



ANNUAL ENDOWMENT UPDATE

2024 - 2025

MESSAGE FROM THE CHAIRMAN

When I think about the endowment, I think about students whose access to a first-class education is made possible through scholarships—opening doors to the unique experiences and relationships that define the Furman community. I also think about the professors, staff, and mentors we’re able to attract and retain to elevate those experiences. As a Furman alum, I am incredibly grateful for the transformative experience I had as a student and take great pride in ensuring a bright future for all Paladins.

As an Investment Committee, our job is to help preserve, in the case of current students, and grow that opportunity for future students. We set the guardrails—clear policy, broad diversification, and prudent liquidity—and the Investment Office executes within them with discipline and transparency. That partnership is built for reliability and longevity: steady support each year and purchasing power that endures across decades.

I have full confidence in the team and the process as we steward this resource for today’s students and the generations to come.

Kemmons Wilson III ‘98
Chair, Investment Committee

October 2025

Dear Members of the Furman University Community:

For the fiscal year (“FY”) ending June 30, 2025, the Furman University Endowment (the “Endowment”) had a market value of \$759 million¹ and earned an 11.5% return, resulting in \$83 million in gains. New Endowment gifts were \$11.8 million and the total distribution to Furman University was \$34.0 million².

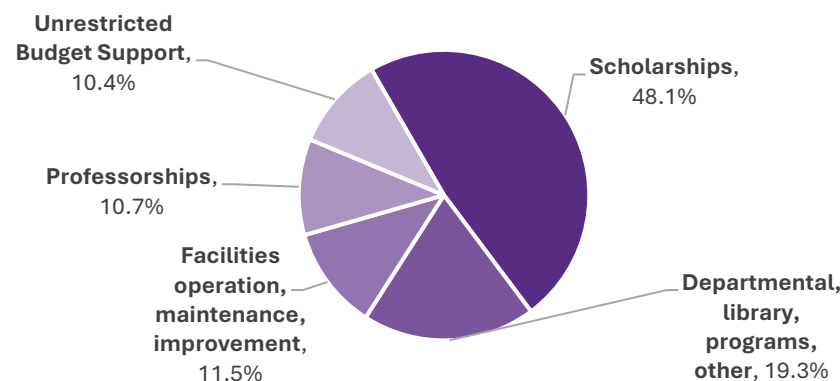
Over the last 10 years, the Endowment earned \$466 million in gains and donors contributed \$128 million in new gifts. Over this same period, the Endowment has distributed \$339 million to Furman as part of its regular 5% annual distribution to the school – a rate that has remained stable over time and is consistent with the distribution policies of peer institutions. Since its inception in October 1987, the Endowment has earned an exceptional 9.9% annualized return.

About the Endowment and Furman’s financial resources

The Endowment is an essential resource for the University to continue its mission of challenging and supporting lifelong learners. The University relies on stable distributions from the Endowment to fulfill its mission and expects these distributions to grow to provide future students with at least the same benefits as current students.

The Endowment is comprised of more than 1,000 individual funds established through gifts from alumni and friends of Furman. While each individual endowment supports a specific purpose, they are collectively pooled into a single investment portfolio, the Endowment, allowing for professional management and broad diversification. Disbursements from each endowment are made in accordance with the intent and restrictions of each donor. In FY 2025, the Endowment distributed \$34 million to the school². The Endowment distribution supports scholarships, professorships, departmental and program budgets, and facilities operation and maintenance. The Endowment has become an increasingly important asset for Furman, with distributions accounting for more than 21% of Furman’s annual operating budget. The table below illustrates uses for the Endowment distribution in FY 2025.

