



# Take a comprehensive approach to investment management

Vanguard Integrated Investment Management Solutions for higher education institutions

Endowment assets represent critical resources that can help colleges and universities survive, thrive, and grow—even during challenging times. Because your financial, operational, and investment goals are inextricably linked, aligning your investment allocation decisions and corporate finances can increase value to your institution.

## Unprecedented times

We understand the range of challenges facing colleges and universities in recent years, including:

- Declining enrollments
- Operating sustainability
- Increased tuition discounting
- Mergers and closures
- Inflationary pressures
- Volatile investment markets

Setting an asset allocation strategy that factors in your institution's broader financial objectives can help position you for success under these economic and financial pressures.



## Expertise in higher education

**25**

Years managing endowments and other investment pools

**\$28B**

Assets under management

**223**

Clients with investments

**80**

Clients with investments and advice

Source: Vanguard, as of September 30, 2022.

## Insights from experts who know your world

Our team of tenured investment professionals brings vast experience in the higher education sector. To develop a solution for your unique objectives, we start by building a comprehensive understanding of your operations and financial metrics. We'll ask probing questions to determine how your asset allocation can help drive your organization forward. With a clear picture of your institution's objectives, we'll implement a customized investment strategy.

## Integrated investment management

Taking a holistic approach, we provide you with insights and customized advice so you can make more informed decisions.

Our comprehensive advisory model covers:

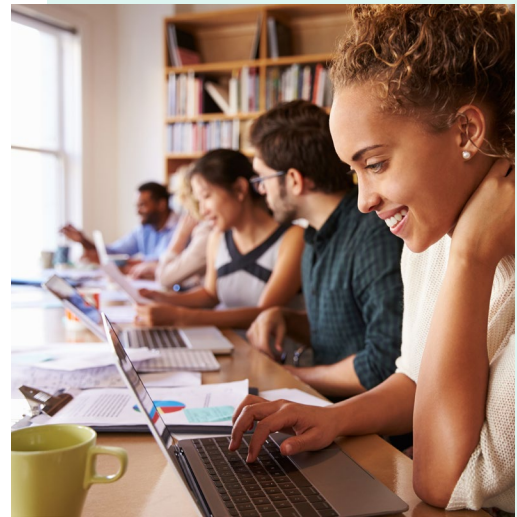
- Investment philosophy and risk tolerance
- Policy and implementation
- Strategy and asset allocation
- Spending rates/rules

In addition, we use advanced modeling analytics—our proprietary asset allocation technology—to gain insight into your investment risk tolerance and constraints.

## Enterprise risk management

We systematically assess enterprise risk components to identify and quantify risk. We then optimize your portfolio structure(s) to help you best achieve your goals and manage risks that are most meaningful to you. These risks can have a significant impact on the allocation and funding strategies for various asset pools, including:

- Endowment/foundation
- Capital reserves
- Defined benefit/pension
- Other postemployment benefits (OPEB)
- Cash/short-term



## Enterprise risk components

### Unrestricted reserves

- Growth objectives/downside risk
- Liquidity goals/requirements
- Account structure optimization
- Maintaining net financial margins
- Funding for capital expenditures

### Capital structure

- Bond covenants
- Interest rate sensitivity
- Impact on credit ratings
- Peer comparisons

### Operations/capital budgeting

- Financial performance trends
- Funding growth initiatives
- Current/targeted credit rating

# We'd welcome a conversation with you.

To learn more about solutions for higher education institutions, give us a call at 888-888-7064. If you're already a Vanguard client, you can contact your representative.

For information about our investment and advisory services for nonprofits, visit [institutional.vanguard.com/nonprofit](https://institutional.vanguard.com/nonprofit)

All investing is subject to risk, including the possible loss of the money you invest. There is no guarantee that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of income. Diversification does not ensure a profit or protect against a loss.

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