

Management of College of Natural Resources Foundation Forests Portfolio
(Updated October 28, 2016)

College of Natural Resources Forest Ownership Objectives:

A portfolio of educational, research and demonstration forests is an asset that benefits the faculty and students in the College of Natural Resources (College) at N. C. State University. These forests are owned either by the NC State Natural Resources Foundation, Inc. (Foundation), the Endowment Fund of North Carolina State University or the State of North Carolina for the benefit of the College.

The Foundation seeks to ensure that the College has a diverse Forests Portfolio of suitably located educational and research forests to support the teaching, research and demonstration needs of the College. The Foundation has the responsibility for forests in the Forests Portfolio that are owned by the Foundation and will make recommendations to the Endowment Fund for forests owned by the Endowment Fund.

The Hofmann Forest is managed under direct oversight of the Foundation. The Bull neck Swamp property is managed by the Wildlife Management faculty for wildlife research. The other forests in the Portfolio are managed by the Faculty Forester, currently Dr. Glenn Catts, with the active involvement of the Executive Director of Forest Assets and College Forests Advisory Committee¹ to ensure the forests are actively used by the faculty and students to the forests' full potential as teaching and research assets.

The **Forests Portfolio** includes:

Forest	Acres	County	Owner	Acquired	How Acquired
Goodwin	1,319	Moore	Foundation	1968	Bequest & Purchase
Hosley	265	Franklin	Foundation	1994	Gift
Taylor	118	Nash	Foundation	2007	Gift
Gates	3,735	Gates	Foundation	1976	Gift
Lee	126	Johnston	Endowment	2007	Bequest to University
Timaca	102	Person	Endowment	2008	Bequest to University
Schenck	360	Wake	State of NC	1937	Transfer from state
Hill	2,482	Durham	State of NC	1930	Gift plus Purchases
Bull Neck Swamp	6,037	Washington	State of NC	1995	Transfer from state
Hofmann Forest	78,940	Jones/ Onslow	Endowment	1934	Purchased via a bond issue

Forest Management Plan

A Forest Management Plan (a comprehensive plan to include all forests related to the College) guides the Faculty Forester in the management of the forests. The Faculty Forester has direct

¹ A **College Forests Advisory Committee** within the College is comprised of the Head of the Department of Forestry and Environmental Resources, and a designated Faculty Representation from Forestry, Wildlife Biology, Natural Resource, Environmental Sciences and Parks, Recreation and Tourism Management, Forest Biomaterials, and perhaps others with approval by the Dean.

responsibility for preparing and implementing the Management Plan for forests except for Hofmann and Bull Neck Swamp. He will work with the assistance of a Silvicultural Liaison from the Department of Forestry and Environmental Studies and student interns. The Forest Management Plan seeks to ensure all the forests are optimally managed as a portfolio. The Faculty Forester reviews and updates the plan every five years in consultation with the Executive Director of Forest Assets and College Forests Advisory Committee. The revised plan is then reviewed by the Foundation's Forest Management Committee and the Dean of the College.

The Management Plan contains two elements specific to each forest: Forest Management and Program Support.

Forest Management. The Forest Management element includes annual projected revenues from timber harvesting and hunting leases together with expenses associated with silvicultural activities. The income and expenditures on each tract are separate for accounting purposes, and all net income is spent in compliance with donor intent, if applicable, for those forests that were gifted to the Foundation or to the Endowment Fund. Funding for student interns who work on the forests comes primarily from the revenues of the Goodwin Forest, due to the educational value of the intern experience.

Program Support. The Program element identifies and tracks expected use of the forests for instruction, research and demonstration by the College and any other parties. The use of each forest for these purposes will be documented annually to include: use for scheduled summer or other camps; use by faculty and their classes, including the number of students who use the forests for documented hours or days; research studies in place or completed historically; and any grants for research that are received based on use of the forests.

The Faculty Forester will provide a report annually to the Dean and College Forests Advisory Committee on performance against the plan objectives and provide an opportunity for any refinement of the plan based on experience. The Executive Director of Forest Assets and/or Faculty Forester will provide a report annually to the Foundation's Forest Management Committee at its fall meeting and based on the prior fiscal year's performance of the forests against the management plan and on the programmatic usage of the forests. The Foundation's Board will receive a summary of the annual performance report from the Forest Management Committee.

When the Executive Director of Forest Assets with support of the College Forest Advisory Committee determines that a forest owned by the Endowment Fund or by the Natural Resources Foundation is no longer needed for programmatic purposes or Portfolio funding, the Executive Director of Forest Assets and Faculty Forester will inform the Forest Management Committee of the Foundation. That Committee will then determine the future use or disposition of the particular forest and recommend appropriate action to the Dean and the Foundation Board or the Endowment Fund Board, along with the recommended use of the funds received to support the forest portfolio and the College.

If, after review of historic and projected usage information about an existing Foundation or Endowment Fund Forest, the Foundation's Forest Management Committee may (with input from the Executive Director of Forest Assets and Faculty Forester) recommend to the Dean and Natural Resources Foundation Board and the Endowment Fund Board in the event the forest is owned by the Endowment Fund the disposition of the forest if that will better benefit the College's mission and needs. Similarly, the Forest Management Committee may recommend to the Dean and Foundation Board the acquisition of an additional forest to the Forests Portfolio to meet a programmatic need such as greater net revenue generation to support the portfolio, additional forest or soil types or topography, etc., that is not met within the existing portfolio.

Acceptance of New Forests

1. NC State University has a Gift Acceptance Policy that applies to gifts of land.
2. Unless a donor planning a bequest or making a gift explicitly wishes a forest to be owned by the University Endowment, it is preferable for the Foundation to own the donated forest. This allows revenues from all Foundation-forests to be used as needed to maintain all of the foundation-owned forests in the Portfolio to compensate for variations in cash flow from individual forests. Surplus funds may be used for scholarships or other College purposes. The Foundation could elect at some point in the future, if appropriate, to gift some pieces of property to the Endowment Fund (with the agreement of the Endowment Fund).
3. The initial step in this policy requires a determination of the programmatic use for a land gift. If the Faculty Forester, with input from the Head of the Department of Forestry and Environmental Resources and others in the College as appropriate, verifies a programmatic purpose for the land gift, the gift (after other steps in the Gift Policy are completed) will become a part of the College's Forests Portfolio. The overall Portfolio Forest Management and Program plans will be revised accordingly.
4. If a land gift already owned by the Endowment Fund and or Natural Resources Foundation no longer has programmatic value, The College Advancement Office and Faculty Forester will make a recommendation to the Natural Resources Foundation's Forest Management Committee on the best use of the land, in accordance with donor intent and applicable laws.