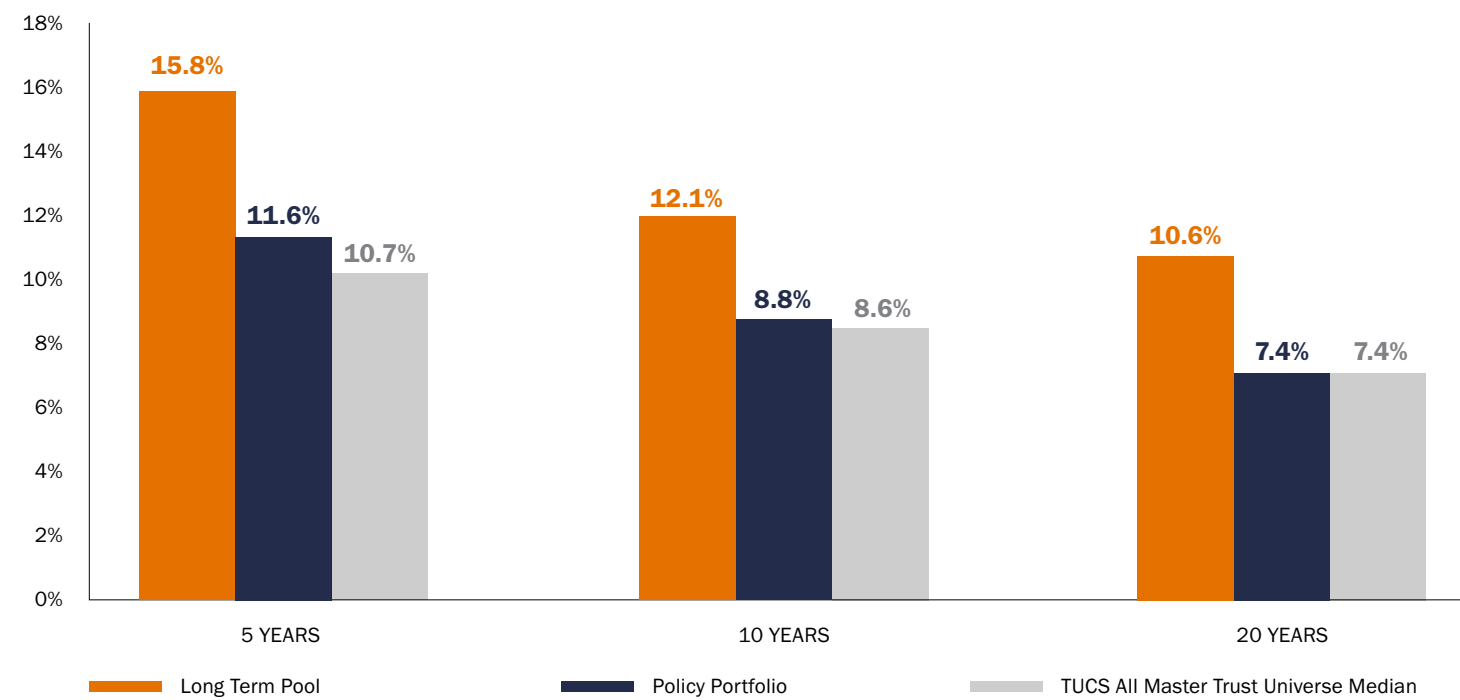
In percentages, as of June 30, 2021

	Allocation <sup>(1)</sup>	1YR	Annualized			
			3YR	5YR	10YR	20YR
Long Term Pool <sup>(2)</sup>	100.0	49.0	18.4	15.8	12.1	10.6
Policy Benchmark <sup>(3)</sup>		29.4	13.0	11.6	8.8	7.4
Public Equity	29.9	51.4	19.4	19.5	14.3	13.6
Long/Short Equity	17.0	33.3	14.1	11.5	9.7	9.3
Private Equity	26.4	98.7	40.6	29.3	21.8	14.7
Real Assets	10.0	49.0	5.8	10.6	9.3	9.9
Marketable Alternatives	5.2	4.8	0.9	3.0	4.5	4.0
Credit	4.8	29.9	9.4	9.0	8.0	9.1
Fixed Income	3.9	1.4	7.6	4.5	2.5	4.9
Cash	2.8	0.0	1.2	1.0	0.5	–

<sup>(1)</sup> Percent of net asset value.  
<sup>(2)</sup> Long Term Pool returns are presented gross of UVIMCO management and incentive fees.  
<sup>(3)</sup> Geometrically linked monthly average of 75% MSCI All Country World Equity and 25% Bloomberg U.S. Treasury Bond. The policy portfolio weights were 65/10/25 equity, real estate, fixed income between July 1, 2019, and June 30, 2020, and 60/10/30 prior to July 1, 2019.

