

# WKU

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## F O U N D A T I O N

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September 29, 2014

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 2013-2014. You will find information on 73 endowments valued at a total of \$35,607,885 as of June 30, 2014. The web site for this is <http://www.wku.edu/1A/bucks/report.html>.

This written report was revised and approved by the Executive Committee of the Board of Trustees of the Western Kentucky University Foundation on Thursday, September 25, 2014.

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

Best regards,



Kathryn R. Costello  
President/CEO, WKU Foundation



## **WESTERN KENTUCKY UNIVERSITY**

### **Western Kentucky University Foundation, Inc. College Heights Foundation**

### **Endowment Match Program 2013-2014 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 \$34,607,885 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/IA/bucks](http://www.wku.edu/IA/bucks).

Table 1: Match Program Positions, Programs, and Projects Established During Fiscal Year 2013-2014 and Since Program Inception

<u>Activity</u>	<u>2013-2014</u>		<u>1998-2014</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, 2014, a total of 32 visiting professors and WKU faculty were receiving honorariums or salary supplements through the program (see Table 2). The occupants of 19 of those positions (or 59.4 percent) were male and 13 (or 40.6 percent) were female.

Table 2: Gender of Match Program Faculty and Staff  
As of June 30, 2014

	Male	Female	Total
Chairs	2	0	2
Professors	16	12	28
Staff	1	1	2
Total	19	13	32

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, 2014, of the 32 match program faculty, 28 (or 87.5 percent) were white, one (or 3.1 percent) was black and three (or 9.4 percent) were Asian. This represents a decrease in the percentage of minorities supported by the program.

Table 3: Race of Endowment Match Program Faculty and Staff  
As of June 30, 2014

	White	Black	Am. Indian	Asian	Hispanic	Total
Chairs	2	0	0	0	0	2
Professorships	24	1	0	3	0	28
Staff	2	0	0	0	0	2
Total	28	1	0	3	0	32

Overall, the number of faculty employed through the match program increased from fiscal year 2013 to fiscal year 2014. By the end of the year, 12.5 percent of all faculty supported with program funds were minorities. This represents a decrease in the percentage of minority faculty employed between fiscal year-end 2013 and 2014.

The number of students receiving financial aid awards through the program remained consistent during 2013-2014. During the fiscal year, a total of 64 undergraduate and graduate students received scholarship awards that were funded with endowment proceeds (see Table 4). 20 of the scholarship recipients (or 31.25 percent) were minority students, which is the same percentage as last year.

Table 4: Gender and Race of Match Program Financial Aid Recipients  
For Awards Made During Fiscal Year 2013-2014

	<u>White</u>	<u>Black</u>	<u>Am. Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Scholarship Recipients						
Male	10	3	0	6	2	21
Female	<u>34</u>	<u>3</u>	<u>0</u>	<u>5</u>	<u>1</u>	<u>43</u>
Total	<u><u>44</u></u>	<u><u>6</u></u>	<u><u>0</u></u>	<u><u>11</u></u>	<u><u>3</u></u>	<u><u>64</u></u>

In terms of gender, the majority of financial aid recipients were female. Twenty-one of the 64 scholarship recipients (32.8 percent) were male and 43 were female (67.2 percent). The number of total scholarship recipients remained constant between fiscal years 2013 and 2014; the number of females decreased from 45 to 43 and the number of male recipients increased from 19 to 21.

#### *Sources of Funds*

During fiscal year 2013-14, 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 \$32,013,023 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 (\$17,399,895 or 97.75 percent) and the remainder is in outstanding pledges (\$401,919 or 2.25 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, 2014, Western Kentucky University received all \$14,211,209 of its 1998-2014 match program appropriation. That amount was matched with \$17,801,814 in cash gifts and pledges, bringing the total amount of the 1998-2014 program funds to \$32,013,023. Of that amount, \$11,515,987 or 36.0 percent will be used to support positions in the Council on Postsecondary Education Programs of Distinction for WKU and \$9,478,825 or 29.6 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>
<b>Programs of Distinction</b>				
Applied Research and Technology	\$3,939,000	\$ 5,917,984	\$9,856,987	30.8%
Center for 21st Media	<u>736,000</u>	<u>923,000</u>	<u>1,659,000</u>	<u>5.2%</u>
Sub-total	4,675,000	6,840,987	11,515,987	36.0%
<b>New Economy Areas</b>				
Human Health	3,058,579	3,361,479	6,420,058	20.0%
Biosciences	50,000	50,000	100,000	.3%
Materials Science	-	-	-	-
Information Tech	1,311,000	1,647,767	2,958,767	9.3%
Environmental Tech	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total	4,419,579	5,059,246	9,478,825	29.6%
<b>Other Disciplines</b>	5,116,630	5,901,581	11,018,211	34.4%
<b>Total</b>	<u>\$ 14,211,209</u>	<u>\$17,801,814</u>	<u>\$32,013,023</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 2008-14 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, 2014, the total market value of the 73 endowment accounts established under the Endowment Matching Program was \$35,607,885 (Table 7). Of that amount, \$14,211,209 (or 39.9 percent) was state funds and \$21,396,676 (or 60.1 percent) was gift funds, interest income and market growth or loss. Foundation records show an outstanding balance of \$401,919 in unpaid pledges on these accounts. As of June 30, 2014, \$1,202,260 was expended for program activities during the fiscal year.

