

# WKU

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

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August 9, 2019

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 2018-2019. You will find information on 79 endowments valued at a total of \$36,909,862 as of June 30, 2019. The website for this report is [www.wku.edu/bucks/index.php](http://www.wku.edu/bucks/index.php).

This written report was reviewed and approved by the Board of Trustees of the Western Kentucky University Foundation on, Friday, August 9, 2019.

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,



Dr. Donald L. Smith  
President, Interim  
Western Kentucky University Foundation



## **WESTERN KENTUCKY UNIVERSITY**

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

### **Endowment Match Program 2018-2019 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 79 endowments valued at \$36,909,862 as of June 30, 2019 (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, 15 scholarship funds and 37 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, 15 endowed scholarships and 37 mission support projects since its inception in 1998. Of these activities, the two chairs, the 25 professorships were occupied or

reporting expenditures, 15 of the scholarships made awards and 37 of the mission support projects reported expenditures. As of fiscal year-end, all 79 were active. Details concerning these chairs and professorships may be found on our website at [www.wku.edu/bucks/index.php](http://www.wku.edu/bucks/index.php).

Table 1: Match Program Positions, Programs, and Projects Established During Fiscal Year 2018-2019 and Since Program Inception

Activity	2018-2019		1998-2019	
	Number Established	Number* Active	Number Established	Number* Active
Chairs	0	2	2	2
Professorships	0	25	25	25
Fellowships	0	0	0	0
Scholarships	0	15	15	15
Mission Support Projects	0	37	37	37
Totals	0	79	79	79

\* 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 female. As of June 30, 2019, a total of 32 visiting professors and WKU faculty were receiving honorariums or salary supplements through the program (see Table 2). The occupants of 20 of those positions (or 62.5 percent) were female and 12 (or 37.5 percent) were male.

Table 2: Gender of Match Program Faculty and Staff  
As of June 30, 2019

	Male	Female	Total
Chairs	1	0	1
Professors	10	13	23
Staff	2	6	8
Total	13	19	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, 2019, of the 32 match program faculty, 26 (or 81.25 percent) were white, one (or 3.12 percent) were black, three (or 9.37 percent) were Asian, one (or 3.12 percent) was American Indian and one (or 3.12 percent) were Hispanic. While the total number decreased, this represents a static percentage of minorities supported by the program.

Table 3: Race of Endowment Match Program Faculty and Staff  
As of June 30, 2019

	White	Black	Am. Indian	Asian	Hispanic	Total
Chairs	0	0	0	1	0	1
Professorships	22	1	1	2	1	27
Staff	4	0	0	0	0	4
Total	26	1	1	3	1	32

Overall, the number of faculty employed through the match program decreased by one from fiscal year 2018 to fiscal year 2019. By the end of the year, 18.73 percent of all faculty supported with program funds were minorities. This represents a number basically the same as the percentage of minority faculty employed between fiscal year-end 2018 and 2019.

The number of students receiving financial aid awards through the program increased during 2018-2019 by 7 students. During the fiscal year, a total of 100 undergraduate and graduate students received scholarship awards that were funded with endowment proceeds (see Table 4).

Thirteen of the scholarship recipients (or 13 percent) were minority students, which is a slight decrease in percentage from last year. Four students chose not to identify by race.

Table 4: Gender and Race of Match Program Financial Aid Recipients  
For Awards Made During Fiscal Year 2018-2019

	<u>White</u>	<u>Black</u>	<u>Am. Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Not Reported</u>	<u>Total</u>
Scholarship Recipients							
Male	22	5	0	2	1	2	32
Female	<u>61</u>	<u>0</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>2</u>	<u>68</u>
Total	<u>83</u>	<u>5</u>	<u>1</u>	<u>5</u>	<u>2</u>	<u>4</u>	<u>100</u>

In terms of gender, the majority of financial aid recipients were female. Over 32 of the 100 scholarship recipients (32 percent) were male and 68 were female (68 percent). The overall number of total scholarship recipients increased from 93 to 100 between fiscal years 2018 and 2019; the number of females increased from 64 to 68 and the number of male recipients also increased from 29 to 32.

