

COLLEGE HEIGHTS FOUNDATION 2019 ANNUAL REPORT

Photo of the Cliff Todd Center, which serves as the home of the College Heights Foundation located at 1703 Chestnut Rd.



Dear Friends,

Access and opportunity. Since its founding in 1906, Western Kentucky University has been committed to keeping these two words at the forefront of our mission to serve all those within our reach. The new scholarship model now offered by WKU further demonstrates that unwavering commitment to access and opportunity as any incoming student with a minimum 3.0 GPA will receive some scholarship assistance to pursue his or her college education at WKU.

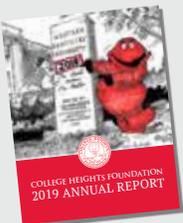
This scholarship assistance provided to thousands of deserving students would not be possible if it were not for your generous support of the College Heights Foundation. Thank you for joining in our efforts to ensure that every interested student who aspires to be a Hilltopper has the needed financial assistance to not be denied access to this educational opportunity to transform their lives. CHF is proud to serve as the Guardian of Trusts to more than 1,300 individual scholarship funds with their own unique stories. Each of these funds is making a difference in the lives of deserving students and providing the immeasurable gift of education. Please review this Annual Report to see the impact, individually and collectively, that your philanthropy is having.

Because you have entrusted us with your generous support, it is also incumbent upon us to ensure we are using and investing your resources wisely. The College Heights Foundation and WKU Foundation have been working closely together over the past year as part of the strategic planning efforts to ensure we are operating in the most efficient manner possible. Through this collaborative effort, we are utilizing shared personnel, generating economies of scale, and aligning our policies and procedures all in an effort to best serve our constituents and WKU. We are proud of the strides that have been made over the past year and are committed to the same trusted level of service that has been a hallmark of the College Heights Foundation since our founding in 1923. Further demonstrating our commitment to our fiduciary duties, the investment returns of the endowed portfolio continue to outpace our peers and rank in the top 95th percentile of all college and university endowments across the country.

As our endowment grows, so too does our ability to provide greater access and opportunities for more students. Thank you for your strong belief in the importance of education and your continued loyal support of WKU. Always remember, "the Spirit Makes the Master."

Sincerely,

Dr. Donald Smith, President
College Heights Foundation



On The Cover: The cover is a unique drawing created by William "Whitey" Sanders, a 1955 graduate from Potter College. Whitey spent his career as a Political Cartoonist working for the *Stars and Stripes*, the *Greensboro Daily News*, and the *Kansas City Star* before taking up residency at the *Milwaukee Journal* (1967-91). He has received honors from the Kansas City and Wisconsin Civil Liberties Unions, the International Salon of Cartoons Award, and the National Headliners Award. His cartoons have caught the attention and comments of U.S. presidents from Lyndon B. Johnson to George H. W. Bush. Whitey was inducted into the WKU Hall of Distinguished Alumni in 1997, served on the National Alumni Association Board of Directors from 2010-2013, and currently has a gallery of his work displayed on the second floor in the Augenstein Alumni Center at WKU.

BOARD OF DIRECTORS



Gen. Edward Daniel Cherry



Dr. Melissa H. Dennison



Mr. H. Alexander Downing



Dr. Jack G. Glasser



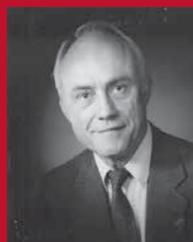
Mr. Clarence E. Glover



Mr. R. Harvey Johnston, III



Mr. Marc A. Lovell



Dr. Jerry W. Martin



Mr. Joe B. Natcher, Jr.



