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Investment Philosophy

The University of Massachusetts endowment assets are professionally invested with the objective of generating outstanding investment returns that outpace both the annual spending rate and inflation to ensure the endowment exists in perpetuity.

The investing strategy is based on five core tenets:

- Long-term focus
- Equity bias
- Sufficient diversification
- Partnership with extraordinary managers
- Bottom-up portfolio construction

What is the endowment's spending policy?

The endowment spending policy — set and reviewed by the Investment Committee annually — determines how much of each endowment is distributed yearly. The policy balances the dual goals of providing substantial support for current operations and preserving the purchasing power of endowment assets. The current spending rate policy calculates the distribution at a rate of 4 percent of the endowment fund's average fair value for the preceding twelve quarters on a one-year lag. In addition, a prudence rule is utilized, limiting spending from a particular endowment fund to no lower than 93 percent of its book value.

Socially Responsible Investing

Grounded in its original origins as a Land-Grant university and its founding mission as an agricultural school, the University of Massachusetts is committed to promoting sustainability. In 2016, University of Massachusetts became the first major public university to divest its endowment from direct holdings in fossil fuels in response to a petition from the UMass Fossil Fuel Divestment Campaign, a student group.

SRIAC

Socially Responsible Investing Advisory Committee

Established in 2014, The University of Massachusetts Foundation Socially Responsible Investing Advisory Committee (SRIAC) is responsible for considering divestment issues raised by students, faculty, alumni, and other members of the UMass community. The committee is responsible for considering proposals brought forth by members of the University community to determine whether they warrant further consideration by the Foundation's Board of Directors.

Consideration of Proposals:

All Requests for Review shall be submitted on the appropriate form to:

Chair, SRIAC
c/o The University of Massachusetts Foundation, Inc.
Mt. Ida Campus of UMass Amherst
100 Carlson Avenue, Building 12
Newton, MA 02459

If you would like to submit a proposal for consideration by the SRIAC, please complete the [SRIAC Request for Review](#) form. The Request for Review shall include a summary of not more than 5 pages outlining the issue to be considered and the action requested. All Requests for Review must be accompanied by twenty signatures of UMass community members. Requests for Review may also be submitted electronically. If you have additional questions on this process, [please contact The University of Massachusetts Foundation](#) .



The University of Massachusetts Foundation, Inc.

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