#### *Sources of Funds*

During fiscal year 2018-19, 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 \$33,700,606 in private and state funds was used to create or expand 79 endowments. Over half of the funds received from private sources was in cash or cash equivalent gifts (\$19,429,369 or 99.69 percent) and the remainder is in outstanding pledges (\$60,028 or .3 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, 2019, Western Kentucky University received all \$14,211,209 of its 1998-2015 match program appropriation. That

amount was matched with \$19,489,397 in cash gifts and pledges, bringing the total amount of the 1998-2018 program funds to \$36,969,890. Of that amount, \$12,469,263 or 37.0 percent will be used to support positions in the Council on Postsecondary Education Programs of Distinction for WKU and \$9,519,049 or 28.2 percent will be used to support the new economy priority areas. Those priority areas include: Human Health and Development (18.4 percent), Biosciences (.3 percent), Materials Science and Advanced Manufacturing (0.0 percent), Information Technologies and Communications (10.1 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	\$3,989,000	\$ 6,754,763	\$10,743,763	31.9%
Center for 21st Media	<u>736,000</u>	<u>989,500</u>	<u>1,725,500</u>	<u>5.1%</u>
Sub-total	4,725,000	7,744,263	12,469,263	37.0%
<b>New Economy Areas</b>				
Human Health	2,881,079	3,195,189	6,076,268	18.0%
Biosciences	50,000	50,000	100,000	.3%
Materials Science	-	-	-	-
Information Tech	1,413,500	1,929,281	3,342,781	9.9%
Environmental Tech	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total	4,344,579	5,174,470	9,519,049	28.2%
<b>Other Disciplines</b>	5,141,630	6,570,664	11,712,294	34.8%
<b>Total</b>	<u>\$ 14,211,209</u>	<u>\$19,489,397</u>	<u>\$33,700,606</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 2008-10 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, 2019, the total market value of the 79 endowment accounts established under the Endowment Matching Program was \$36,909,862 (Table 7). Of that amount, \$14,211,209 (or 38.50 percent) was state funds and \$22,698,653 (or 61.5 percent) was gift funds, interest income and market growth or loss. Foundation records show an outstanding balance of \$60,028 in unpaid pledges on these accounts. As of June 30, 2019, \$1,461,442 was expended for program activities during the fiscal year.

Table 6

**Western Kentucky University  
Endowments Established or Expanded with State Funds  
During Fiscal Year 2018-2019**

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



**Western Kentucky University**  
**Western Kentucky University Foundation and College Heights Foundation**  
**Table 7: Components of Change in Endowment Market Value**  
**From Beginning to End of Fiscal Year 2018-2019**