GRAPH 3 UVIMCO Long Term Pool Relative Performance

Annualized as of June 30, 2021



“Approval, though, is not the goal of investing. In fact, approval is often counter-productive because it sedates the brain and makes it less receptive to new facts or a re-examination of conclusions formed earlier. Beware the investment activity that produces applause; the great moves are usually greeted by yawns.”

Warren Buffett



## INVESTMENT PHILOSOPHY & CORE TENETS

UVIMCO's investment philosophy guides its strategy through the challenges that the world brings, including the ongoing global pandemic and market volatility, to ensure that our decisions are sound and grounded in what we know works best for achieving excellent long-term results for the University.

### We focus on the long term.

UVIMCO's investment horizon is measured in years, if not decades, which aligns with the mission of the University as well as the perpetual nature of an endowment. A long-term perspective provides us with a critical competitive advantage, as global markets are increasingly oriented toward the short term. Our focus on the long term is also especially well suited for investments in less efficient illiquid or niche markets that provide fertile ground for active management. We leverage patience to generate attractive long-term risk-adjusted returns, but we acknowledge that this strategy may sometimes result in short-term underperformance relative to passive benchmarks and peer investors.

### We believe in active management.

Consistently outperforming passive indexes is difficult, but it can be done. UVIMCO has a long history of partnering with exceptional investment managers who have demonstrated the ability to generate alpha through disciplined investment processes, novel insights, and hard work. Sourcing, evaluating, and developing these relationships is our core competency and the primary driver of UVIMCO's excess returns over time. The reputation we have cultivated as a value-added partner, our extensive network of market contacts, and the patient capital we provide have enabled us to build relationships with many of the most successful investment managers in the world.

### We employ a global, flexible investment mandate.

Our investment process is structured and disciplined, but we also seek to be flexible and innovative in response to constantly evolving global financial markets. The Long Term Pool is a broadly diversified portfolio with capital allocated to well-established investment managers, emerging firms, and securities all around the world. We augment our core bottom-up manager selection process with top-down portfolio overlays and rigorous asset allocation analyses. We maintain a robust co-investment program to upsize particularly attractive opportunities with the added benefit of a lower fee structure.

We seek to strengthen our existing capabilities while thoughtfully honing our investment model to find new sources of attractive returns in an increasingly competitive return environment.

### We evaluate and manage risk.

Our primary function is to identify attractive investment opportunities and assess the likelihood of earning sufficient compensation for assuming the associated risks. As such, we seek to measure and manage risk, not avoid risk altogether. UVIMCO measures and controls for risk based on the risk tolerance and capital requirements of the University. We assume certain risks but avoid others when we are unable to either absorb the associated potential downside or earn enough premium for bearing those risks.

“  
The harder  
I work, the  
luckier I get.”

## OPENING DOORS IN THE INVESTMENT INDUSTRY

Historically underrepresented groups, including racial and ethnic minorities and women, face considerable obstacles to participating in the venture capital industry. To help address this situation, UVIMCO recently invested in Screendoor, a \$50 million-plus investment vehicle started by venture capitalists at Homebrew who are hoping to back as many as fifteen underrepresented investors raising their first institutional fund. Screendoor provides the opportunity for institutions to invest in and build relationships with minority managers. In addition to providing capital, Screendoor will also provide formal and informal training and support to set up the investors up for success. The mentorship program will cover all aspects of successfully running a venture firm, including deal sourcing, portfolio construction, and office administration. For more information, visit [www.screendoorpartners.com](http://www.screendoorpartners.com).



# Being Great and Good: Impact Stories

An endowed gift is a powerful investment in the future of the University and its affiliated organizations. When invested in UVMCO’s Long Term Pool, endowed funds serve as a sustainable source of funding professorships to recruit and retain distinguished faculty; scholarships and fellowships to support deserving students; lectureships to bring distinguished speakers to Grounds; library acquisitions; and academic prizes to recognize outstanding students and faculty. The University’s unrestricted endowment generates vital funding for operations and enables the University to respond to important needs as they arise.

“  
You have to  
build meaning  
into your life,  
and you build  
it through your  
commitments.”

