

WKU

F O U N D A T I O N

October 13, 2015

Dr. Bill Payne
Assistant Vice President, Finance
Kentucky Council on Postsecondary Education
Suite 320, 1024 Capital Center Drive
Frankfort, KY 40601

Dear Bill,

Enclosed is the report from the Western Kentucky University Foundation and the College Heights Foundation for the Regional University Excellence Trust Fund Endowment Match Program for the academic year 2014-2015. You will find information on 73 endowments valued at a total of \$35,627,141 as of June 30, 2015. The website for this report is www.wku.edu/bucks/index.php.

This written report was reviewed and approved by the Executive Committee of the Board of Trustees of the Western Kentucky University Foundation on Monday, October 12, 2015.

Please do not hesitate to contact me or Paula Jarboe, Chief Financial Officer of the WKU Foundation, if you have questions or need additional information.

Best regards,



Marc L. Archambault
Western Kentucky University Foundation
President and CEO



WESTERN KENTUCKY UNIVERSITY

Western Kentucky University Foundation, Inc. College Heights Foundation

Endowment Match Program 2014-2015 Summary Report

This report covers the activities and expenditures supported at Western Kentucky University under the Endowment Match Program. Western Kentucky University submitted requests for all allocated matching funds to the Council on Postsecondary Education. These were disbursed before June 30, 2010. A total of \$14,211,209 has been requested since 1998; Council staff processed all of those requests and disbursed the entire amount to Western Kentucky University. WKU then transferred the funds to either the Western Kentucky University Foundation or the College Heights Foundation under custodial agreements. With these funds, the match program has helped create or expand a cumulative total of 73 endowments valued at \$35,627,141 as of June 30, 2014 (Table 7).

Since the program's inception in 1998, private donations and state matching funds supported the addition or expansion of two endowed chairs, 25 professorships, 16 scholarship funds and 30 mission support activities at Western Kentucky University (Table 1). As of June 30, all of those activities were operational.

Endowment Activity

As shown in Table 1, matching program funds were used to create two endowed chairs, 25 endowed professorships, 16 endowed scholarships and 30 mission support projects since its inception in 1998. Of these activities, the two chairs, the 25 professorships were occupied or

reporting expenditures, 16 of the scholarships made awards and 30 of the mission support projects reported expenditures. As of fiscal year-end, all 73 were active. Details concerning these chairs and professorships may be found on our website at www.wku.edu/bucks/index.php.

Table 1: Match Program Positions, Programs, and Projects Established During Fiscal Year 2014-2015 and Since Program Inception

<u>Activity</u>	<u>2014-2015</u>		<u>1998-2015</u>	
	<u>Number Established</u>	<u>Number* Active</u>	<u>Number Established</u>	<u>Number* Active</u>
Chairs	0	2	2	2
Professorships	0	25	25	25
Fellowships	0	0	0	0
Scholarships	0	16	16	16
Mission Support Projects	<u>0</u>	<u>30</u>	<u>30</u>	<u>30</u>
Totals	<u><u>0</u></u>	<u><u>73</u></u>	<u><u>73</u></u>	<u><u>73</u></u>

* Includes number of faculty positions occupied, number of student aid programs making awards and number of mission support projects recording expenditures.

Demographic Information

The majority of the match program faculty recipients are male. As of June 30, 2015, a total of 30 visiting professors and WKU faculty were receiving honorariums or salary supplements through the program (see Table 2). The occupants of 18 of those positions (or 60.0 percent) were male and 12 (or 40.0 percent) were female.

Table 2: Gender of Match Program Faculty and Staff
As of June 30, 2015

	Male	Female	Total
Chairs	2	0	2
Professors	14	12	26
Staff	2	0	2
Total	18	12	30

The majority of chairs and professors supported through the program are white, non-Hispanics. As can be seen in Table 3, as of June 30, 2015, of the 30 match program faculty, 25 (or 83.3 percent) were white, one (or 3.3 percent) was black and four (or 13.4 percent) were Asian. While the total number decreased, this represents an increase in the percentage of minorities supported by the program.

Table 3: Race of Endowment Match Program Faculty and Staff
As of June 30, 2015

	White	Black	Am. Indian	Asian	Hispanic	Total
Chairs	2	0	0	0	0	2
Professorships	22	1	0	3	0	26
Staff	1	0	0	1	0	2
Total	25	1	0	4	0	30

Overall, the number of faculty employed through the match program decreased from fiscal year 2014 to fiscal year 2015. By the end of the year, 16.7 percent of all faculty supported with program funds were minorities. This represents an increase in the percentage of minority faculty employed between fiscal year-end 2014 and 2015.

