

Q&A *continued*

Q What approach did you and your committee ultimately select for Lynchburg College? What were the main factors in your decision?

A. We chose the Commonfund's Strategic Solutions product to provide overall management of the endowment under the direction and oversight of the Investment Committee and ultimately the Board of Trustees. The Commonfund manages \$38 billion in assets for tax exempt institutions — principally colleges and universities. The Strategic Solutions product is a comprehensive suite of highly disciplined investment alternatives with \$6 billion in assets serving fifty clients. This approach gives Lynchburg College, with under \$100 million in assets, access to programs, managers, and investment tools previously available to only the largest and most sophisticated institutions. Also, the most advanced technology is employed by the Commonfund Strategic Solutions group which allows the Investment Committee and College finance and administration to monitor and plan our investment strategy and performance.

Q Looking back on the process, would you do it the same way today, or would you modify the approach in any way?

A. There is always much to learn in a process or undertaking of this magnitude, especially the first time it is employed. Because our yearlong process was designed to be flexible, we were able to make mid-course corrections along the way. By dealing with issues as they arose, we were able to ensure that our final evaluation was objective and comprehensive. In the end, we learned many valuable lessons that will serve us well in the future.

Q What insights did you gain from this process that you could share with institutions similar to Lynchburg College?

A. As with most operational aspects of an institution such as Lynchburg College, developing a clear understanding of relative performance is the key to determining both the time and resources that must be devoted to a specific undertaking and the need for change. I would strongly suggest that similar institutions carefully and thoroughly review their performance, compared to their peer group, at least every three to five years. Once a decision is made, it is absolutely necessary to transition the investments carefully while paying attention to detail. This undertaking is time consuming and demanding, and the staff at the College has provided superb support in this regard.

Q Looking ahead, what changes, if any, do you see in the portfolio over the next three to five years?

A. Endowment investing is unique. The College is largely tax exempt and can more consistently commit to longer-term investments than can corporations, banks, or even wealthy individuals. Therefore, we are able to embrace what are termed alternative investments such as buyout funds, real estate investment trusts, and commodity funds. These investments have historically yielded premium returns to investors. In addition, we are working with the Budget and Finance Committee on reforming a large forty-year-old trust (which is part of the endowment) to increase both investment returns and its ongoing contribution to Lynchburg College's operations. The transition to a new investment strategy will not happen overnight. However, as an institution well into its second one hundred years, we have the insight and patience to take advantage of these opportunities.

In closing, our hope and belief are that the Board of Trustees and the College administration will continue to make every effort to ensure that we are not just good, but great, stewards of the money and resources entrusted to us by those who generously support the College and its endowment.

TOOLEY *continued*

when he started classes in 1965 as a sophomore transfer. His godfather, it turns out, was **Dr. M. Carey Brewer '49, '85 L.L.D.**, who was responsible for many of those structures. "He built this College in a phenomenal way," Chuck said.

Chuck's father, Creath, worked for the CIA, so Chuck's family spent much of Chuck's childhood in the Washington, D.C., area. Creath and his wife, Catherine, met Carey and **Betty Ann Brewer '49** at First Christian Church in Falls Church and became fast friends. Dr. Brewer, who worked in the Kennedy administration, became LC's president in

1964, retiring in 1983. It didn't take much to coax his godson to campus.

The Brewers were among those in the audience for Chuck's senior symposium talk on *Citizenship, Leadership, and the War on Warming*, allowing for a mini-reunion. He also connected with his good friend, Dr. Robert White, who was a young French professor just hired by Dr. Brewer when Chuck was on campus.

Chuck recently retired, undefeated, as the longest-serving mayor in Billings, the largest city in Montana. He is the founding chair of the U.S. Mayors Committee on Resource Conservation and Population. Chuck

is also a member of the board of directors of the Population Institute, a distinguished, international non-profit organization dedicated to achieving a more equitable balance between the world's population, environment, and resources.

Chuck has served as president of Tooley Communications since founding the company in 1984, providing services in market research and public policy development. He continues to make his home in Billings, where he lives with his wife, Joan Stapleton Tooley, former president and publisher of *The New Republic* magazine.

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NEWSLETTER FOR LYNCHBURG COLLEGE
The Beacon

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The Beacon

Newsletter for Lynchburg College
Summer 2008

Q&A with Investment Committee chair Roland Oliver



Editor's Note: We are pleased to share the comments of Lynchburg College Board of Trustees chair Andrew Larsen and Board of Trustees Investment Committee chair Roland Oliver '70, also chair and president of Monumental Venture Partners, LLC, about recent changes in the College's investment strategy, as well as the rationale behind the changes. Mr.