Endowment Distribution

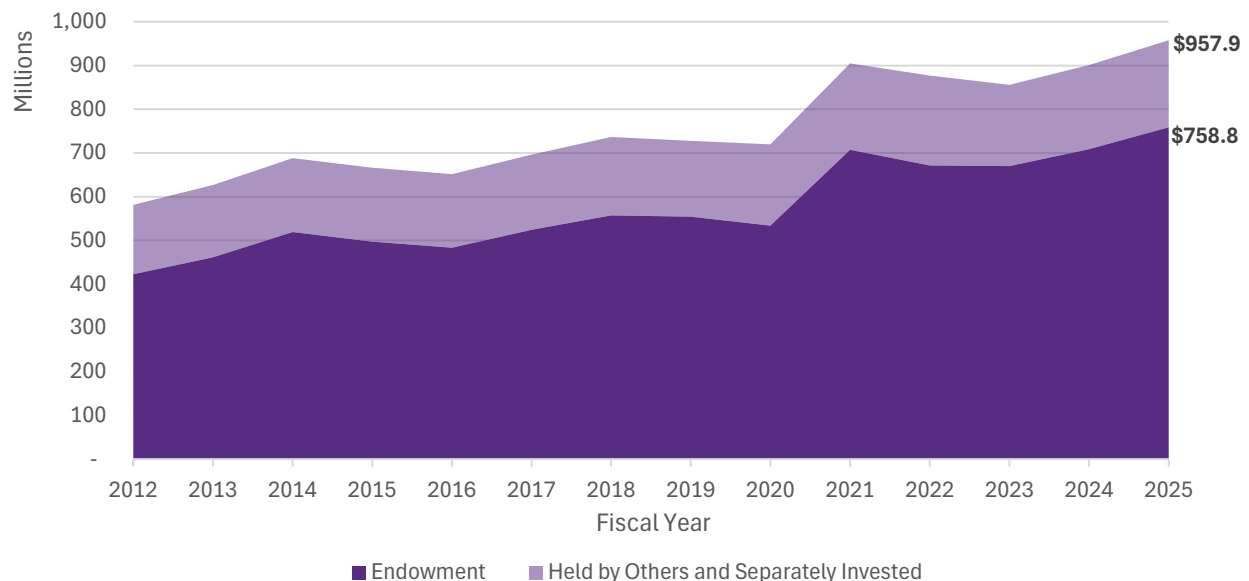


¹ This includes \$72.3 million of “working capital.” Effectively, these are accumulated reserves that invest in units of the endowment but are not subject to the same spending restrictions of other endowment assets.

² This figure includes \$3.1 million of working capital that was distributed to the school during the fiscal year.

In addition to the pooled Endowment, Furman also benefits from other significant financial resources. Large or less liquid gifts may be held outside of the Endowment, providing flexibility for future reinvestment into the Endowment or serving as long-term assets outside of it (“Held by Others and Separately Invested”). As of June 30, 2025, these assets were valued at \$199.2 million. The majority of these separate assets consists of The Hollingsworth Funds (“Hollingsworth”). Hollingsworth was established by John D. Hollingsworth Jr. in 2000. Furman has an approximate 45% interest in Hollingsworth, valued at \$187 million as of June 30, 2025. Hollingsworth’s annual distribution to the school (totaling \$5.7 million in FY 2025) supports the Hollingsworth Scholars program, professorships, departmental assistance for the Business and Accounting Department, and other strategic opportunities identified by the President. Since its establishment in 2001, Hollingsworth has distributed \$70 million for Furman’s benefit. See the [FAQ](#) for more information on Hollingsworth.³

The chart below shows the growth of the Endowment and Held by Others and Separately Invested over time.



In addition to the above, Furman is a beneficiary of The Duke Endowment (“TDE”). TDE was established in 1924 by James B. Duke, and Furman was designated to receive 5% of the fund’s annual earnings. From its inception, TDE has distributed over \$260 million to Furman’s benefit, which includes extraordinary gifts for the establishment of the Furman Advantage and for COVID relief during a difficult period for higher education. We do not record any asset value associated with TDE (i.e., it is excluded from the chart above), but the gifts are material for the school’s ongoing operations with distributions of approximately \$1.8 million annually.

³ Outside of Hollingsworth, \$620K of separately invested funds were distributed to the school during the FY.

Managing the Endowment

The Endowment is managed by three in-house investment professionals: [Rob Kenney](#), Chief Investment Officer; [Austin Johnk](#), Director of Investments; and [Duncan Gotfredson](#), Investment Analyst (the “Investment Office”). The in-house team is supported by strong Trustee (Investment Committee) participation, two predominantly alumni-led advisory groups, the Endowment Consulting Group and Private Capital Advisory Group, and an investment consultant, Prime Buchholz.

We (the Investment Office) oversee the Endowment’s asset allocation, implement investment strategies, and select and monitor external managers. We balance a dual mandate: stable, predictable distributions today and real growth tomorrow—targeting long-term returns above the University’s spending rate plus inflation. Furman has “adopted a diversified approach to investment management that balances its total return goals with an acceptable level of risk to preserve the Endowment’s purchasing power.” The duties, objectives, and restrictions that guide us are set forth in the [Investment Policy Statement](#) (“IPS”); what follows is how we bring that framework to life in practice.

Our process begins with a first-principles perspective. At every decision point we ask: *Is this asset class, this manager, or these underlying assets the right fit for Furman?* If you hang around our office long enough, you will inevitably hear us say, “What do we own, and why do we own it?” We believe, too often, investors default to conventional wisdom on what has worked historically. For example, the “Endowment Model” popularized by the late David Swensen at Yale emphasized private equity as a driver of outperformance. We agree that illiquidity in private markets can be a source of excess return, but that does not mean Furman should replicate Yale’s playbook from the 1990s. We think it’s important to recognize the context under which this model was created. Yale’s success was rooted in being early and right about opportunities in private equity *when capital was scarce*. When Swenson published “Pioneering Portfolio Management” in 2000, the entire private equity market was estimated to be ~\$600 billion (~3% of the MSCI ACWI⁴) versus over ~\$9 trillion at June 30, 2024 (~10% of the ACWI). Our responsibility is to apply that same independent mindset today in the context of Furman’s unique needs. This is certainly not the path of least resistance, but we believe it is the one that best serves current and future students.