Ms. Wanda J. Scott



Mr. Michael L. Simpson
Chair

STATEMENT OF FINANCIAL POSITION

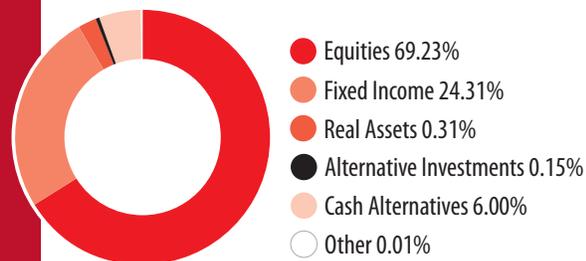
ASSETS	2019
Cash and cash equivalents	\$4,447,629
Interest and dividends receivable	\$67,420
Investments	\$75,097,293
Beneficial interest in third party trusts	\$5,946,063
Assets held for others	\$2,946,249
Fixed assets, net of depreciation	\$2,076,905
Other Assets	<u>\$750</u>
Total assets	<u>\$90,582,309</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$-0-
Refundable advances / gift annuity liabilities	\$2,756,827
Liability for assets held for others	<u>\$2,946,249</u>
Total liabilities	\$5,703,076

Net assets	
Without Donor Restrictions	\$12,541,945
With Donor Restrictions	<u>\$72,337,288</u>
Total net assets	<u>\$84,879,233</u>
Total liabilities and net assets	<u>\$90,582,309</u>

INVESTMENT ALLOCATION



In Memoriam

Mrs. Carol H. Wedge

The College Heights Foundation mourned the loss of Mrs. Carol H. Wedge on September 24, 2019. She was Vice Chair of the CHF Board of Directors and provided loyal service on the board for 18 years. Mrs. Wedge was a strong supporter of Western Kentucky University, the CHF, and student scholarships. She was an invaluable member of the Hilltopper family who will be greatly missed.

Introducing Cynthia Wilkerson Treasurer and Chief Financial Officer



We welcome Cynthia Wilkerson as the new Treasurer and CFO for the College Heights Foundation at Western Kentucky University. Cynthia received her bachelor's degree in accounting (1993) and her master's degree in professional accountancy (1995) from WKU. She returns home to WKU and Bowling Green, KY, after a span of years pursuing a career in public industry and public accounting. With 20+ years of experience leading teams at a Fortune 500 company and over five years as an auditor and tax accountant in public accounting, she has served in a variety of leadership positions across the country. We are glad to have Cynthia back on "the Hill."

Asset total of
\$90
MILLION

\$9.53
MILLION
in gifts given


SURPASSED
1,300
SCHOLARSHIP
FUNDS
administered by CHF

**AVERAGE
INVESTMENT
RETURNS**



More than
\$5.78 million
in scholarships awarded to

2,518
WKU STUDENTS

29
NEW SCHOLARSHIP
FUNDS CREATED



NEW SCHOLARSHIPS

- 🎓 Daniel F. Beavers Scholarship Fund
- 🎓 Boggess-Callis Family Scholarship Fund
- 🎓 Timothy Christian and Kacy Myree Caboni Scholarship Fund
- 🎓 Carey Family Scholarship Fund
- 🎓 Kathy Collier Memorial Scholarship Fund
- 🎓 Dr. Michael Collins Scholarship Fund
- 🎓 Michael and Deborah Dale Scholarship Fund
- 🎓 Danhauer-Higginson Family Scholarship Fund
- 🎓 Bob and Kay Glantz Regional Scholarship Fund
- 🎓 Bob and Kay Glantz Military Science Scholarship Fund
- 🎓 Heather and Aaron Glass Scholarship Fund
- 🎓 Mitchell Henry Leadership Award Fund
- 🎓 Julie Harris Hinson Opportunity Fund for Student Publications
- 🎓 Julie Harris Hinson Opportunity Fund for ISEC
- 🎓 Ralph & Martha Jones Scholarship Fund
- 🎓 Jonesville Scholarship Fund
- 🎓 Morris and Barbara Sue Longacre Scholarship Fund
- 🎓 Master of Social Work Diversity Scholarship Fund
- 🎓 Alicia McFarland Scholarship Fund
- 🎓 Patrick Family Scholarship Fund
- 🎓 Potter-Nicely Scholarship Fund
- 🎓 Scott Waste Services, LLC, Scholarship Fund
- 🎓 Hon. Judge Thomas E. "Tom" Simpson Scholarship Fund
- 🎓 Kathryn Steward Scholarship Fund
- 🎓 Wendell and Jan Strode Scholarship Fund
- 🎓 Sara Downing Taylor Early Childhood Education Scholarship Fund
- 🎓 Joe and Kathlyn Mudd Thomas Scholarship Fund
- 🎓 Kaci Wilson Memorial Scholarship Fund
- 🎓 WKU Agriculture and Food Science Opportunity Fund