Larsen prepared the interview questions to which Mr. Oliver responded. Mr. Oliver was recently invited to speak about Lynchburg College's investment strategy at the annual meeting of the Society of Fiduciaries.

Q What was the primary reason the Investment Committee decided to re-evaluate the College's entire investment strategy?

A. In 2006 the Investment Committee asked the staff of the College to review the College's investment performance relative to that of other colleges that had been top-tier performers in investment return over the last five years. Given the growing size of the endowment and the alternatives available to us, we concluded that there was room for improvement. The Board of Trustees was supportive of the effort, recognizing the potential level of contribution that the endowment could make to both the current and future operations of the College.

Q Once the decision was made to change strategy, there were many options available, including simply changing the managers and/or the consultant; yet your committee chose to make an extensive and comprehensive review of the overall portfolio and method of managing it. Why take on such an ambitious and demanding task?

A. As with any complex evaluation, thorough research, education, and a clear understanding of the long-term objectives are essential. We realized that, at a minimum, an extensive review of our current managers was imperative. More importantly, we believed that embracing modern endowment investment theory and bringing it into practice were critical to achiev-

ing our ambitious long term goals for performance. As part of the process, we realized there were alternatives now available for the endowment, the Investment Committee, and the College that were not necessarily accessible in earlier times.

Q I know a number of colleges and other non-profits have come to look on Lynchburg College's comprehensive method of selection as a model for portfolio review. Can you briefly describe the breadth and depth of the process you followed? What resources did it require and what was the time line?

A. From inception and design through implementation, the process covered a full twelve-month period, designed to complement the College's fiscal year, July 1 to June 30. We used the same methodology that would be employed by a large business or government acquisition program. After all, the ongoing management of almost \$100 million is a critically important undertaking that has long term implications. After canvassing the trustees, we solicited responses to a Request for Information from more than forty alternative firms. Evaluation of these responses yielded a group of approximately twenty-five entities that were asked to respond to a Request for Proposal. From these, a smaller group of six was invited to present to the Investment Committee. The Investment Committee then visited the two finalists and ultimately chose the investment manager, Commonfund Strategic Solutions. At each stage of the process there was a careful evaluation of responses to our increasingly demanding selection criteria. All along the way, we were careful to keep the Board of Trustees and the College administration fully informed about our progress.

The College provided two critical resources that were essential to our progress and success. First, Mitch Wesolowski, our former vice president of finance and administration, was recruited by you [Larsen] and President Garren to work on this project. This was an inspired choice which complemented the Investment Committee's involvement. Second, Mitch and I were given the opportunity to attend the rigorous Endowment Institute program at Yale University in summer 2007. This gave us additional insight to manage this important and complex selection process effectively.

>> see Q&A page 4



More trees, please Help make a greener LC

■ by Ed Polloway and Greg Eaton

Lynchburg College has a beautiful campus! The trees in the Dell shade us as we make our way through our days, and they give our campus much of its unique appeal.

Did you know that trees also lower summer air temperatures and buffer seasonal temperature extremes, reducing costs for heating and cooling campus buildings? That trees improve air quality, protect water quality, reduce soil erosion, and conserve natural resources? That trees increase property market value and have a positive impact on the College's appeal to prospective students? That trees in the landscape increase job satisfaction and increase worker (and student!) productivity?

As part of LC's Year of the Environment, students, faculty, and staff of Lynchburg College launched an initiative to plant approximately 100 new trees on campus this spring. The effort will place young trees in the shadows of some of the campus community's favorite giants to take their places in the future and will also beautify surrounding sparse areas of the campus that have had few trees, such as recently acquired properties contiguous to the main campus.

An invitation is extended to the College's family of faculty, staff, students, alumni, and friends to join the campus community in the effort to beautify our campus with *more trees* and other landscape features.

Each of us walks our grounds. Each of us knows the peace and tranquility *and sense of community* that the trees provide. Each of us can participate in the campus greening initiative to honor the College with more of nature's bounty.

For further details please contact Donna Whitehouse, Director of Development at 434/544-8821 or view campus beautification naming opportunities at www.lynchburg.edu/namingopps.xml.