John W. Gardner





## Shining a Light through the Pandemic

Over the past year, UVA Health has continued to provide world-class health care to the Charlottesville community during the most urgent health crisis of our time through resilience, innovation, and determination by exceptional staff in top-notch facilities.

### HOW UVA CREATED ARTIFICIAL INTELLIGENCE TO WATCH OVER PATIENTS WITH COVID-19

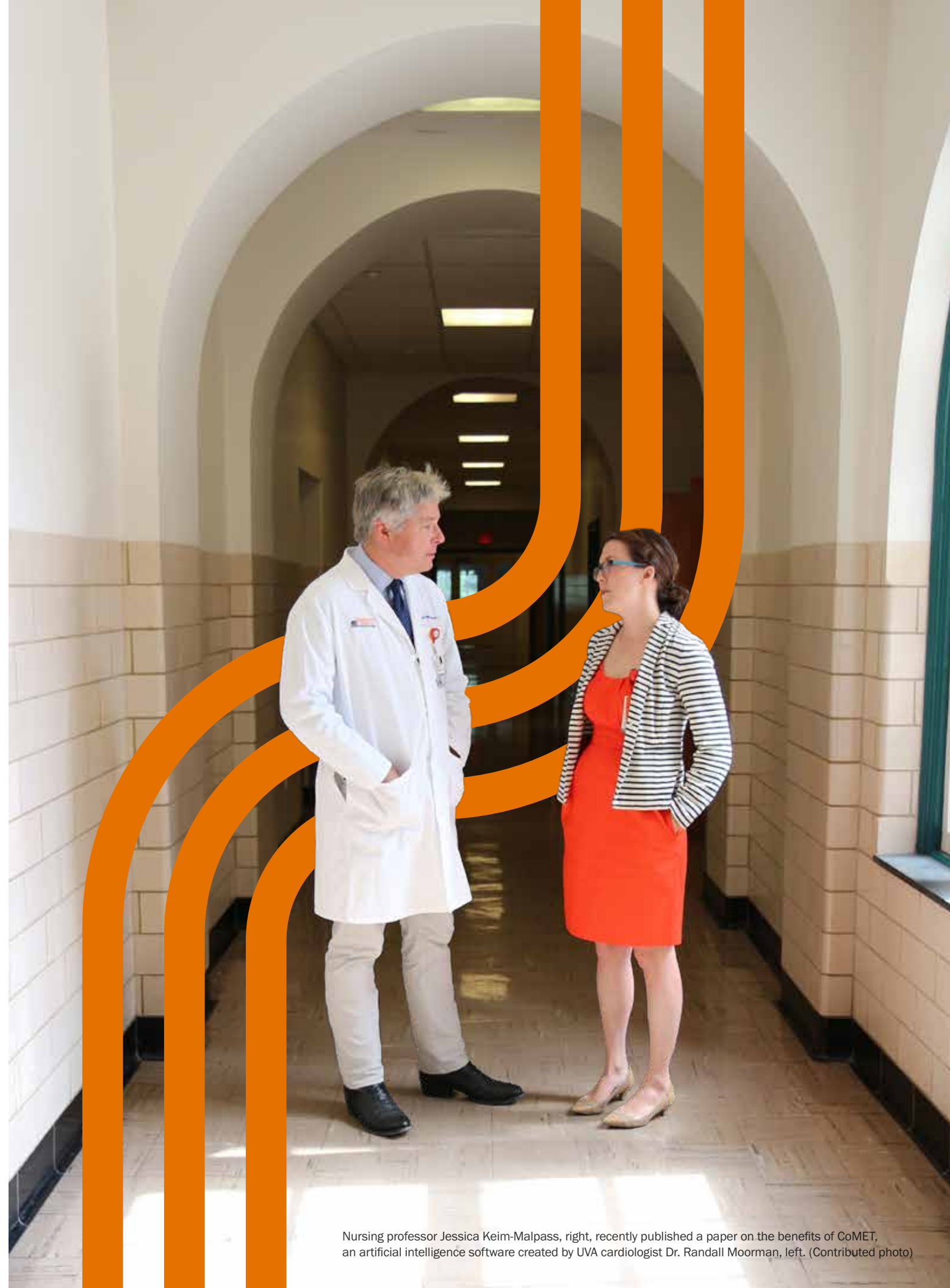
At UVA Health, patients with COVID-19 are monitored not just by a phalanx of nurses, physicians, and specialists, but also by artificial intelligence software—designed by a University of Virginia physician—that’s continuously computing their physiological data in order to predict whether life-threatening trouble might arise.