The number of students receiving financial aid awards through the program increased during 2014-2015 by 16 students. During the fiscal year, a total of 80 undergraduate and graduate students received scholarship awards that were funded with endowment proceeds (see Table 4). Twenty-three of the scholarship recipients (or 28.8 percent) were minority students, which is a slight decrease in percentage from last year.

Table 4: Gender and Race of Match Program Financial Aid Recipients
For Awards Made During Fiscal Year 2014-2015

	<u>White</u>	<u>Black</u>	<u>Am. Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Scholarship Recipients						
Male	16	4	0	6	2	28
Female	<u>41</u>	<u>4</u>	<u>0</u>	<u>5</u>	<u>2</u>	<u>52</u>
Total	<u><u>57</u></u>	<u><u>8</u></u>	<u><u>0</u></u>	<u><u>11</u></u>	<u><u>4</u></u>	<u><u>80</u></u>

In terms of gender, the majority of financial aid recipients were female. Twenty-eight of the 80 scholarship recipients (35.0 percent) were male and 52 were female (65.0 percent). The overall number of total scholarship recipients increased from 64 to 80 between fiscal years 2014 and 2015; the number of females increased from 43 to 52 and the number of male recipients increased from 21 to 28.

Sources of Funds

During fiscal year 2014-15, Western Kentucky University did not receive any additional state funds through the Endowment Match Program (Table 6). All previous state funds were matched with cash gifts and pledges from private sources through the Western Kentucky University Foundation and College Heights Foundation. Since 1998, a total of \$32,277,851 in private and state funds was used to create or expand 73 endowments. Over half of the funds received from private sources was in cash or cash equivalent gifts (\$17,689,379 or 97.91 percent) and the remainder is in outstanding pledges (\$377,263 or 2.08 percent).

Areas of Concentration

The 2002-2004 Endowment Match Program Guidelines stipulate that 50 percent of any matching gifts and pledges received after October 1, 2003, must be used to support the Programs of Distinction at comprehensive institutions. All gifts and pledges used by WKU for this matching program were documented before this deadline. However, Western Kentucky University has two approved Programs of Distinction: The Center for the 21st Media and The Applied Research and Technology Program. Through June 30, 2015, Western Kentucky University received all \$14,211,209 of its 1998-2015 match program appropriation. That amount was matched with \$18,066,642 in cash gifts and pledges, bringing the total amount of the 1998-2015 program funds to \$32,277,851. Of that amount, \$11,696,736 or 36.2 percent will be used to support positions in the Council on Postsecondary Education Programs of Distinction for

WKU and \$9,516,345 or 29.5 percent will be used to support the new economy priority areas. Those priority areas include: Human Health and Development (20.0 percent), Biosciences (.3 percent), Materials Science and Advanced Manufacturing (0.0 percent), Information Technologies and Communications (9.3 percent), and Environmental and Energy Technologies (0.0 percent).

Table 5: Match Program Funds Dedicated to Council Priority Areas
For All Matched Appropriation Funds

	<u>State Funds *</u>	<u>Private Funds **</u>	<u>Total Funds</u>	<u>Percent of Total</u>
Programs of Distinction				
Applied Research and Technology	\$3,939,000	\$ 6,093,236	\$10,032,236	31.1%
Center for 21st Media	<u>736,000</u>	<u>928,500</u>	<u>1,664,500</u>	<u>5.1%</u>
Sub-total	4,675,000	7,021,736	11,696,736	36.2%
New Economy Areas				
Human Health	3,058,579	3,371 489	6,430,078	19.9%
Biosciences	50,000	50,000	100,000	.3%
Materials Science	-	-	-	-
Information Tech	1,311,000	1,675 227	2,986,227	9.3%
Environmental Tech	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total	4,419,579	5,046,766	9,516,345	29.5%
Other Disciplines	5,116,630	5,948,140	11,064,770	34.3%
Total	<u>\$ 14,211,209</u>	<u>\$18,066,642</u>	<u>\$32,277,851</u>	<u>100.0%</u>

* Includes all match program appropriation funds received by the university.

** Includes only cash gifts and pledges that were used to match appropriation funds received.

WKU's 2008-15 match program appropriation equals \$2,439,000. As of June 30, 2010, all requests were submitted and fully matched.