**Help us save postage and paper!
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Engaged for life ■ by Carolyn Austin Eubank '67



Jim Flynn knows a thing or two about giving back to his alma mater.

After graduating from Lynchburg College in 1975 with a B.S. in psychology, Jim earned an M.S. in general-experimental psychology and a Ph.D. in industrial and organizational psychology from Old Dominion University. Even as a busy graduate student, Jim wanted to remain connected with LC, and he returned to campus many times at the invitation of his mentor, Dr. Peggy Pittas, one of his undergraduate psychology professors. As time passed, he served on LC Alumni Association committees, chaired his reunion class gift campaign, served on the Alumni Association Board of

Directors, and became an active leader in the Baltimore Alumni Club.

Jim's Alumni Board service coincided with LC's desire to strengthen alumni engagement and the formation of the Alumni Blue Ribbon Panel by President Garren. When the panel was reviewing vendor proposals to conduct an alumni survey, Jim volunteered his services to conduct the survey, analyze the data obtained, and help the College work with survey results. Jim's work produced dramatic changes in alumni programming. Matt Brandon, associate vice president for alumni relations, asserts, "In the end, whatever the Alumni Association is will be due in good measure to Jim's commitment. His was a labor of love and intellectual honesty, and the results should pave the way for substantial improvement to the College's long-term health and ability to engage alumni."

Jim found the alumni survey experience to be so rewarding personally and professionally that, after years of working as a corporate psychologist and consultant, he decided to form his own company, Harford Survey Research. Jim says, "While the survey provided LC a lot of information about the needs, interests, and attitudes of alumni, it also gave me the opportunity to study why they decide to make a financial gift to the College. My firm now does a significant amount of survey research directed at better understanding the decision of alumni to support their alma mater."

Other colleges and universities interested in strengthening relationships with their alumni are taking notice of Jim's efforts on behalf of LC and the Alumni Association. Matt Brandon says, "Jim is widely known and his opinions have led a number of asso-

ciations around the country to contact the College for advice about improving their alumni outreach efforts." Jim has led a variety of forums with the Council for Advancement and Support of Education (CASE), the professional trade organization for higher education development and alumni professionals. Recently, he joined Matt Brandon and Denise McDonald, vice president for development and external affairs, for a CASE online speaker series presentation, "Building a Data-Driven Alumni Association."

Generous with his resources as well as his time, Jim sets an inspiring example for other alumni as a long-time supporter of the Annual Fund, contributor to Schewel Hall, and member of the Hornet Club to support athletics. He named two seats in the new Shellenberger Field stadium, one for himself and one in honor of his brother Mark '77.

Jim says that although it makes him feel good to give back to his alma mater, it isn't his primary motivation. "The College relies on alumni gifts; many students are able to attend LC because of gifts made by individual alumni. I give to LC because I feel it is the right thing to do, and I truly believe that good things come from doing good things. I recommend all alumni give what they can; it will make a big difference to LC. Even more important, alumni should make an effort to return to campus for their class reunions. They'll have a great time and who knows what will come of involvement with the College? Many doors can open; they did for me."

In recognition of his outstanding professional achievements and his service to Lynchburg College, Jim Flynn '75 will receive a Distinguished Alumni Award at Homecoming 2008.

Alumnus spreads climate change message ■ by Shannon Brennan



Chuck Tooley '68 (left) with former LC president Dr. M. Carey Brewer '49 and his wife, Betty Ann '49

After thirty-six years away from his alma mater, LC's Year of the Environment brought **Charles "Chuck" Tooley '68** back to campus as a guest speaker for Senior Symposium and a public lecture titled, "Climate Change: Increasingly Inconvenient."

"I think it's more important than any other subject," Chuck said of global warming. "What we're seeing now is an unprecedented, lightning-quick change."

The world needs to act now to reduce greenhouse gas emissions, he said, as well as prepare for the dam-

age that cannot be reversed. By the middle of this century, the seas are expected to rise about one meter, displacing millions of people.

"Three areas need our attention," Chuck said. "We need to curb our population, use technology to develop alternative fuels and reduce consumption, and, finally, we need to change our mindsets. We need to understand that lifestyle changes and government action will be needed to save the planet."

Americans, in particular, have failed to change their destructive habits. As one African leader said, "You have done violence to us by changing the climate of the Earth,"

Chuck noted, adding, "It's like war. It's an attack on all humanity."