Endowment Title	Prior to 7/1/18				Year 7/1/18-6/30/19					
	State Funds Received	Gifts Received	Market Value 6/30/2018	Outstanding Pledges 6/30/2018	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2017-2018	Market Value 6/30/2019	Outstanding Pledges 6/30/2019
<b>Existing Endowments:</b>										
Jim Scott Professorship	1,000,000	1,002,622	2,033,996	-	-	-	26,866	(90,904)	1,969,958	-
Gail Martin Lecture & Faculty Development Series	25,000	33,780	89,971	-	-	-	1,209	(1,326)	89,855	-
Layne Professorship in Mechanical Engineering	475,000	476,000	958,385	-	-	-	12,645	(42,664)	928,367	-
Mattie Newman Ford Professorship in Entrepreneurship	500,000	506,528	1,071,986	-	-	-	14,240	(49,979)	1,036,247	-
Mary R. Nixon Professorship in Accounting	500,000	501,585	1,218,553	-	-	-	16,234	(48,202)	1,186,584	-
Jerry E. Baker Professorship in Music	500,000	501,616	1,041,117	-	-	-	13,828	(48,827)	1,006,119	-
Hays Watkins Visiting CEO Professorship	311,000	796,239	1,326,914	-	-	50,000	19,896	(45,366)	1,351,444	-
Leon Page Professorship in Banking & Financial Planning	500,000	500,000	1,014,325	-	-	-	13,386	(45,938)	981,773	-
CHC/Centercare Visiting Professorship	315,209	350,000	729,836	-	-	-	9,805	(13,790)	725,852	-
Hall Professorship in Construction Engineering	500,000	507,413	1,014,344	-	-	-	13,383	(45,016)	982,711	-
Wm. M. McCormack Professorship	500,000	500,000	1,192,970	-	-	-	15,851	(54,985)	1,153,836	-
Cangemi Faculty Award for COE	15,000	17,500	37,318	-	-	-	496	(1,627)	36,187	-
Faculty Fund for Excellence in Ogden College/Hard Sciences	5,870	5,870	13,359	-	-	-	179	(252)	13,286	-
Ward Visiting Professorship for Women's Studies	110,000	110,000	180,062	-	-	-	2,407	(5,572)	176,897	-
College of Education Dean's Fund for Excellence	12,500	12,750	33,199	-	-	-	441	(1,474)	32,166	-
Gordon Ford College of Business Dean's Fund for Excellence	12,500	12,500	26,795	-	-	-	356	(1,217)	25,934	-
Ogden College of Science and Engineering Dean's Fund for Excellence	12,500	12,505	33,200	-	-	-	446	(626)	33,020	-
Potter College of Arts Dean's Fund for Excellence	12,500	13,263	33,859	-	-	-	455	(637)	33,677	-
Larry B. Shelton Dean's Fund for Excellence	15,000	15,000	31,413	-	-	-	417	(1,477)	30,353	-
Johnson & St. Clair Center for Gifted Studies Faculty Support	12,500	12,500	36,541	-	-	-	492	(539)	36,494	-
Bell Fund for Civil Engineering	125,000	126,910	275,570	-	-	-	3,661	(12,714)	266,517	-
M. Eddie Carter Gifted Studies Faculty Fund	25,000	98,295	141,212	-	-	-	1,892	(3,666)	139,438	-
Knicely Professorship in Leadership Studies	500,000	504,420	1,207,981	-	-	-	16,041	(57,285)	1,166,737	-
Moseley-Watkins Fund for Excellence in English	2,500	7,566	11,769	-	-	-	156	(542)	11,383	-
Boyd-Lubker Visiting Scholars Program	100,000	100,815	205,484	-	-	-	2,729	(9,753)	198,460	-
Bramham/Collins Visual & Performing Guest Artist Endowment	60,000	59,108	124,541	-	-	-	1,656	(5,693)	120,504	-
Gordon Ford College of Business Endowment	50,000	64,395	116,962	-	-	-	1,556	(4,542)	113,976	-
Minority Teacher Support Endowment	25,000	56,427	96,428	-	-	125	1,294	(1,841)	96,006	-
Tom Gorin Dean's Fund for Excellence	25,000	25,000	54,375	-	-	-	722	(2,529)	52,568	-
Service One Credit Union Endowed Scholarship Fund	10,000	182,750	180,249	-	-	19,000	3,480	(8,338)	194,392	-
Kerr - Greulich Endowment for Ogden College	114,500	1,774,531	2,007,857	-	-	36,107	28,347	(87,027)	1,985,284	-
Sofia International Faculty Fund for Excellence	200,000	200,000	537,146	-	-	-	7,133	(25,453)	518,826	-