The dual mandate we manage—stable distributions today and real growth tomorrow—carries inherent trade-offs, and the University’s needs evolve over time. In recent years, higher-education headwinds have increased reliance on Endowment distributions. Looking ahead, we can also envision a backdrop in which enrollment initiatives gain traction and sector dynamics favor well-capitalized institutions, a position of financial strength that Furman is fortunate to hold. We manage to both possibilities by calibrating risk to spending needs, pacing private commitments, maintaining liquidity buffers, and preserving broad diversification so distributions remain dependable as purchasing power grows.

Why diversify by asset class?

Our investment framework is informed by the reality that markets do not operate in a single, predictable state. Over time, economies move through different regimes defined by the interplay between growth and

⁴ The MSCI ACWI is a global equity benchmark that tracks large- and mid-cap stocks across both developed and emerging markets.

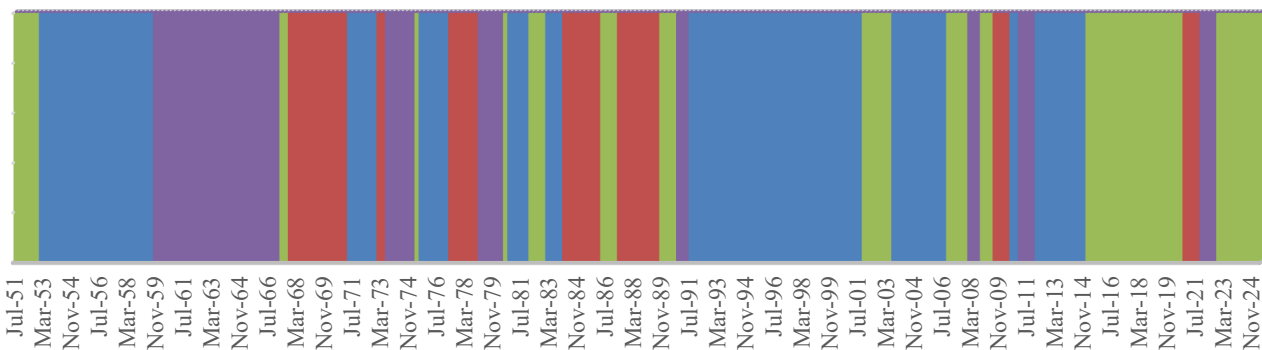
inflation. Analysts at prominent macroeconomic firms often illustrate these states under a four-quadrant framework.

Quadrant	Macro state	What it feels like	Growth levers we lean on	Stability levers we rely on
Goldilocks	Growth ↑ Inflation ↓	Strong demand, easing price pressure; supportive policy	Global equities (core engine), select credit	Core bonds as secondary ballast
Overheating / Reflation	Growth ↑ Inflation ↑	Hot economy, rising rates; input costs up	Value/cyclicals, SMID, select private markets with pricing power	Commodities & natural-resource equities, TIPS
Slow Growth	Growth ↓ Inflation ↓	Slowing demand; falling rates	Defensive/quality equities, low-vol	Treasuries (duration), IG credit, agency MBS
Stagflation	Growth ↓ Inflation ↑	Weaker growth with persistent inflation	Very selective defensives (pricing power)	Broad commodities, TIPS, diversifying alts

Under each regime, different assets tend to lead and lag. Our goal is not to predict the next regime; it's to build a portfolio that funds Furman *through* all of them. We size exposures so the Endowment can meet near-term obligations while compounding over time, and we use ranges within the IPS to allow for us to lean into opportunities when regimes are persistent and dial back risk when conditions deteriorate. The charts below color-code macro regimes in the U.S. illustrating that most months are constructive for risk assets, but not all, which is why we maintain both growth and stability levers.

US ECONOMIC REGIMES SINCE 1950

■ Goldilocks (40%)
 ■ Overheating (17%)
 ■ Slow Growth (24%)
 ■ Stagflation (19%)



US - Annualized Return since 1999				
	Goldilocks (36%)	Overheating (8%)	Slow Growth (46%)	Stagflation (10%)
Endowment	12.40%	23.03%	6.37%	-8.39%
S&P 500	10.60%	21.33%	8.44%	-12.82%
US Agg	3.98%	4.17%	5.19%	-2.73%
GS US Commodity	7.16%	22.35%	-5.02%	7.93%
Bloomberg US TIPS	4.42%	7.33%	5.58%	0.58%

The global economy and global markets don't move in lockstep with the U.S. Regimes, arriving at various times across regions, and sector/currency mixes differ by market. By owning the cycle globally, we reduce reliance on any single country's backdrop and increase the odds that some portion of the portfolio is in a favorable state at any given time. In practice, that means shallower drawdowns and steadier distributions.