OPPORTUNITY FUND IMPACT

The WKU Opportunity Fund, a focused fundraising campaign to raise \$50 million to support students, continues WKU's rich tradition of access and opportunity that has been a part of Western Kentucky University since it was founded by Dr. Henry Hardin Cherry. In what led to the creation of the College Heights Foundation, President Cherry used a \$100 gift from a faculty member to provide financial assistance to deserving students, and the University has continued to embrace that tradition. The WKU Opportunity Fund removes barriers for access to education through needs-based financial assistance in three areas of priority: Recruitment, Retention, and Beyond the Classroom.

Retention

For Allison Denny, her scholarship was critical in allowing her to complete her two majors at WKU. "Without the Baker Scholarship, I would not have been able to afford to come back to WKU this year," Denny said. "This award has allowed me to wrap up my undergraduate career to graduate with two degrees in May 2020."

Allison Denny | Elsmere, Ky
Senior, Fine Arts in Sculpture/Arts in Ceramics



Recruitment

For Princess Reed, her scholarship support was the deciding factor in being able to go to college at all. "My mother has gone through cancer," the music education major explained. "If college wasn't paid for, I wouldn't have been able to go. Before I received the scholarship, I was worried about the jobs I would need to have to afford it. But I don't associate stress with college anymore."

Princess Reed | Leitchfield, Ky
Freshman, Music Education



Beyond the Classroom

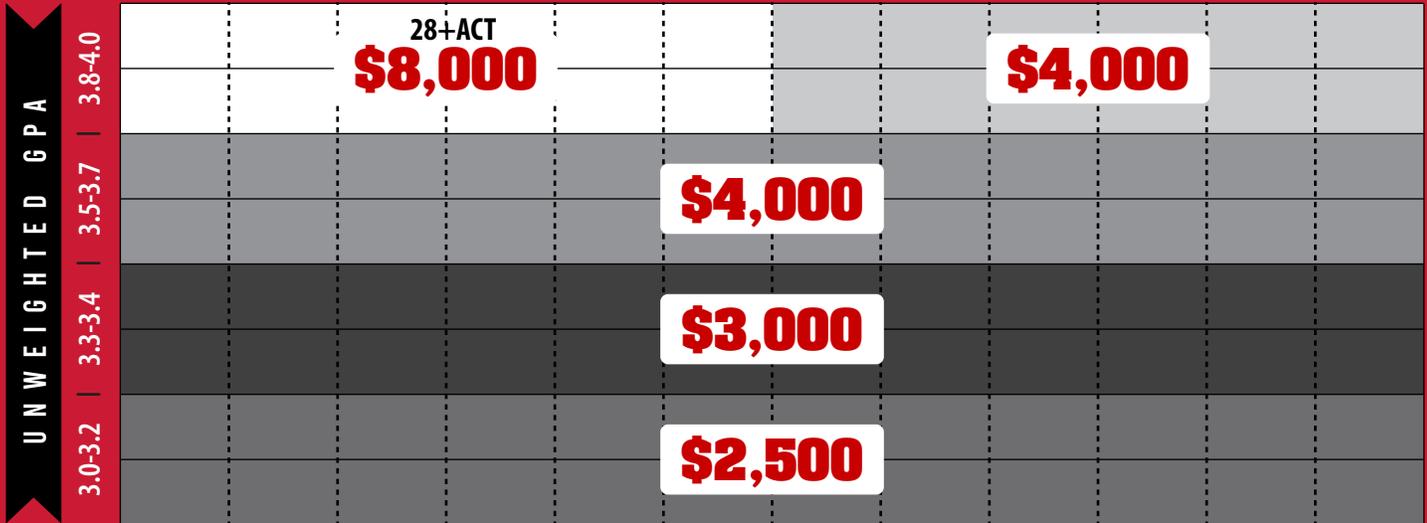
Scholarship support allowed Brodie Simmons to participate in a study-abroad trip to Ecuador through the Department of Agriculture. "Scholarship support provided me with the opportunity to study agriculture abroad and really learn how other countries do agriculture and experience mass production in another country," he said. "We were able to learn more about the production of broccoli and fresh-cut flowers, and it was interesting to see how those businesses operate."