Earnings and Expenditures

As of June 30, 2015, the total market value of the 73 endowment accounts established under the Endowment Matching Program was \$35,627,141 (Table 7). Of that amount, \$14,211,209 (or 39.9 percent) was state funds and \$21,415,932 (or 60.1 percent) was gift funds, interest income and market growth or loss. Foundation records show an outstanding balance of \$377,263 in unpaid pledges on these accounts. As of June 30, 2015, \$1,245,054 was expended for program activities during the fiscal year.

Table 6

**Western Kentucky University
Endowments Established or Expanded with State Funds
During Fiscal Year 2014-2015**

<u>Endowment Name</u>	<u>Date Established/ Expanded</u>	<u>State Funds</u>	<u>Private Funds</u>			<u>Grand Total</u>
			<u>Gifts</u>	<u>Pledges</u>	<u>Total</u>	
Endowments Established:						
None		\$ -	\$ -	\$ -	\$ -	\$ -
Endowments Expanded:						
None		-	-	-	-	-
Endowment Funds Moved:						
None		-	-	-	-	-
Grand Total		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Western Kentucky University
Western Kentucky University Foundation
College Heights Foundation
Table 7: Components of Change in Endowment Market Value
From Beginning to End of Fiscal Year 2014-2015

Endowment Title	Date Established	Prior to 7/1/14				Year 7/1/14-6/30/15				
		State Funds Received	Gifts Received	Market Value 6/30/2014	Outstanding Pledges 6/30/2014	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2014-15	Market Value 6/30/2015	Outstanding Pledges 6/30/2015
Existing Endowments:										
Jim Scott Professorship	7/10/2000	1,000,000	1,001,500	1,847,159	-	-	48,409	(72,794)	1,822,775	-
Gail Martin Lecture & Faculty Development Series	6/12/2000	25,000	33,530	93,486	-	-	2,461	(4,141)	91,807	-
Layne Professorship in Mechanical Engineering	9/25/1998	475,000	476,000	866,580	-	-	22,811	(38,316)	851,075	-
Mattie Newman Ford Professorship in Entrepreneurship	11/19/1998	500,000	501,528	1,043,478	-	-	27,462	(45,898)	1,025,042	-
Mary R. Nixon Professorship in Accounting	1/4/1999	500,000	501,585	1,212,287	-	-	31,893	(52,831)	1,191,349	-
Jerry E. Baker Professorship in Music	1/28/1999	500,000	501,416	1,042,480	-	-	27,413	(44,896)	1,024,996	-
Hays Watkins Visiting CEO Professorship	9/28/1999	311,000	646,239	1,152,490	-	25,000	30,584	(49,595)	1,158,480	-
Leon Page Professorship in Banking & Financial Planning	1/10/2000	500,000	450,000	905,096	-	50,000	23,822	(39,874)	939,044	-
CHC/Centercare Visiting Professorship	1/7/2000	315,209	350,000	697,476	-	-	18,055	(18,224)	697,307	-
Hall Professorship in Construction Engineering	1/18/2000	500,000	502,413	912,794	-	-	24,027	(40,344)	896,478	-
Wm. M. McCormack Professorship	1/11/2000	500,000	500,000	1,202,714	-	-	31,372	(41,260)	1,192,825	-
Cangemi Faculty Award for COE	9/4/2000	14,500	17,500	38,663	-	-	1,015	(1,610)	38,068	-
Faculty Fund for Excellence in Ogden College/Hard Sciences	4/27/2000	5,870	5,870	13,385	-	-	351	(533)	13,204	-
Ward Visiting Professorship for Women's Studies	5/25/2000	110,000	110,000	178,436	-	-	4,696	(7,863)	175,270	-
College of Education Dean's Fund for Excellence	5/18/2000	12,500	12,750	33,187	-	-	851	(549)	33,489	-
Gordon Ford College of Business Dean's Fund for Excellence	5/18/2000	12,500	12,500	27,480	-	-	723	(1,205)	26,998	-
Ogden College of Science and Engineering Dean's Fund for Excellence	5/18/2000	12,500	12,500	32,222	-	5	827	(535)	32,519	-
Potter College of Arts Dean's Fund for Excellence	5/18/2000	12,500	12,763	34,441	-	500	906	(1,485)	34,362	-
Larry B. Shelton Dean's Fund for Excellence	5/25/2000	15,000	15,000	32,180	-	-	847	(1,421)	31,607	-
Johnson & St. Clair Center for Gifted Studies Faculty Support	5/12/2000	12,500	12,500	35,551	-	-	932	(1,404)	35,079	-
Bell Fund for Civil Engineering	6/30/2000	125,000	125,910	259,579	-	-	6,660	(4,306)	261,933	-
M. Eddie Carter Gifted Studies Faculty Fund	7/27/2000	25,000	25,000	62,235	-	-	1,637	(2,690)	61,182	-
Knicey Professorship in Leadership Studies	7/19/2000	500,000	504,420	1,230,174	-	-	32,358	(53,389)	1,209,143	-
Moseley-Watkins Fund for Excellence in English	8/10/2000	2,500	7,566	11,288	-	-	296	(469)	11,116	-
Boyd-Lubker Visiting Scholars Program	5/4/2000	100,000	100,100	211,902	-	-	5,577	(9,338)	208,141	-
Bramham/Collins Visual & Performing Guest Artist Endowment	8/1/2000	60,000	60,000	125,998	-	-	3,309	(5,246)	124,061	-
Gordon Ford College of Business Endowment	8/4/2000	50,000	59,395	107,798	-	2,500	2,844	(4,666)	108,476	-
Minority Teacher Support Endowment	6/12/2000	25,000	55,717	94,351	-	175	2,422	(1,846)	95,102	-
Tom Gorin Dean's Fund for Excellence	12/31/2000	25,000	25,000	53,689	-	-	1,413	(2,369)	52,733	-
Service One Credit Union Endowed Scholarship Fund	2/1/2001	10,000	143,278	164,307	-	-	4,025	(7,079)	161,253	-
Kerr - Greulich Endowment for Ogden College	3/30/2001	114,500	1,151,692	1,387,044	-	175,252	36,455	(56,188)	1,542,563	-
Sofia International Faculty Fund for Excellence	1/31/2002	200,000	215,102	543,166	-	-	13,944	(9,369)	547,741	-
Excellence Fund for Music - Symphony	10/16/2002	50,000	68,136	133,880	-	1,301	3,559	(5,761)	132,978	-
Gifted Studies Professorship	5/9/2002	500,000	500,000	1,331,884	-	-	34,973	(55,299)	1,311,558	-