The result of our work is a "Policy Portfolio" memorialized within the IPS and agreed upon by the Board of Trustees. The Policy Portfolio serves as a custom benchmark to the Endowment that is driven by a long-term strategic asset allocation to different asset classes. What we have seen, historically, is that this portfolio construction has produced strong risk-adjusted returns over a variety of regimes. Since January 1990⁵, our Policy Portfolio has delivered a **7.7%** annualized return with **9.4%** volatility. This compares with a more traditional MSCI ACWI 70% / Bloomberg Global Agg⁶ 30% portfolio at **6.4%** and **11.4%**.

How do we implement beyond asset class selection?

Asset allocation is a large part of the Endowment's story, but it isn't the whole story. While the Policy Portfolio delivered 7.7% with 9.4% volatility, the Endowment has delivered **9.1%** with **9.0%** volatility. This outperformance coupled with lower volatility highlights how the Endowment has fulfilled its dual mandate of growth (higher returns) coupled with stability (lower volatility), providing the University with a stable, growing financial asset. The IPS sets strategic weights and clear ranges; within those guardrails we make measured, research-driven tilts—both *across* asset classes (e.g., calibrating value in equity, duration, real assets, and illiquidity) and *within* asset classes (e.g., quality and profitability tilts in equities, spread and interest-rate risk in credit, pacing in private markets, etc.). These decisions, along with rebalancing, have contributed meaningfully to performance relative to the Policy Portfolio while keeping risk anchored to the objectives set by the Board.

With each asset class we have begun producing internal whitepapers to identify where implementation can be advantageous. In public equity, we have moved to a Core–Satellite design because market structure has shifted. Passive ownership now anchors a large share of the market and trades on flows and index mechanics, while multi-manager “pod” platforms supply a meaningful share of short-horizon liquidity focused on near-term catalysts and rigid risk limits. That mix pulls a lot of price action into the very short term, mostly due to technical factors. At the same time, it often takes longer for fundamentals to be recognized in out-of-favor or complex businesses, turnarounds, portfolio simplifications, governance changes, or product cycles. We are moving away from managers in the middle: moderately diversified, benchmark-aware stock pickers, get squeezed between short-dated market plumbing and long-dated value realization. We have recognized that most of these “tweeners” tend to behave like expensive factor bets, rather than expressions of differentiated insight.

Within the public equity *core*, we combine broad, low-cost exposure with alpha-extension strategies (e.g., 130/30, Beta 1.0 strategies designed to deliver modest outperformance through marginal overweights and underweights against a benchmark). The core accepts modest tracking error (i.e., deviations from the benchmark) to deliver steadier, quicker payoffs in today's short-term market. In the satellites, we back high-conviction, capacity-constrained stock pickers with genuinely idiosyncratic edges. Because satellite alpha

⁵ The longest common period available.

⁶ The Bloomberg Global Agg is a comprehensive index comprised of the global investment-grade bond market, including government, corporate, and securitized debt across both developed and emerging markets.

is chunkier and realized over years, we deliberately diversify them and keep residual correlations low so the exposure of the whole does not tilt toward any single style. We evaluate the core on short-term tracking, cost, and consistency; satellites are judged on multi-year scorecards where we judge the manager's ability to consistently recognize fundamental improvements well before markets fully price it. Across geographies, we reserve more active risk outside the U.S. where lower passive penetration and uneven coverage widen dispersions and reward differentiated research.

To keep this concise, we have placed additional asset-class implementation details in the [FAQ](#) for readers who want to go deeper.

How do we select partners?

The Investment Office meets hundreds of prospective managers each year. Our pipeline comes through our LP network (other endowments, foundations, and family offices), introductions from our current and other external managers, major prime brokers and placement agents, consultants, and friends of Furman. Our searches are targeted, we are typically looking for complementary pieces for the Endowment, yet we will always be available for exceptionally talented teams that can upgrade our existing exposure.

We invest time, often months to years, getting to know key decision-makers through multiple touchpoints. Whenever possible, we meet on site to observe how the firm operates, how people work together, what our fees are paying for, and how culture shows up in daily decisions. We try to build trust, understand the “why” behind the work, and assess motivation and alignment at a human level.

We use an internal “5 Ps” framework to codify and standardize diligence. As one of our partners put it, *processes are guideposts that prevent simple errors; they are not a substitute for judgment*. We agree - our framework helps us stay consistent without becoming mechanical.

- People – We look for the same core values we hold for ourselves.

Humility – we (and our partners) recognize we will be wrong, often, and will continuously seek out ways to grow and learn from mistakes.

Independence – we embrace differentiated views for the benefit of the institution and recognize independent thinking as essential for delivering outperformance.

Integrity – we act with the highest ethical standards in every interaction internally and externally.

Discipline – we aim to be process-centric, holding ourselves accountable to rigorous, continuously improving standards.