Brodie Simmons | Bowling Green, Ky
Senior, Horticulture

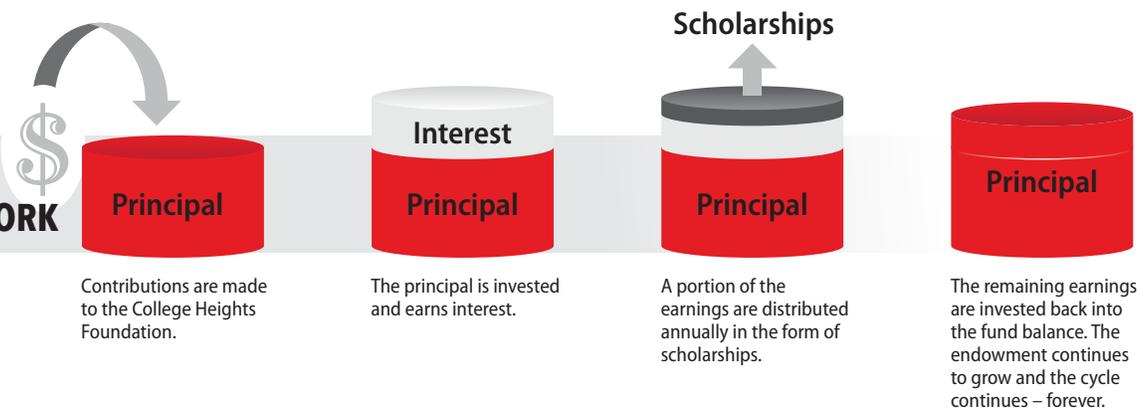


CHANGES ANNOUNCED FOR WKU SCHOLARSHIP PROGRAM

Starting for fall of 2020, WKU will no longer require ACT scores to award most academic merit-based and targeted scholarships for first-time freshmen. WKU is also enhancing the program with an additional \$5.2 million in scholarship funding available to a larger group of students by expanding offers to students with a high school GPA of 3.0 or higher and raising the minimum award from \$1,500 to \$2,500.



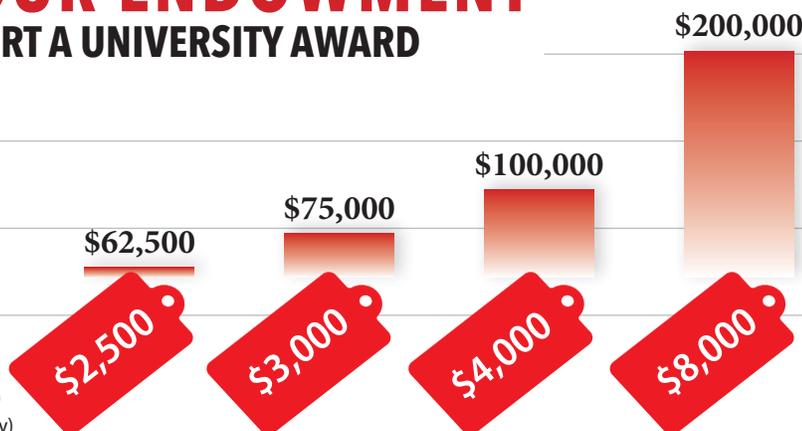
HOW ENDOWED SCHOLARSHIPS WORK



HOW YOUR ENDOWMENT COULD SUPPORT A UNIVERSITY AWARD

ENDOWMENT SIZE

AMOUNTS AWARDED
(based on 4% spending policy)





How the Coronavirus Aid, Relief, and Economic Security (CARES) Act Impacts Charitable Giving

During these unprecedented times, the CARES Act was signed into law to contend challenges presented by the COVID-19 pandemic. Some of its key financial impacts can be used to maximize charitable giving during the 2020 tax year.