CoMET is a new software that uses continuous monitoring and computer algorithms to create a visual portrait of a patient’s risk of experiencing a serious event over the next twelve hours. Moment-to-moment data are drawn from a patient’s EKG, laboratory results, and vital signs to create a graphic representing risk on a large LCD screen. That visual helps clinicians gauge patients’ stability and risk for clinical issues, and, if needed, to determine what actions should be taken to protect a patient’s health.

Like a barometer of risk, stable patients’ “comets” are small, yellow, and nestle close to the  $x$  and  $y$  axes on the display. But if the risk level rises, the comets grow, turn bright orange or deep red, and crawl up and across the screen like plump, shooting stars, indicating cardiovascular instability, respiratory instability, or both.

These colorful graphics signal clinicians to employ proactive strategies to stabilize patients’ vital signs before medical events requiring ICU-level care occur, such as sepsis, blood poisoning, respiratory distress, or cardiac instability. For one patient, the nursing staff spotted an expanding comet and quickly adjusted oxygen flow, suctioned the patient’s mouth, and closely monitored the patient’s status. For another patient, whose growing risk appeared along the cardiovascular axis, nurses alerted physicians to reassess red blood cell levels, ultimately deciding that the patient needed a transfusion.

For COVID patients, CoMET creator and UVA cardiologist Dr. Randall Moorman said the system is especially beneficial because of how quickly and unpredictably their prognoses can change.



“Vital sign measurements and labs can come too late, but early detection through predictive analytics has the power to improve patients’ outcomes, especially for catastrophic illnesses like COVID-19.”

— Dr. Randall Moorman, Professor of Medicine, Biomedical Engineering, and Molecular Physiology and Biological Physics

“Using precision predictive analytics systems like this one helps nurses initiate clinical response before the scenario becomes, quite literally, life and death,” said Jessica Keim-Malpass, a professor in the School of Nursing and Moorman’s research partner. She published her research on CoMET’s important aid to nurses on COVID units in the *International Journal of Nursing Studies Advances*.

CoMET’s value goes beyond predicting adverse events, too. With its bold visuals, it also enables clinicians to assess the impact of therapies in real time, enhances assessments and interventions through an additional health indicator, and gives nurses more autonomy and the ability to be proactive in their care delivery.

Nursing professor Jessica Keim-Malpass, right, recently published a paper on the benefits of CoMET, an artificial intelligence software created by UVA cardiologist Dr. Randall Moorman, left. (Contributed photo)

Original article appeared in *UVA Today*, “How UVA Created Artificial Intelligence to Watch Over Patients with COVID-19”