We aim to partner with groups where incentives are aligned with our performance objectives and where key personnel are rewarded for delivering the results we desire.

- Process – We pin down the manager's edge; informational (rare in publics), analytical (different conclusions from the same facts), or behavioral (better choices under pressure that exploit others' biases), and trace how it's implemented: idea sourcing, research/underwriting, buy-sell discipline, position sizing and risk controls, capacity/liquidity management, and portfolio construction.

- Philosophy – We back managers who build asymmetry—*more upside than downside per dollar of risk*—into both security selection and portfolio design. Across the Endowment, we look to combine diverse sources of asymmetry.
- Performance – We look through headline returns with a holdings-based review: where did performance come from (stock selection vs. factors/flows), what did the path look like (drawdowns, hit rate, sizing/exit behavior), and does it match the expected edge. We are constantly trying to answer, was the performance likely a result of luck or skill?
- Portfolio Fit – We develop a deep understanding of how the fund does or does not fit our implementation strategy and how it might complement our existing portfolio.

When a manager clears our bar, we memorialize the case in a candid internal note that includes our thesis, the risks, and a pre-mortem on how we could be wrong. We increasingly share this write-up with our managers to make expectations explicit. Prior to our investment, we circulate a concise summary to the Investment Committee; absent objections within five days, we proceed. Post-investment, each relationship is monitored closely to ensure the manager is executing to our expectations.

Year in review

The table below provides additional context on the drivers of performance for the Endowment over the last 1-, 5-, and 10-year periods.

	June 30, 2025 Value (\$ millions % weight)	Performance		
		1-Year	5-Year	10-Year
Endowment Total	\$758.8	11.5%	10.8%	7.4%
<i>Policy Portfolio</i>	<i>100%</i>	<i>10.1%</i>	<i>10.3%</i>	<i>7.0%</i>
Domestic Equity	\$167.9 22.1%	15.1%	15.0%	11.6%
<i>Russell 3000 Index</i>	<i>20%</i>	<i>15.3%</i>	<i>16.0%</i>	<i>13.0%</i>
Non-U.S. Developed Equity	\$117.4 15.5%	20.9%	12.0%	7.8%
<i>MSCI EAFE Index</i>	<i>13%</i>	<i>17.7%</i>	<i>11.2%</i>	<i>6.5%</i>
Emerging Markets Equity	\$48.0 6.3%	13.7%	13.1%	6.4%
<i>MSCI EM Index</i>	<i>5%</i>	<i>15.3%</i>	<i>6.8%</i>	<i>4.8%</i>
Hedge Strategies / Flexible Capital	\$134.0 17.7%	19.1%	12.6%	7.4%
<i>HFRI Fund Weighted Composite Index</i>	<i>12%</i>	<i>8.4%</i>	<i>8.6%</i>	<i>5.4%</i>
Buyouts / Private Equity / Growth Equity	\$53.8 7.1%	11.0%	20.9%	16.3%
<i>75% CA Buyout / 25% CA Growth Equity</i>	<i>12%</i>	<i>7.0%</i>	<i>16.3%</i>	<i>13.7%</i>
Venture Capital	\$78.3 10.3%	4.1%	10.7%	11.4%
<i>CA Venture Capital</i>	<i>8%</i>	<i>4.7%</i>	<i>14.5%</i>	<i>13.1%</i>
Distressed / Special Sits / Other	\$44.5 5.9%	12.2%	17.8%	9.8%
<i>50% CA Credit Opportunities / 50% CA Distressed</i>	<i>5%</i>	<i>4.2%</i>	<i>13.6%</i>	<i>8.7%</i>
Public Real Assets	\$25.0 3.3%	4.4%	1.2%	-3.0%
<i>75% Bloomberg Commodity Index / 25% FTSE EPRA NAI</i>	<i>4%</i>	<i>7.7%</i>	<i>11.4%</i>	<i>2.8%</i>
Private Real Assets	\$35.8 4.7%	-15.8%	0.5%	-0.7%
<i>50% CA Real Estate / 50% CA E&NR</i>	<i>8%</i>	<i>1.9%</i>	<i>10.6%</i>	<i>5.7%</i>
Private Credit	\$0 0.0%	-1.4%	NA	NA
<i>50% CA Credit Opportunities / 50% CA Senior Debt</i>	<i>4%</i>	<i>7.1%</i>	<i>10.2%</i>	<i>7.6%</i>
Public Fixed Income	\$39.9 5.3%	6.7%	1.5%	2.2%
<i>Bloomberg U.S. Aggregate</i>	<i>7%</i>	<i>6.1%</i>	<i>-0.7%</i>	<i>1.8%</i>
Cash	\$14.2 1.9%	4.0%	2.6%	1.8%
<i>FTSE 3-Month T-Bill</i>	<i>2%</i>	<i>4.9%</i>	<i>2.9%</i>	<i>2.0%</i>