**Table 6**

**Western Kentucky University  
Endowments Established or Expanded with State Funds  
During Fiscal Year 2013-2014**

<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>	
<b>Endowments Established:</b>						
Jones Fund for Excellence in the Honors College	6/23/2014	\$ 25,000	\$ 5,000	\$ 20,000	\$ 25,000	\$ 50,000
<b>Endowments Expanded:</b>						
None		-	-	-	-	-
<b>Endowment Funds Moved:</b>						
Endowment for Research	4/9/2009	(25,000)	-	(25,000)	(25,000)	(50,000)
<b>Grand Total</b>		<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ (5,000)</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 2013--2014**

Endowment Title	Date Established	Prior to 7/1/13				Year 7/1/13-6/30/14					
		State Funds Received	Gifts Received	Market Value 6/30/2013	Outstanding Pledges 6/30/2013	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2013-14	Market Value 6/30/2014	Outstanding Pledges 6/30/2014
<b>Existing Endowments:</b>											
Jim Scott Professorship	7/10/2000	1,000,000	1,001,500	1,869,730	-	-	-	58,632	(81,202)	1,847,159	-
Gail Martin Lecture & Faculty Development Series	6/12/2000	25,000	33,530	94,536	-	-	-	2,967	(4,017)	93,486	-
Layne Professorship in Mechanical Engineering	9/25/1998	475,000	476,000	877,015	-	-	-	27,507	(37,941)	866,580	-
Mattie Newman Ford Professorship in Entrepreneurship	11/19/1998	500,000	501,528	1,055,406	-	-	-	33,122	(45,050)	1,043,478	-
Mary R. Nixon Professorship in Accounting	1/4/1999	500,000	501,585	1,211,854	-	-	-	38,479	(38,046)	1,212,287	-
Jerry E. Baker Professorship in Music	1/28/1999	500,000	501,416	1,055,012	-	-	-	33,090	(45,622)	1,042,480	-
Hays Watkins Visiting CEO Professorship	9/28/1999	311,000	621,239	1,128,624	-	-	25,000	35,847	(36,980)	1,152,490	-
Leon Page Professorship in Banking & Financial Planning	1/10/2000	500,000	450,000	915,675	-	-	-	28,729	(39,308)	905,096	-
CHC/Centercare Visiting Professorship	1/7/2000	315,209	350,000	697,256	-	-	-	22,139	(21,919)	697,476	-
Hall Professorship in Construction Engineering	1/18/2000	500,000	501,913	923,369	-	-	500	28,973	(40,048)	912,794	-
Wm. M. McCormack Professorship	1/11/2000	500,000	500,000	1,215,416	-	-	-	38,176	(50,879)	1,202,714	-
Cangemi Faculty Award for COE	9/4/2000	14,500	17,500	39,048	-	-	-	1,227	(1,613)	38,663	-
Faculty Fund for Excellence in Ogden College/Hard Sciences	4/27/2000	5,870	5,870	13,158	-	-	-	425	(197)	13,385	-
Ward Visiting Professorship for Women's Studies	5/25/2000	110,000	110,000	180,522	-	-	-	5,664	(7,749)	178,436	-
College of Education Dean's Fund for Excellence	5/18/2000	12,500	12,750	32,677	-	-	-	1,053	(544)	33,187	-
Gordon Ford College of Business Dean's Fund for Excellence	5/18/2000	12,500	12,500	27,788	-	-	-	872	(1,180)	27,480	-