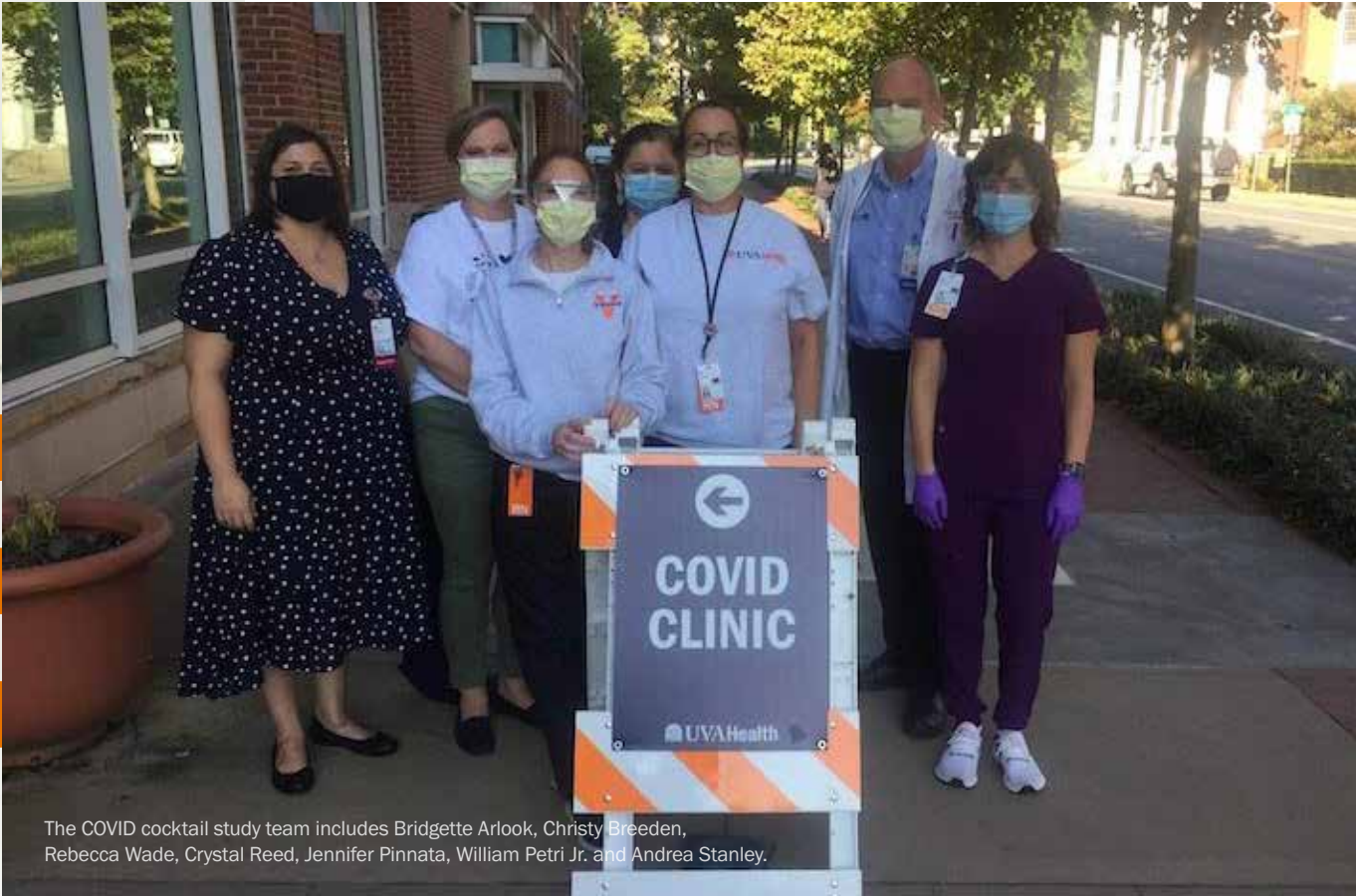


UVA HEALTH PANDEMIC MILESTONES

MAR 2020	APR 2020	MAY 2020	AUG 2020	JAN 2021	FEB 2021	MAR 2021	APR 2021	MAY 2021
UVA Health independently develops COVID-19 tests	UVA Health transforms its new tower to fight COVID-19	Drug tested at UVA cleared as first COVID-19 treatment	<div>UVA-designed COVID-19 swab begins to support high-priority testing across Virginia</div> <div>UVA Health teams up with the Virginia Department of Health, the Thomas Jefferson Health District, and community partners to offer four free weekly COVID-19 testing events for the community</div>	<div>UVA Health and the Blue Ridge Health District launch a second vaccination site at Seminole Square with support from generous donors</div> <div>UVA Health—created artificial intelligence continues to watch over COVID-19 patients</div>	UVA Health begins to offer monoclonal antibody drugs for high-risk COVID-19 patients	Scientists and doctors at UVA launch vaccine-focused, virtual town halls	<div>A new vaccine created by UVA and Virginia Tech researchers may offer broad protection from coronaviruses</div> <div>UVA Health administers its 100,000th COVID-19 vaccine</div>	UVA research provides the first clear guidance on the most effective methods for performing wastewater testing to detect COVID-19 in communal living facilities



Photo credit: Coe Sweet



The COVID cocktail study team includes Bridgette Arlook, Christy Breeden, Rebecca Wade, Crystal Reed, Jennifer Pinnata, William Petri Jr. and Andrea Stanley.

“Treat this crisis as practice for the next crisis.”  
— John Parenti



## Leading Critical Cancer Research

When Rebecca “Becca” Clary Harris’ life was cut tragically short, hundreds of family members, friends, and colleagues stepped up to support her lifelong commitment to melanoma research. At the time of her death, Harris was a fellow in Dr. Craig Slingluff’s lab at UVA, pursuing promising scientific methods for improving the lives of patients with melanoma. Today, the research that Harris began continues to progress, thanks to her family and friends who established the Rebecca Clary Harris, MD Memorial Fellowship. The fellowship supports postdoctoral fellows and graduate students who pursue, as Harris did, clinical and translational research in UVA Cancer Center’s Human Immune Therapy Center. Last year, the fund met a critical \$1 million milestone, which secures its future as an endowed fellowship, supporting the Clary Harris Fellows in perpetuity through the expert investment management of UVIMCO.