Endowment Title	Date Established	Prior to 7/1/14				Year 7/1/14-6/30/15				
		State Funds Received	Gifts Received	Market Value 6/30/2014	Outstanding Pledges 6/30/2014	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2014-15	Market Value 6/30/2015	Outstanding Pledges 6/30/2015
Existing Endowments:										
Budde Fund for Excellence in Journalism	5/29/2002	86,000	93,000	215,914	-	5,500	5,597	(20,693)	206,318	-
Commonwealth Health Corporation Scholarships	5/31/2002	500,000	687,500	1,395,021	-	-	35,752	(21,506)	1,409,267	-
Greenview Regional Hospital Fund for Nursing	3/14/2003	100,000	100,000	240,224	-	-	6,323	(10,620)	235,927	-
Froct Family Professorship in History	3/21/2003	500,000	504,000	1,191,830	-	-	31,295	(49,462)	1,173,663	-
Confidential Visiting Professorship in Education	4/28/2003	250,000	250,000	602,408	-	-	15,439	(9,287)	608,560	-
Gildersleeve Fund for Geology and Geography	6/6/2003	50,000	42,587	98,619	7,913	-	2,572	(3,366)	97,825	7,913
Turner Professorship in Journalism	7/1/2003	500,000	500,290	1,196,933	-	-	31,503	(52,748)	1,175,688	-
Rafferty's Inc. Endowed Scholarship Fund	7/10/2003	100,000	92,000	256,675	8,000	8,000	6,545	(4,537)	266,683	-
Wendell Cherry Visiting Professorship in Business Leadership & Ethics	7/16/2003	250,000	250,000	562,968	-	-	14,817	(24,791)	552,994	-
Walter N. Scott Professorship in Biology	12/4/2000	224,500	350,080	764,823	-	-	19,642	(13,492)	770,973	-
BB&T Visiting Professorship Fund	8/28/2003	250,000	252,450	562,991	-	-	14,817	(24,767)	553,041	-
Pelino Fund for Excellence in Communications	12/31/2002	50,000	75,003	159,568	-	-	4,199	(6,984)	156,784	-
Fleishcaker/Greene Fund for Excellence in First Amendment Issues	9/4/2007	150,000	300,000	646,739	-	-	16,674	(14,059)	649,354	-
US Bank Fund for Excellence in Music	5/15/2003	28,000	28,000	59,495	-	20	1,526	(968)	60,073	-
Jarve Endowed Honors College Professorship	6/20/2008	500,000	400,000	1,160,478	-	-	30,198	(36,841)	1,153,836	-
Leichhardt Professorship in Horticulture	9/25/2008	500,000	510,590	1,158,642	-	-	23,398	(45,277)	1,136,762	-
Innovation in Sustainability	10/10/2008	50,000	50,000	125,400	-	2,000	3,243	(2,160)	128,483	-
Halton Fund for Economic Development in Allen County	8/24/2009	50,000	50,000	116,414	-	-	2,994	(2,240)	117,168	-
Endowment for Research	4/9/2009	350,000	-	471,175	350,000	-	13,299	(7,367)	477,107	350,000
Jones Fund for Excellence in the Honors College Honors College Endowed Award	6/23/2014	25,000	5,000	30,000	20,000	5,000	(688)	(337)	33,975	15,000
J. Clifford Todd Professor in Longevity and Healthful Living	10/31/1999	500,000	515,677	1,150,458	-	10,020	31,872	(52,539)	1,139,811	-