Ogden College of Science and Engineering Dean's Fund for Excellence	5/18/2000	12,500	12,500	31,729	-	-	-	1,023	(529)	32,222	-
Potter College of Arts Dean's Fund for Excellence	5/18/2000	12,500	12,763	33,915	-	-	-	1,093	(567)	34,441	-
Larry B. Shelton Dean's Fund for Excellence	5/25/2000	15,000	15,000	32,551	-	-	-	1,021	(1,392)	32,180	-
Johnson & St. Clair Center for Gifted Studies Faculty Support	5/12/2000	12,500	12,500	35,006	-	-	-	1,128	(584)	35,551	-
Bell Fund for Civil Engineering	6/30/2000	125,000	125,910	255,555	-	-	-	8,239	(4,215)	259,579	-
M. Eddie Carter Gifted Studies Faculty Fund	7/27/2000	25,000	25,000	61,281	-	-	-	1,975	(1,021)	62,235	-
Knically Professorship in Leadership Studies	7/19/2000	500,000	504,420	1,216,604	-	-	-	39,046	(25,476)	1,230,174	-
Moseley-Watkins Fund for Excellence in English	8/10/2000	2,500	7,566	11,405	-	-	-	358	(475)	11,288	-
Boyd-Lubker Visiting Scholars Program	5/4/2000	100,000	100,100	213,901	-	-	-	6,726	(8,725)	211,902	-
Bramham/Collins Visual & Performing Guest Artist Endowment	8/1/2000	60,000	60,000	126,134	-	-	-	3,999	(4,135)	125,998	-
Gordon Ford College of Business Endowment	8/4/2000	50,000	59,145	108,603	-	-	250	3,414	(4,469)	107,798	-
Minority Teacher Support Endowment	6/12/2000	25,000	55,547	93,399	-	-	170	2,989	(2,207)	94,351	-
Tom Gorin Dean's Fund for Excellence	12/31/2000	25,000	25,000	54,317	-	-	-	1,704	(2,332)	53,689	-
Service One Credit Union Endowed Scholarship Fund	2/1/2001	10,000	127,850	149,851	-	-	15,428	4,963	(5,935)	164,307	-
Kerr - Greulich Endowment for Ogden College	3/30/2001	114,500	982,796	1,219,774	-	-	168,896	43,595	(45,220)	1,387,044	-
Sofia International Faculty Fund for Excellence	1/31/2002	200,000	215,102	536,246	-	-	-	17,240	(10,321)	543,166	-
Excellence Fund for Music - Symphony	10/16/2002	50,000	68,136	134,199	-	-	-	4,220	(4,539)	133,880	-
Gifted Studies Professorship	5/9/2002	500,000	500,000	1,309,213	-	-	-	42,274	(19,603)	1,331,884	-
Budde Fund for Excellence in Journalism	5/29/2002	86,000	86,500	206,672	-	-	6,500	6,760	(4,019)	215,914	-
Commonwealth Health Corporation Scholarships	5/31/2002	500,000	687,500	1,336,872	-	-	-	78,467	(20,319)	1,395,021	-
Greenview Regional Hospital Fund for Nursing	3/14/2003	100,000	100,000	243,021	-	-	-	7,625	(10,422)	240,224	-
Froct Family Professorship in History	3/21/2003	500,000	504,000	1,205,228	-	-	-	37,831	(51,229)	1,191,830	-
Confidential Visiting Professorship in Education	4/28/2003	250,000	250,000	607,851	-	-	-	19,121	(24,565)	602,408	-
Gildersleeve Fund for Geology and Geography	6/6/2003	50,000	42,587	99,226	7,913	-	-	3,130	(3,737)	98,619	7,913
Turner Professorship in Journalism	7/1/2003	500,000	500,290	1,208,853	-	-	-	37,992	(49,913)	1,196,933	-