In the Slingluff lab, the Clary Harris Fellowship helps ambitious investigators move ever closer to a comprehensive and fundamental understanding of melanoma—and to powerful new treatments and therapies. These research fellows generate critical data and perform vital analysis that support a growing number of clinical trials and new directions in the lab.



Rebecca Clary Harris

**“We have continued Becca’s work to understand how different vaccination strategies support optimal immune responses against cancer. The Clary Harris Fellows are contributing to every facet of this work, which is advancing discoveries to save and extend the lives of melanoma patients.”**

— Dr. Craig Slingluff, Director,  
UVA Human Immune Therapy Center

To date, seven talented researchers have held the Clary Harris Fellowship, with two more on the horizon. Marit Melssen, a recent PhD student, originally from the Netherlands, pursued vital research aimed at understanding the function of molecules that identify immune cells within melanoma that can

react against the melanoma. She initially received \$200,000 in funding from the Cancer Research Institute. When that grant ended, the Clary Harris Fellowship supported her for the time she needed to complete the project, which led to eight publications in peer-reviewed journals. Another Clary Harris Fellow, Dr. Ileana Mauldin, made a variety of critical scientific contributions, including developing new techniques to identify immune cells and functional markers in cancer tissues as a

way to predict which patients are most likely to benefit from immune therapy. Mauldin is now a faculty member in the Slingluff lab group, continuing to advance this important research and collaborating with many other excellent scientists at UVA.

Other Clary Harris Fellows have provided essential data and analysis that have led to multiple clinical trials. Their findings have given direction to groundbreaking new concepts and innovations

for additional trials. In total, Rebecca Clary Harris Fellows have published fifty manuscripts. The fellowship has enabled these scientists to keep their projects active and moving forward, instead of stopping and starting while waiting for external grant funding.

Each year, these ambitious fellows, dedicated and skilled like Harris was, continue to move melanoma vaccine research forward. The scientific discoveries that Harris began continue to evolve as these

investigators delve deeper into developing effective, efficient, and potent vaccines. Harris’s work endures, taking new shape over time, thanks to the Clary Harris’ Fellowship begun by those who admired and cherished her and made their own commitment to continuing her life’s passion.

Original article appeared in *UVA Health*,  
“Clary Harris Fellowship Reaches a Milestone  
and Creates a Legacy of Research”





## Leading on Diversity, Equity, and Inclusion

### EXPANDING OPPORTUNITIES THROUGH THE BLUE RIDGE SCHOLARS PROGRAM

Scholarships are a critical component of the University of Virginia's commitment to increase access and affordability for students. In fact, the University continues to meet 100 percent of need for both in-state and out-of-state undergraduate students—putting a UVA education within reach for those who couldn't otherwise attend.

In 2014, the Blue Ridge Scholars Program was established through a \$4 million gift from John Griffin (McIntire '85) to support UVA undergraduates with exceptional academic promise and significant financial need. Griffin's gift was no ordinary investment, but a challenge gift inviting others to make gifts that he would match on a one-to-one basis.

More recently, President James E. Ryan announced an additional \$30 million investment to support scholarships, with \$10 million of this earmarked to provide special matching funds for two important initiatives: the University Achievement Awards and the Blue Ridge Scholars Program.

The Blue Ridge Scholars Program helps expand opportunities for underrepresented populations. To date, more than two hundred students have received a Blue Ridge Scholarship. The growth of endowed funds for these scholarships invested in UVIMCO's Long Term Pool will allow these students and many more to have the confidence and support to focus on and excel in their studies.

The University was founded on the powerful idea that great leaders, thinkers, and innovators could come from all walks of life. The stories on the following page reinforce the ongoing truth of that idea.





## BLUE RIDGE SCHOLARS MAKING AN IMPACT



Ed Radion (McIntire '21)

As the youngest of eight children, **Ed Radion (McIntire '21)** is a first-generation American and college student who grew up in Arlington, Washington. He realized at a young age that a college education was his ticket to a high-paying job and more secure future. With a dream of being an investment banker, he was thrilled to receive the Blue Ridge

Scholarship, participate in several investment banking clubs, and be accepted into UVA's McIntire School of Commerce.