Endowment Title	Prior to 7/1/18				Year 7/1/18-6/30/19					
	State Funds Received	Gifts Received	Market Value 6/30/2018	Outstanding Pledges 6/30/2018	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2017-2018	Market Value 6/30/2019	Outstanding Pledges 6/30/2019
Excellence Fund for Music - Symphony	25,000	50,709	87,133	-	-	-	1,158	(3,961)	84,330	-
Gifted Studies Professorship	500,000	500,000	1,319,543	-	-	-	17,523	(62,527)	1,274,539	-
Budde Fund for Excellence in Journalism	86,000	98,500	214,859	-	-	-	2,887	(3,997)	213,749	-
Commonwealth Health Corporation Scholarships	500,000	687,500	1,472,263	-	-	-	19,887	(69,303)	1,422,847	-
Excellence Fund for Music - Choral Society	25,000	30,000	56,771	-	-	-	763	(1,076)	56,457	-
Greenview Regional Hospital Fund for Nursing	100,000	100,000	252,405	-	-	-	3,391	(4,809)	250,987	-
Froct Family Professorship in History	500,000	509,000	1,155,629	-	-	-	15,346	(54,817)	1,116,158	-
Confidential Visiting Professorship in Education	250,000	250,000	611,900	-	-	-	8,234	(9,021)	611,114	-
Gildersleeve Fund for Geology and Geography	50,000	50,500	109,732	-	-	-	1,474	(2,122)	109,084	-
Turner Professorship in Journalism	500,000	500,290	1,189,155	-	-	-	15,971	(23,400)	1,181,725	-
Rafferty's Inc. Endowed Scholarship Fund	100,000	100,000	270,196	-	-	-	3,636	(3,983)	269,848	-
Wendell Cherry Visiting Professorship in Business Leadership & Ethics	250,000	250,000	571,254	-	-	-	7,642	(16,805)	562,091	-
Walter N. Scott Professorship in Biology	250,000	377,954	854,832	-	-	-	11,457	(15,990)	850,299	-
BB&T Visiting Professorship Fund	250,000	250,000	541,846	-	-	-	7,284	(9,393)	539,737	-
Pelino Fund for Excellence in Communications	50,000	75,003	158,165	-	-	-	2,100	(7,496)	152,770	-
Fleishacker/Greene Fund for Excellence in First Amendment Issues	150,000	437,500	720,991	-	-	24,000	10,148	(26,766)	728,372	-
US Bank Fund for Excellence in Music	28,000	28,020	62,685	-	-	-	836	(2,389)	61,132	-
Jarve Endowed Honors College Professorship	500,000	500,000	1,179,142	-	-	-	15,782	(33,183)	1,161,740	-
Leichhardt Professorship in Horticulture	500,000	510,590	1,138,049	-	-	-	15,159	(45,489)	1,107,718	-
Innovation in Sustainability	50,000	58,000	140,248	-	-	2,000	2,037	(5,401)	138,883	-
Halton Fund for Economic Development in Allen County	50,000	50,000	124,131	-	-	-	1,649	(5,728)	120,052	-
Endowment for Research	20,000	-	120,895	-	(20,000)	-	(1,613)	(1,891)	97,392	-
Jones Fund for Excellence in the Honors College	50,000	25,000	76,271	-	-	-	2,699	(1,888)	77,082	-
Gordon Ford College of Business Innovation Endowment	102,500	324,952	477,983	-	-	81,200	6,618	(10,971)	554,830	-
John & Carolyn Ridley Fund for Excellence in Honors College	25,000	11,027	40,289	14,973	-	9,945	682	(1,442)	49,474	5,028
WRECC Fund for Engineering	50,000	30,000	87,848	20,000	-	-	1,117	(1,666)	87,298	20,000
Clinical Education Complex Endowment for Excellence	51,026	51,026	112,939	-	-	25	1,500	(4,659)	109,805	-
Sue and Brown Badgett Jr Endowed Fund for Excellence	71,474	30,000	102,123	41,474	20,000	61,474	5,628	(1,849)	187,376	-
Kim and Kristy Menke Fund for Business Engaged Student Learning	30,000	10,000	44,866	40,000	-	5,000	1,329	(703)	50,491	35,000
J. Clifford Todd Professor in Longevity and Healthful Living	500,000	519,027	1,103,855	-	-	-	14,658	(52,475)	1,066,038	-
Lester and Dorothy Reeves Institutional Fund for Gerontology	100,000	100,172	214,437	-	-	-	2,848	(10,180)	207,105	-
Paul G and Ernestine G Hatcher Modern Language Fund	25,000	27,185	58,274	-	-	-	779	(1,831)	57,222	-
Laura Goad Turner Foundation Fund for Excellence in Symphony	100,000	130,250	241,930	-	-	-	3,230	(8,264)	236,897	-
Ritter Family Professorship	500,000	1,200,000	1,940,222	-	-	-	12,976	(45,929)	1,907,269	-
<b>WKU Foundation</b>	<b>12,910,579</b>	<b>16,960,092</b>	<b>33,930,577</b>	<b>116,447</b>	<b>-</b>	<b>288,876</b>	<b>448,513</b>	<b>(1,271,203)</b>	<b>33,396,762</b>	<b>60,028</b>