The global equity portfolio (44% of the Endowment) returned 16.7% in FY 2025, outpacing the MSCI ACWI's 16.2%. In recent years, our public equity book has generally done well versus global benchmarks but trailed a U.S.-led, narrow market. The S&P 500 compounded at ~19% annually over three years, with the "Magnificent 7" contributing about 44% of the index's gains. In FY 2025, breadth improved beyond the Mag-7 which helped our relative results, though growth and large caps still led, a headwind to our value and small-cap tilts.⁷ During the year, we were paid for having global exposure – 44% of our public equity portfolio is domiciled outside of the U.S. Foreign developed markets, particularly in Europe, outperformed over the FY (for the first time since FY 2017). Performance was driven by expectations for increased defense and infrastructure spending in the region. Emerging markets, led by a re-surgent Chinese market, also outperformed the S&P 500 during the FY (the third time in the last 15 years), and a weaker U.S. Dollar added to non-U.S. returns. Despite recent headwinds to the global allocations, we continue to advocate for global diversification as a means to increase long-term risk-adjusted returns for this perpetual pool of capital.

The private equity portfolio (23% of the endowment) returned 7.9% in FY 2025⁸, outpacing the All-CA Private Equity benchmark by 1.6% but trailed public equity alternatives. Over the last 10 years the private equity portfolio has delivered a substantial premium of ~2.6% annually over global public equities. We entered 2025 with heightened expectations for exit activity, building on a backdrop of generally easing of financial conditions following the sharp rise in interest rates in late 2022. However, sentiment waned late in the FY as developments on "Liberation Day" unsettled investors. We saw Venture Capital post positive returns, but the highest risk segment of the market continues to trail the performance of Buyout and other shorter duration PE categories as the asset class digests the euphoric valuations and activity that occurred post-COVID. We have begun to see the IPO window open again with some high-profile IPOs occurring at the beginning of the year and again more recently. These liquidity events are essential for the VC ecosystem, and should the IPO window remain open, we expect to see performance to flow through the asset class.

Hedge funds (18% of the endowment) have been the area of most relative outperformance for Furman with a 19.1% return in FY 2025 compared to the HFRI FW Composite Benchmark Index return of 8.4%. Approximately 80% of the hedge fund book is allocated to long/short equity strategies. Many of these investment managers have domain expertise in a sector or region, e.g., TMT, biotechnology, Asia-Pacific where these specialists can capitalize on dispersion in their areas of proficiency, identifying idiosyncratic opportunities that add differentiated risk to the overall portfolio. During the year, this part of the portfolio played a critical role in stabilizing performance during equity market pullbacks (April). We have been actively trimming winners from this portfolio and rationalizing its size to move closer to our investment target.

Public fixed income (5.3% of the endowment), outperformed the U.S. Aggregate benchmark by 0.6% in FY 2025. Here, we have a concentrated, low-cost portfolio, which benefited from a relative overweighting to credit risk during the year – and we are actively considering trimming this risk as credit spreads have tightened meaningfully. Private credit, which is a new(er) allocation target for the Endowment, is being

⁷ (Not-so-) fun facts: Small cap has underperformed large cap in 10 of the last 15 years, and value has underperformed growth in 11 of the last 15. The magnitude has been dramatic, with small cap indices compounding at 10.3% while large cap compounded at 14.7%. Likewise, value has delivered 11.4% annualized returns vs 17.1% for growth.

⁸ Note: Private Equity exposure is valued on a 1-quarter lagged basis (i.e., FY 2025 for PE is 4/1/24 – 3/31/25).

built methodically, given the competition (compressed yield premium), dry powder, and our skepticism around underwriting standards in the popular asset class. However, it is expected to grow in the portfolio and become a source of income and provide diversification (inflation-hedging) benefits. Real assets, which primarily consists of upstream energy and private real estate, continues to be a detractor in the portfolio and we are actively re-thinking how it fits in the portfolio and how we implement the strategy.