**“Thank you so much for taking a chance and investing in the future of the younger generation. My path to get here has been far from linear. However, through the generosity of individuals such as you, I’ve been able to self-actualize and pursue a career path that I truly believe in.”**

— Ed Radion

Radion had checked all the boxes to reach his life goal. But during the pandemic and his virtual investment banking internship, Radion noticed that low-income students, hit hard by the pandemic, were getting lost in a K–12 education system that had failed to innovate distance learning technology. He saw himself in those students and wondered what would happen to them later in

life if they weren't able to succeed in school now. This realization profoundly touched Radion, and he realized that his life's goal was not, in fact, complete. The question for Radion was not *if* but *how* to level the playing field during the pandemic so that students could still achieve their full potential. Along with two other undergraduate students, he founded and became the chief executive officer of Redwood, an augmented reality, theme-based learning game that puts students at the center of their education with the goal of engaging young learners and keeping them on track to excel academically. Radion has successfully paired a quest for excellence with a sense of calling—accepting a full-time job at a well-known investment firm, while running a company that will help an untold number of students across the country overcome the obstacles introduced by the pandemic.



Rita Anane-Wae (Engineering '21)

**Rita Anane-Wae (Engineering '21)** was born in Ghana in West Africa and moved to the United States at the age of seven. Her path was anything but direct—attending twelve schools in three states until she ended up in Arizona as a high school senior. Her parents' vast sacrifice to leave everything behind so that she could attend college in the United States came to fruition when she received the news that she was a Blue Ridge Scholarship

recipient at one of the nation's best schools and could graduate debt free.

As a biomedical engineering major, Anane-Wae spent her time at the University immersed in remarkable undergraduate research. The summer after her first year, she spent three months in Uganda learning how to conduct research through the UVA MHIRT program, a highly competitive program that offers underrepresented minority students training and professional development experience. She then joined Dr. Mete Civelek's systems genetics laboratory team in the Center for Public Health Genomics and authored a scientific paper published by the American Heart Association on curing genetic diseases. Anane-Wae found a second home at the Civelek laboratory as well as a professor who provided a new sense of confidence in who she was and what she could become.

Anane-Wae distinguished herself by being one of six graduating fourth-year students who earned the 2021 School of Engineering Outstanding Student Award,

among the school's highest student honors. The award is bestowed upon students who have demonstrated excellent academic performance, leadership, and service.

Anane-Wae now works as a biomedical engineer for Merck, a biopharmaceutical company that develops and manufactures vaccines and medicines for dangerous diseases. Her desire to make the world a healthier place for future generations provides significant hope, particularly during the world's largest health crisis of a generation.

**“Whenever opportunities arose, she would immediately show interest and encourage others to take advantage—such as attending the Black Engineer of the Year Awards (BEYA) held annually in D.C. It is that aspect of her that distinguishes her from many of her peers—ever working to bring more people to the proverbial table, always advocating for inclusion.”**

— Jason S. Jones, former leader of the UVA Engineering Center for Diversity in Engineering



# Driving Sustainability Efforts

## HELPING COMMUNITIES WITH CLIMATE RESILIENCY

The Fairfax Marine Research Fund was recently created by a generous legacy gift from Pete Ten Eyck (College '82, Darden '89) in honor of his parents to serve as seed capital for up-and-coming research projects that can be leveraged to secure larger federal grants. Since a lot of the Department of Environmental Sciences' funding comes from the National Science Foundation, the Fairfax Marine Research Fund allows the University to develop a strong proposal to send to a federal agency for funding.

From Ten Eyck's perspective, providing vital initial support for research that has an immediate, transparent impact on the marine environment was precisely what he was hoping to create: "The idea was that a fund at UVA would be more efficient than giving to a traditional charity, which is typically 75–85% efficient. As the administrative costs are already covered by the University, gifts or contributions are 100% efficient—all going to impact the environment. The activity is transparent; you know exactly what your gift is doing. It results in scaling your charitable giving."

The Fairfax Marine Research Fund's first project builds on the department's relationship with The Nature Conservancy and its

long-term effort to restore oysters in the coastal zone of Virginia, particularly on the ocean side of the Eastern Shore. Oyster reef restoration offers an elegantly practical solution for adapting to climate change and helps increase resilience in coastal communities that are subject to increased flooding events. Reefs close to shore can reduce the force of storm waves and help slow erosion rates along marsh edges.

**"The Fairfax Marine Research Fund, graciously instituted by Pete Ten Eyck, will allow the Department of Environmental Sciences at UVA to maintain and enhance its groundbreaking research into the health and sustainability of marine ecosystems, with a focus on the Virginia coast, and the inclusion of students and community participants."**

— Howard Epstein, Professor and Chair, Department of Environmental Sciences

In 2020, the Fairfax Marine Research Fund enabled collaboration with The Nature Conservancy to construct oyster castle reefs along five sections of eroding marsh adjacent to Wachapreague in Accomack County, Virginia, and helped fund graduate student research to monitor the reefs' impact on marsh erosion and coastal storm impacts. Wachapreague is a typical waterfront community that is protected by the

coastal bay system, where marshes are the last natural defense to rising seas and flooding. This low-lying town is subject to more and more frequent flooding events and is one of the few remaining places for commercial fishing on the Eastern Shore. Building oyster reefs will help protect this community from the effects of climate change, by providing a habitat for fish and other species, stabilizing the shoreline, and reducing the impact of waves.