Chuck was one of the first fifty volunteers trained by Al Gore for his Climate Project, the messianic program that grew out of his blockbuster movie, *An Inconvenient Truth*. Chuck first heard former Vice President Gore speak in July 2005 at the Sundance Summit on Climate Change.

A former mayor of Billings, Montana, Chuck was one of forty mayors invited to the conference due to

his leadership in the U.S. Conference of Mayors. He said the summit had an impressive bunch of speakers, including Richard M. Daley, mayor of Chicago, who talked about green roofs, and Jean-Michel Cousteau, who continues his famous father's work to preserve the oceans.

"The one that just impressed us the most was Al Gore," Chuck said. "We were mightily impressed."

After Gore's presentation on Climate Change, Chuck approached one of Gore's staffers and said he would like a copy of the presentation so he could show it to others. The staffer replied that the material was copyrighted and only Gore could present it.

Chuck said he thinks so many people requested the material that Gore realized he needed to enlist help. So in 2006, Chuck was one of fifty chosen from several thousand applicants to be part of The Climate Project in Nashville. They worked with Gore, scientists, and staff to learn how to become global warming warriors. Chuck has made about fifty presentations since. In January 2007, he returned to Nashville to be a mentor and to assist Gore in training 200 additional people.

With a broadcaster's voice and imposing stature, Chuck has put his LC theatre major skills to good use. His return to campus was eye-opening as he named off more than a dozen buildings that weren't here

THOMPSON EDUCATION BUILDING EXPANSION

Bricks and Mortar for Teachers and Nurses: Meeting Critical Community Needs



Architect's rendering of the Thompson Education Building expansion

Through the School of Education and Human Development and School of Health Sciences and Human Performance, Lynchburg College helps meet the region's critical need for educators and nurses. Last year, more students chose majors in nursing and education than any other majors at the College, yielding a combined enrollment of nearly 20 percent of the student body.

Education – A traditionally strong program at Lynchburg College: LC alumni educators account for nearly 35 percent of all teachers and more than 60 percent of all school administrators in Central Virginia.

Nursing – A quarter century of quality: The College's nursing program has doubled in size in the last five years to a current enrollment of 184 students. The critical shortage of nurses throughout the nation will keep the demand high.

The College's mission places a high priority on the education of future teachers and nurses for the Commonwealth of Virginia and beyond. The Thompson Building, the current and primary classroom facility for the College's approximately 400 education and nursing undergraduate students, also accommodates nearly 275 of the students enrolled in the regionally prestigious graduate education program, in which emphases are offered in community and school counseling, educational leadership, special education, curriculum and instruction, science education, and reading.

The addition of two wings to Thompson Education Building will allow education and nursing programs to meet the growing demand for space:

- 5,000 additional square feet of classroom space, alleviating current classroom scheduling problems (Current space is 4,500 square feet.)
- State-of-the-art technology, especially important in the nursing and education fields.
- Improved opportunities for faculty/student interaction and advising as faculty in scattered temporary offices come together in ten new faculty offices in one facility

- Two additional large classrooms (40-student capacity)

A commitment to the environment

As a signatory of the American College & University Presidents Climate Commitment (ACUPCC) and a member of the ACUPCC's Leadership Circle (www.presidentsclimatecommitment.org/html/about.php), Lynchburg College will pursue numerous building upgrades to improve energy efficiency, conserve water, and reduce the College's carbon footprint. The ultimate goal for the campus is to incorporate these techniques in all future campus construction projects.

Upgrades will include the following:

- Installation of low-energy lighting systems equipped with motion detection-based auto-shutoff controls in offices and classrooms
- Redesign of the building's surrounding area to decrease drainage, address storm water runoff and absorption, and restore green space through appropriate landscaping
- Removal of east side parking spaces to offset permeable surface loss due to new construction, as well as the addition of an outdoor plaza and garden for campus beautification and additional meeting and study space

The impact of your gift

Lynchburg College will complete construction in August 2008, in time for fall semester classes. Expanding and equipping the new facility will cost approximately \$650,000. As you consider your philanthropic commitments, we ask that you include the Thompson Building expansion in your plans.

Special naming opportunities include the following:

- The North Wing (2 floors) \$200,000
- The South Wing (1 floor) \$100,000
- Plaza and Garden \$50,000
- Classrooms (2) \$50,000 each
- Faculty Offices (10) \$20,000 each
- Donor Recognition Wall \$3,000 each

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Yuille "Skipper" Holt '67, Secretary, LC Board of Trustees

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