Endowment Title	Prior to 7/1/18				Year 7/1/18-6/30/19					
	State Funds Received	Gifts Received	Market Value 6/30/2018	Outstanding Pledges 6/30/2018	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2017-2018	Market Value 6/30/2019	Outstanding Pledges 6/30/2019
Dorris J Hutchison Scholarship Fund	155,000	390,466	564,724	-	-	-	(34,847)	(32,150)	497,727	-
Mr. and Mrs. Raymond Simmons Agriculture Scholarship Fund	50,000	50,115	119,053	-	-	-	(7,354)	(6,600)	105,099	-
Glenn R. and Joan B. Garrison Scholarship Fund	100,000	123,344	256,610	-	-	-	(18,242)	(17,450)	220,918	-
Thomas R. and Judith L. Hunt Scholarship Fund	50,000	50,041	183,341	-	-	-	(11,426)	(5,530)	166,385	-
Tom and Nancy Baird Kentucky Library Endowment	50,000	57,792	129,916	-	-	-	(7,952)	(7,108)	114,856	-
Caleb Slaton/Logan Aluminum Endowed Scholarship Fund	50,000	50,000	108,858	-	-	-	(5,358)	(5,000)	98,500	-
Dero Downing Spirit Makes the Master Scholarship	90,000	90,075	186,458	-	-	50	(11,538)	(8,750)	166,220	-
Harlin Parker Scholarship Fund		-	-	-	(12,802)	-	-	-	-	-
Pat Eubank French Memorial Scholarship Fund	54,630	55,355	125,195	-	-	550	(7,745)	(6,600)	111,400	-
Betty Lou Smith Scholarship and Ben Corbin Memorial Scholarship	80,000	123,136	153,316	-	-	-	(8,546)	(8,000)	136,770	-
Zuheir & Susan Sofia Scholarship Fund for International Students	250,000	250,000	595,494	-	-	-	(36,734)	(30,300)	528,460	-
Ted Middleton Scholarship Fund	164,000	701,294	997,107	-	-	35	(61,645)	(43,200)	892,297	-
Joseph J. Zaydon, Jr. M.D. Endowed Pre-Medical Scholarship	197,302	167,374	461,399	-	12,802	35,086	(29,217)	(18,050)	449,218	-
Athena Cage Scholarship Fund	10,198	35,688	28,509	-	-	-	(1,759)	(1,500)	25,250	-
<b>College Heights Foundation</b>	<b>1,301,130</b>	<b>2,144,680</b>	<b>3,909,980</b>	<b>-</b>	<b>-</b>	<b>35,721</b>	<b>(242,363)</b>	<b>(190,238)</b>	<b>3,513,100</b>	<b>-</b>
<b>Grand Total</b>	<b>14,211,709</b>	<b>19,104,772</b>	<b>37,840,557</b>	<b>116,447</b>	<b>-</b>	<b>324,597</b>	<b>206,150</b>	<b>(1,461,442)</b>	<b>36,909,862</b>	<b>60,028</b>