Why we will continue to deliver for the Endowment

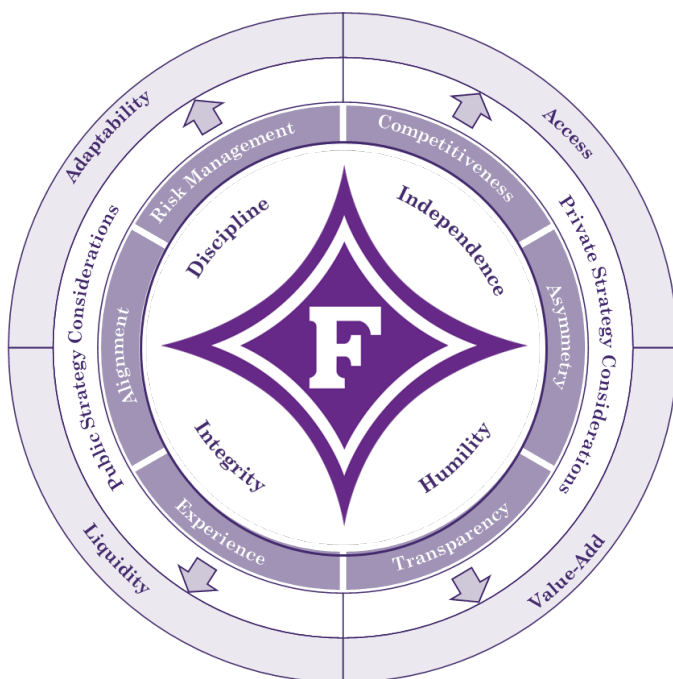
- Governance – we are supported by an engaged and informed Investment Committee that allows us to make timely decisions and take calculated risks.
- Independence – we believe markets live in disequilibrium and human behavior often crowds to extremes; our governance and temperament let us think from first principles and act against the crowd when it serves Furman.
- Culture – continuous improvement, transparency, and a no-ego environment that welcomes post-mortems and new evidence.
- Size – performance typically does not scale, and we are large enough to access virtually anything available to leading endowments, yet small enough that meaningful positions are possible at check sizes that would be immaterial to our larger peers.

We could not be more excited for the future of the Endowment and the University. If you have any interest in learning more about supporting scholarships or creating an endowed fund, please click [here](#) or contact alumni@furman.edu.

Go Dins!!

-The Furman Investment Office

Furman Investment Office core values framework.



Poster in the Furman Investment Office.



Student Involvement:

Furman has a student-managed investment club managing over \$1 million where students present investment ideas to their peers in the Finance Lab. If approved, securities are purchased and subsequently monitored by the student who pitched the idea. In the Investment Office, we have an internship program running year-round where students are given the opportunity to learn about different asset classes, work on special projects, and attend investment manager meetings. We encourage the interns to apply what they are learning in class, and our goal is to prepare them for a career in investment management. In addition to the Investment Club, the Investment Office created a book club with an emphasis on investment literature. Last year we read *Investing: The Last Liberal Art*, which explores the need for having exposure to a variety of disciplines to be an effective investor. This year, we will read *Expectations Investing* and *Superforecasting* with the aim of helping students sharpen their analytical and forecasting skills, improve their ability to build models, and develop a more disciplined approach to understanding how assets are priced. Lastly, we often have investment managers come to our office for meetings, and we will periodically request that the managers present in a panel-based format to a business class.



*Above is Austin Johnk moderating a panel with two of our Venture Capital partners for Dr. Kim's Investment class

Members of the Investment Committee:

Kem Wilson III '98
David May '89
Rob Langley '05
Alec Taylor '75
Paul Robertson '82
Francie Heller
Mark Kaiser '79

Members of the Investment Office:

Rob Kenney, Chief Investment Officer
Austin Johnk, Director of Investments
Duncan Gotfredson, Investment Analyst

Furman University Investment Office Alumni:

Kris Kapoor '94 (former Furman CIO), Chief Investment Officer, Bakala Capital
Duncan Gwynn '15 (former intern), Investing Banking Associate at UBS
Chris Drose '16 (former intern), Hedge Fund Analyst and Founder of Bleeker Street Capital
Jackson Buonomia '17 (former intern), Private Equity Investor at Alvarez & Marsal Capital
Adam Miller '17 (former intern), Portfolio Risk Manager at PIMCO
Anne-Claire '18 (Pittman) Lewis (former intern), Investor at a Private Family Office
Clark Mortell '21 (former intern), Portfolio Implementation Senior Associate at Cambridge
Pedro Moreira '26 (former intern), Private Equity Intern at Azalea Capital

Frequently Asked Questions

1. Hollingsworth sounds like a great asset for Furman. Where did it come from? How is it invested? Why isn't it invested through the same allocation as the Endowment?

- a. John D. Hollingsworth, Jr. (1917–2000) was a Greenville-based inventor and industrialist whose innovations in textile machinery and strategic real estate investments – amassing ~42K acres in the upstate, made him one of South Carolina's most successful entrepreneurs. In 1976, he established Hollingsworth Funds to benefit his community, directing annual support to Furman University, the YMCA of Greenville, and other Greenville County charities. After his passing in 2000, the bulk of his estate flowed into the Hollingsworth Funds, creating one of the largest philanthropic resources in the state.

John's connection to Furman dates back to his brief time as a student in the 1930s – and the impression was lasting. He attended the University for about a year before having to leave to help run the family business during the late-Depression era.

Hollingsworth has its own independent advisory board, where Furman appoints four of the directors. The funds are managed by a separate team, who have managed the transition from an upstate real-estate heavy portfolio into a more traditional allocation. Today, approximately 73% of the Hollingsworth Funds is liquid/non-real estate and 27% remains invested in real estate.

[Link to go back to Page 2](#)

2. Who are these non-Furman grads managing the Endowment?

- a. We take offense to that! We may not have attended Furman University, but we have all developed a deep affinity for the school.