The Fairfax Marine Research Fund is funded by the College Foundation, whose mission is to raise and invest private funds for the benefit of the College and Graduate School of Arts & Sciences and to advise and support the dean. UVIMCO's expert management of the College Foundation's funds has enabled critical projects such as the Fairfax Marine Research Fund.

Note: This work is primarily being conducted by graduate student Elizabeth Bieri and professors Matt Reidenbach and Pat Wiberg.

## COLLABORATING ON CLIMATE SOLUTIONS IN VIRGINIA

UVA's Environmental Resilience Institute (ERI) established the Climate Restoration Initiative, through a grant from the Jefferson Trust, to develop negative emissions strategies that can make a positive impact on climate change. Negative emissions strategies remove and

sequester carbon and include the use of new technologies as well as nature-based solutions, such as restoring forests and wetlands.

This initiative brings together an interdisciplinary team of University scholars and students to understand how to restore the climate by removing carbon dioxide from the atmosphere, with an initial focus on Virginia. Through collaboration with governmental and nongovernmental organizations, local communities, and other universities, the initiative will explore the complex technical, social, and policy factors around negative emissions strategies.

The initiative will also assess landscape-scale tradeoffs, analyze economic incentives, and identify pathways to implementation that can be scaled up to make global carbon removal a reality. The Jefferson Trust grant will support the ERI's efforts to identify negative emissions strategies that can be used in Virginia, assess the potential of those strategies, and develop a mapping tool to determine where these strategies can be used effectively in the state.

The ERI is connecting land use research and integrated modeling with policy, economic, and social equity factors. This will help to accelerate the deployment of negative emissions strategies, create incentives

for their adoption, and assess the costs of doing nothing. For example, restoring forests and changing timber management has potential to remove carbon dioxide from the atmosphere and may impact how privately owned commercial forests are run; such practices also benefit water quality.

The Jefferson Trust was founded by the University of Virginia Alumni Association in 2005 to provide grant funding to initiatives that enhance the University of Virginia and enrich the student experience. Since its inception, this donor-led organization has invested more than \$10 million in student, faculty, and staff ideas, supporting the people and projects that strengthen the University of Virginia. UVIMCO has been instrumental in the Trust's ability to fund incredible grants such as the Climate Restoration Initiative.

**"The social and economic dimensions of negative emissions technologies are as important as their engineering. The ERI offers solutions that are both technically sound and culturally appropriate."**

— Andres Clarens, Associate Director, ERI, and Professor of Civil and Environmental Engineering

Original articles appeared in (1) UVA Giving, "Sea Change," and (2) ERI website, "Funding Awarded for the Climate Restoration Initiative"





# Commitment to the University:

## Board of Directors and Staff

### UVIMCO BOARD OF DIRECTORS (AS OF JULY 2021)

UVIMCO’s Board of Directors is comprised of a diverse and distinguished group of industry leaders, who provide essential guidance around UVIMCO’s investment strategy to ensure the continued success of the University of Virginia’s mission.



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“Leadership is lifting a person’s vision to higher sights, the raising of a person’s performance to a higher standard, the building of a personality beyond its normal limitations.”

Peter Drucker





UVIMCO STAFF (AS OF JULY 2021)

UVIMCO’s team is comprised of forty-three professionals who are passionate about the University and dedicated to achieving excellence in investment management. We value integrity, collaboration, excellence, intellectual honesty, and diversity of thought. We strive to be included in the top quartile of university endowments by generating superior investment returns, maintaining an exceptional reputation, and serving as a true partner to the University.

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UVIMCO is committed to advancing diversity and inclusion across the investment management industry. We celebrate diversity and welcome individuals from different backgrounds, races, ethnicities, and genders. We are committed to providing an inclusive environment of mutual respect for all employees. We believe that diversity and inclusion are essential to our success as a top-notch institutional investor, and we seek to attract and retain the most qualified people from a diverse candidate pool.

53 is a special number at UVIMCO this year, representing both the percentage of women and the percentage of UVA alumni on staff.





INVESTMENT MANAGEMENT COMPANY

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