Charitable Deductions

- The adjusted gross income (AGI) limit for cash contributions was waived, meaning individual donors may now elect to deduct up to 100 percent of AGI (up from 60%).
- For those not itemizing deductions, the CARES Act allows a deduction for charitable cash gifts up to \$300. If you are not itemizing on your 2020 taxes, you can claim this new deduction.
- The AGI limit for cash contributions to charitable organizations (excluding donor advised funds) was increased to 25% (up from 10%) for corporate donors.

IRA Required Minimum Distributions (RMD) and Qualified Charitable Distributions (QCD)

The CARES Act waived RMDs for individuals of 70½ years or older during the 2020 tax year but still allows for QCDs, which allows those 70½ years or older to contribute up to \$100,000 from their IRA directly to a charitable organization and avoiding taking distribution as taxable income.

WAYS OF GIVING

Gifts of Cash



Mail
College Heights Foundation
1906 College Heights Blvd., #41016
Bowling Green, KY 42101



Call
(270) 745-4597



Online
www.wku.edu/chf/giving.php

Other Ways to Give



Closely Held Stock



Appreciated Securities



Gifts through Estate



Gifts of Real Estate



Gifts of Objects

Please visit our ways of giving site, www.wku.edu/chf/giving.php, for more information. You can also contact us at 270-745-4597 to discuss some of these giving vehicles in greater detail to determine the option that might be best for your individual philanthropic needs.

From the Vault:

A Dime Makes a Stock Holder

By Tiffany Isselhardt



GABRIELLE ROBERTSON

Did you know the Kentucky Museum was an idea started by Western Kentucky State Normal School history professor Gabrielle Robertson? In 1914, Gabrielle began teaching Kentucky history at WKU. Finding that there was only one book on Kentucky in the library, she embarked on a lifelong crusade to add others. As her materials - books, manuscripts, and objects - accumulated, she began to envision a building to the house collection.

By the 1920s, her efforts so impressed President Henry Hardin Cherry that he expanded her idea to include a museum. In 1928, the College Heights Foundation began to raise money for construction of the Kentucky Building. Construction of the 40,000 square foot structure started on August 4, 1931, and the exterior was completed that fall. However, the Great Depression made it nearly impossible to raise funds to complete the interior. Even so, the unfinished interior was temporarily used as classroom space from 1935-1937. School children played an important role in the building's completion in the late 1930s. Small coin banks were distributed throughout the state, and students donated by placing dimes in the tins and returning them to the College Heights Foundation. In the end, over 4,000 Kentuckians became "stock holders" of the Kentucky Building.



The Kentucky Building was completed in September 1939 with funding from faculty, students, the general public, and the Public Works Administration. It was dedicated November 16, 1939, which was Founder's Day - President Cherry's birthday. When it finally opened, the Kentucky Building had reception areas, classrooms, museum galleries, and library reading rooms; and it contained an extensive collection of manuscripts, artifacts, and books. The building closed in 1976 and reopened on July 4, 1980 after a \$2.7 million renovation that doubled its size to 80,000 square feet.

Today, the Kentucky Building houses the Kentucky Museum as well as the Department of Library Special Collections, which contains a variety of rare materials including books, photographs, maps, and genealogical materials.

To celebrate the 80th anniversary of this facility and the mission of Gabrielle Robertson and President Cherry of 'establishing a place for Kentuckians to know Kentucky,' you may support the Kentucky Museum Endowed Fund, which supports exhibitions and programs at the Museum, and continue to be a stock holder in this Kentucky treasure.



...students donated by placing dimes in the tins and returning them to the College Heights Foundation.



COLLEGE HEIGHTS FOUNDATION

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