Robert Kenney, CIO

Rob has been in the Investment Office since 2012, and he stepped into the CIO role in 2022. Rob is all about [Kaizen](#), represented by his eagerness to torture himself with various tests (check out the alphabet soup behind his name on LinkedIn!). Before Furman, Rob worked in Philadelphia at a fund of hedge funds, and at an equity-focused hedge fund in New York prior to that. After a short stint as a college baseball player, Rob graduated from Villanova which was just minutes away from where he grew up in Pennsylvania. Keeping with his continuous improvement mentality, Rob received his MBA from the University of South Carolina. Rob lives in Greer with his wife and three young children.

Austin Johnk, Director of Investments

Austin joined Furman in August 2023 after spending the previous four years in the investment office at Grinnell (that is Grinnell College in Iowa, not Cornell!). Austin is an Iowa native, and Rob convinced him to move south for the weather and extended golf season. Before Grinnell, Austin was a corporate bond analyst – he is our resident skeptic. Austin is an avid noonballer at the PAC, and claims that injuries are the only thing keeping

him from playing in Timmons. Austin graduated from the University of Northern Iowa and received his MBA from the University of Chicago. He lives in Easley with his wife and two young children.

Duncan Gotfredson, Investment Analyst

Duncan joined Furman in early 2025, expanding the Investment Office to three people for the first time in the Endowment's history. Duncan is a recovering strategic consultant from a boutique firm in the upstate - making a career switch into investment management. To make the switch, Rob encouraged Duncan in 2023 to look into the CFA program, which he did on his own dime and time. He is proudly a Level 2 candidate, and has already had a significant positive impact on the Investment Office. Duncan graduated from Presbyterian College, where he learned about Furman by chasing the purple jerseys on the cross-country team. Duncan lives in Greer with his wife and two young children.

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3. How do you think about implementation across other asset classes?

- a. Here are some highlights on the private side of the portfolio. In recent years, we have significantly revised our private capital strategy – moving away from a fund-of-fund dominated model to forming direct relationships with investment firms. Within private equity, we have broken the world into three distinct categories defined by expected trade duration; Buyout / Growth Equity (medium), Venture Capital (long), and Special Situations / Opportunistic (short). Within each of these segments we believe there are niches that are complementary to the broader Endowment exposure and ripe for alpha opportunities. Within each sub-segment, we have a commitment pacing strategy that helps us build towards our target allocations over time, without leaving us overly exposed to undrawn capital risk.

In Buyout/Growth Equity, our emphasis is a sector-diversified lower-middle-market program. We partner with firms that pursue control investments in fragmented industries and can institutionalize businesses through operating expertise and disciplined add-on acquisition strategies. We favor this area given its less competitive dynamics, more attractive entry pricing, readily available operational levers, and multiple exit routes (including sales to larger sponsors and strategic acquirers).

In Venture Capital, we focus on seed–early stage specialists running small, ownership-sensitive funds that lead or co-lead rounds and take meaningful stakes. We prefer managers with operator DNA whose networks help founders hire, win first customers, and secure downstream financing; most take board seats. We pace commitments across 3–5 funds per year, and target exposure to roughly 100–150 companies per vintage so we participate in outliers without diluting them.

In Special Situations / Opportunistic, we back managers who pursue idiosyncratic, often counter-cyclical opportunities where they can influence outcomes. This includes distressed-for-control and turnaround plays, rescue/structured equity, opportunistic and

asset-backed credit, and secondaries/continuation vehicles purchased at attractive discounts. The common thread is downside architecture (seniority, collateral, covenants) plus active levers (board seats, consent rights, operating plans) to drive value realization. We like this sleeve for its shorter duration, fund lives are typically 3–6 years, with earlier distributions, its ability to recycle capital, and its tendency to add ballast when traditional risk assets are under stress.

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4. Why don't we just invest it all into the S&P?

- a. Hindsight is 20/20, and objectively this would have been the right call if the only goal were to grow the value of the Endowment. As a reminder, we have a dual mandate to (1) provide a stable source of funding for the school and (2) to grow the long-term real value of the pool to ensure intergenerational equity for current and future Furman students. We do have a smoothing mechanism in place with the [spending policy](#), that alleviates some of the volatility from market exposure, but it does not eliminate it. We did the below analysis a few years ago in response to a similar question, and we think it does an excellent job of highlighting why this would not be appropriate for the needs of the University. What this analysis shows is how long it takes for the Endowment's distribution to reach its highest historical level. We see that the Endowment recovers much quicker than alternative portfolios because it protected capital much better than other liquid options. Not shown here, but it was only recently that *ongoing* distributions from several (S&P heavy) hypothetical allocations would surpass recent actual distributions, but *cumulative* distributions for any alternative allocation below over the 20-year period still hadn't caught what the Endowment distributed over the full period, as of June 30, 2024.