Endowment Title	Date Established	Prior to 7/1/13				Year 7/1/13-6/30/14					
		State Funds Received	Gifts Received	Market Value 6/30/2013	Outstanding Pledges 6/30/2013	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2013-14	Market Value 6/30/2014	Outstanding Pledges 6/30/2014
Rafferty's Inc. Endowed Scholarship Fund	7/10/2003	100,000	84,000	245,028	16,000	-	8,000	7,893	(4,246)	256,675	8,000
Wendell Cherry Visiting Professorship in Business Leadership & Ethics	7/16/2003	250,000	250,000	565,113	-	-	-	17,869	(20,014)	562,968	-
Walter N. Scott Professorship in Biology	12/4/2000	224,500	350,080	765,174	-	-	-	24,276	(24,628)	764,823	-
BB&T Visiting Professorship Fund	8/28/2003	250,000	252,450	569,096	-	-	-	17,870	(23,976)	562,991	-
Pelino Fund for Excellence in Communications	12/31/2002	50,000	75,003	160,217	-	-	-	5,126	(5,774)	159,568	-
Fleishcaker/Greene Fund for Excellence in First Amendment Issues	9/4/2007	150,000	300,000	640,433	-	-	-	20,527	(14,221)	646,739	-
US Bank Fund for Excellence in Music	5/15/2003	28,000	28,000	58,589	-	-	-	1,888	(982)	59,495	-
Jarve Endowed Honors College Professorship	6/20/2008	500,000	400,000	1,157,513	-	-	-	36,834	(33,869)	1,160,478	-
Leichhardt Professorship in Horticulture	9/25/2008	500,000	359,999	1,018,521	149,970	-	150,591	30,591	(41,062)	1,158,642	-
Innovation in Sustainability	10/10/2008	50,000	48,000	121,842	2,000	-	2,000	3,980	(2,422)	125,400	-
Halton Fund for Economic Development in Allen County	8/24/2009	50,000	40,000	104,908	10,000	-	10,000	3,693	(2,188)	116,414	-
Endowment for Research	4/9/2009	350,000	-	462,730	350,000	-	-	15,749	(7,303)	471,175	350,000
Jones Fund for Excellence in the Honors College	6/23/2014	25,000	-	25,000	25,000	-	5,000	-	-	30,000	20,000
J. Clifford Todd Professor in Longevity and Healthful Living	10/31/1999	500,000	515,577	1,200,297	-	-	100	37,646	(87,585)	1,150,458	-
Lester and Dorothy Reeves Institutional Fund for Gerontology	8/1/2000	100,000	100,172	225,552	-	-	-	7,080	(9,589)	223,043	-
Laura Goad Turner Foundation Fund for Excellence in Symphony	9/23/2003	125,000	125,000	253,111	-	-	-	7,117	(10,798)	249,430.55	-
Ritter Family Professorship	5/8/2009	500,000	1,200,000	1,908,954	-	-	-	30,534	(14,159)	1,925,329	-
Paul G and Ernestine G Hatcher Modern Language Fund	11/6/2001	25,000	25,000	59,387	-	-	-	1,918	(889)	60,415	-
<b>WKU Foundation</b>		<b>12,884,579</b>	<b>14,830,823</b>	<b>31,409,956</b>	<b>560,883</b>	<b>-</b>	<b>392,434</b>	<b>1,003,430</b>	<b>(1,061,949)</b>	<b>31,743,871</b>	<b>385,913</b>
Dorris J Hutchison Scholarship Fund	9/6/2003	155,000	370,001	597,170	-	-	20,465	37,605	(45,000)	589,775	-
Mr. and Mrs. Raymond Simmons Agriculture Scholarship Fund	5/28/2003	50,000	50,115	115,239	-	-	-	7,280	(3,750)	118,769	-
Glenn R. and Joan B. Garrison Scholarship Fund	11/7/2002	100,000	123,344	262,358	-	-	-	16,342	(11,100)	267,600	-
Thomas R. and Judith L. Hunt Scholarship Fund	10/9/2002	50,000	50,041	153,040	-	-	-	9,819	-	162,859	-
Tom and Nancy Baird Kentucky Library Endowment	9/30/2002	50,000	57,792	133,222	-	-	-	8,132	(13,853)	127,501	-
Caleb Slaton/Logan Aluminum Endowed Scholarship Fund	7/31/2002	50,000	50,000	100,519	-	-	-	6,329	(5,000)	101,848	-
Dero Downing Spirit Makes the Master Scholarship	6/24/2002	90,000	90,075	180,422	-	-	-	11,449	(6,125)	185,746	-
Harlin Parker Scholarship Fund	12/31/2001	72,802	68,453	117,796	-	-	16,800	7,647	(2,118)	140,125	-
Pat Eubank French Memorial Scholarship Fund	12/17/2001	54,630	49,865	119,964	4,765	-	215	7,673	(4,250)	123,602	4,550
Betty Lou Smith Scholarship and Ben Corbin Memorial Scholarship	5/24/2001	80,000	85,440	152,352	-	-	18,496	9,447	(13,415)	148,384	-
Zuheir & Susan Sofia Scholarship Fund for International Students	10/31/1998	250,000	250,000	539,701	-	-	-	34,153	(20,950)	552,904	-
Ted Middleton Scholarship Fund	12/1/2009	164,000	268,083	484,477	-	-	433,211	66,182	(10,000)	973,870	-
Joseph J. Zaydon, Jr. M.D. Endowed Pre-Medical Scholarship	12/17/2009	150,000	122,408	295,384	27,592	-	16,136	35,898	(4,000)	343,418	11,456
Athena Cage Scholarship Fund	5/15/2003	10,198	35,698	25,435	-	-	-	2,928	(750)	27,613	-
<b>College Heights Foundation</b>		<b>1,326,630</b>	<b>1,671,315</b>	<b>3,277,079</b>	<b>32,357</b>	<b>-</b>	<b>505,323</b>	<b>260,884</b>	<b>(140,311)</b>	<b>3,864,014</b>	<b>16,006</b>
<b>Grand Total</b>		<b>14,211,209</b>	<b>16,502,138</b>	<b>34,687,035</b>	<b>593,240</b>	<b>-</b>	<b>897,757</b>	<b>1,264,314</b>	<b>(1,202,260)</b>	<b>35,607,885</b>	<b>401,919</b>