Lester and Dorothy Reeves Institutional Fund for Gerontology	8/1/2000	100,000	100,172	223,043	-	-	5,872	(9,880)	219,034	-
Laura Goad Turner Foundation Fund for Excellence in Symphony	9/23/2003	125,000	125,000	249,431	-	-	6,567	(11,073)	244,924.22	-
Ritter Family Professorship	5/8/2009	500,000	1,200,000	1,925,329	-	-	25,242	(39,164)	1,911,406	-
Paul G and Ernestine G Hatcher Modern Language Fund	11/6/2001	25,000	25,000	60,415	-	-	1,585	(2,440)	59,560	-
WKU Foundation		12,884,579	15,223,258	31,743,871	385,913	285,273	799,210	(1,149,386)	31,678,967.44	372,913
Dorris J Hutchison Scholarship Fund	9/6/2003	155,000	390,466	589,775	-	-	19,304	(24,500)	584,579	-
Mr. and Mrs. Raymond Simmons Agriculture Scholarship Fund	5/28/2003	50,000	50,115	118,769	-	-	3,916	(3,500)	119,185	-
Glenn R. and Joan B. Garrison Scholarship Fund	11/7/2002	100,000	123,344	267,600	-	-	8,642	(11,000)	265,242	-
Thomas R. and Judith L. Hunt Scholarship Fund	10/9/2002	50,000	50,041	162,859	-	-	5,416	(250)	168,025	-
Tom and Nancy Baird Kentucky Library Endowment	9/30/2002	50,000	57,792	127,501	-	-	4,104	(7,569)	124,036	-
Caleb Slaton/Logan Aluminum Endowed Scholarship Fund	7/31/2002	50,000	50,000	101,848	-	3,500	3,326	(4,500)	104,174	-
Dero Downing Spirit Makes the Master Scholarship	6/24/2002	90,000	90,075	185,746	-	-	6,070	(8,125)	183,691	-
Harlin Parker Scholarship Fund	12/31/2001	72,802	59,753	140,125	-	12,000	5,024	-	157,149	-
Pat Eubank French Memorial Scholarship Fund	12/17/2001	54,630	50,080	123,602	4,550	200	4,065	(4,400)	123,467	4,350
Betty Lou Smith Scholarship and Ben Corbin Memorial Scholarship	5/24/2001	80,000	103,916	148,384	-	-	4,925	(3,500)	149,809	-
Zuheir & Susan Sofia Scholarship Fund for International Students	10/31/1998	250,000	250,000	552,904	-	-	38,627	(9,500)	582,031	-

Endowment Title	Date Established	Prior to 7/1/14				Year 7/1/14-6/30/15				
		State Funds Received	Gifts Received	Market Value 6/30/2014	Outstanding Pledges 6/30/2014	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2014-15	Market Value 6/30/2015	Outstanding Pledges 6/30/2015
Existing Endowments:										
Ted Middleton Scholarship Fund	12/1/2009	164,000	701,294	973,870	-	-	32,228	(15,774)	990,324	-
Joseph J. Zaydon, Jr. M.D. Endowed Pre-Medical Scholarship	12/17/2009	150,000	138,544	343,418	11,456	14,040	24,252	(13,150)	368,560	-
Athena Cage Scholarship Fund	5/15/2003	10,198	35,688	27,613	-	-	1,189	(900)	27,902	-
College Heights Foundation		1,326,630	2,151,108	3,864,014	16,006	29,740	161,088	- (106,668)	3,948,174	4,350
Grand Total		14,211,209	17,374,366	35,607,885	401,919	315,013	960,298	- (1,256,054)	35,627,141	377,263