



Endowments

at Washington State University

An Investment in the Future

WASHINGTON STATE UNIVERSITY  FOUNDATION

“DO NOT GO WHERE THE PATH MAY LEAD,
GO INSTEAD WHERE THERE IS NO PATH
AND LEAVE A TRAIL.”

–RALPH WALDO EMERSON



INVEST
IN WSU'S
FUTURE
WITH AN
ENDOWED
GIFT

Like all gifts that benefit Washington State University, endowed gifts contribute to the high quality of education, research, and outreach. Endowments are particularly powerful because they deliver a dependable, perpetual source of funding. Your gift to establish an endowment is an investment in the future—one that makes a real difference in the lives of our students, faculty, and staff by enhancing WSU's education, research, programs, and overall academic excellence every day.



Endowed gifts are essential to the future growth and quality of education, research, and service at WSU.



WHAT IS AN ENDOWMENT?

The WSU Foundation's Endowment Fund is composed of thousands of restricted funds established by donors for specific purposes, such as named scholarships or professorships. Endowed funds are unique in that the total amount of the gift is invested. Each year, a percentage of the endowment's 36-month rolling average is distributed to benefit the University. The rest is reinvested to ensure growth, maintaining the fund's spending power far into the future. In this respect, an endowment is intended to be a perpetual gift. Considered a measure of an institution's long-term strength, endowments are essential if WSU is to remain a leading university tomorrow. An endowed fund can also be established through an estate or planned gift and is a great way to link your legacy with WSU's future.

Endowed gifts
ensure excellence
at WSU for
generations
to come.





WHY SHOULD I MAKE AN ENDOWED GIFT?

Endowments provide a consistent and permanent funding source that supports students, faculty, research, and programs for generations to come. They can also provide the assurance the University needs to recruit and retain exceptional students and faculty, and deliver critical funding to support cutting-edge research and academic programs. The WSU Foundation Endowment Fund’s market value has increased significantly over the years. However, it remains smaller than the endowments at many of our peer institutions. Closing this gap will bolster our competitiveness to hire and retain the best faculty and attract a talented and diverse student body. Endowed contributions—from alumni, friends, parents, faculty, staff, corporations, and foundations—will help WSU realize the educational and research ambitions that citizens and industries expect from their state’s land-grant university.





BENEFITS TO WSU



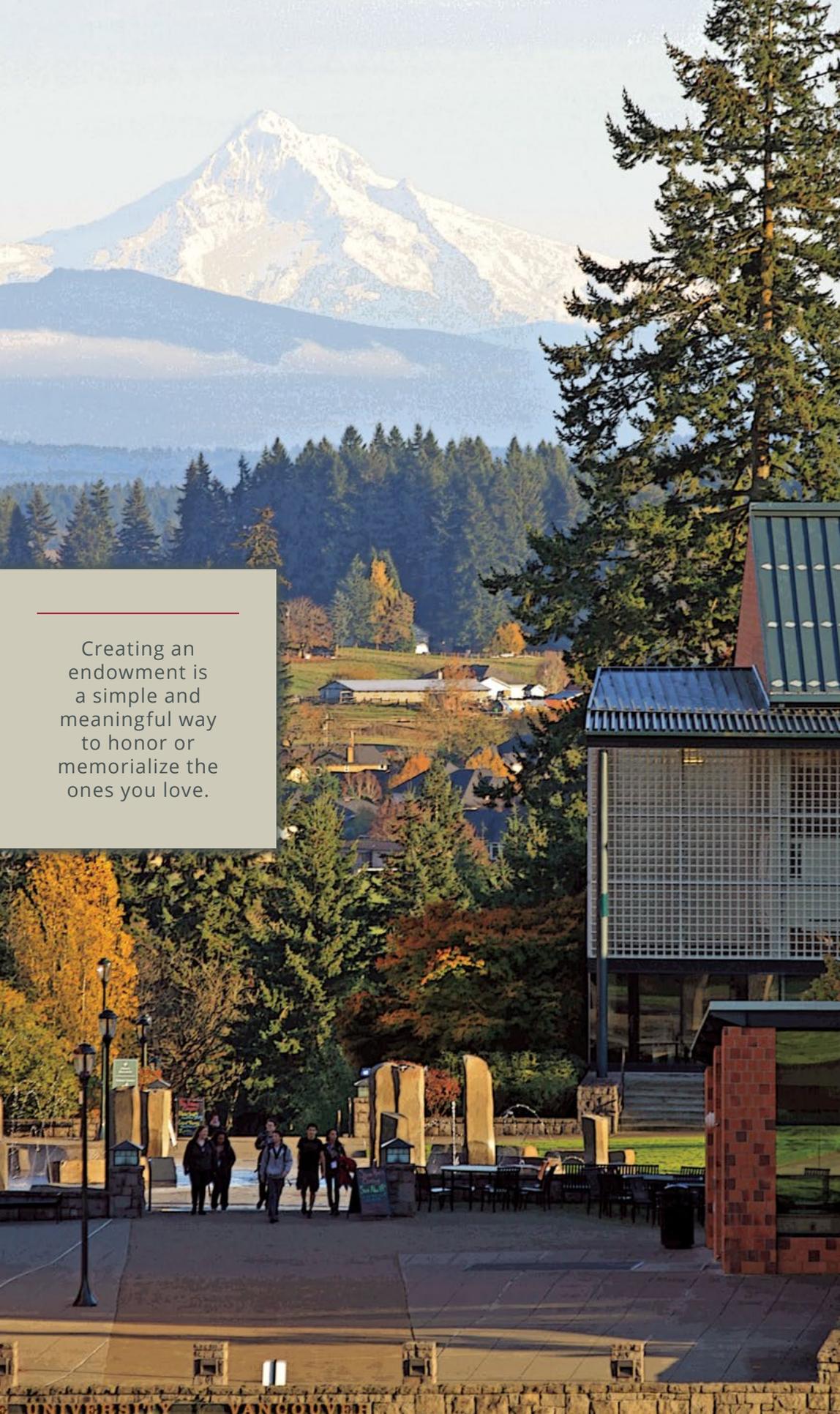
An endowed gift is made with the intention to preserve the principal value in perpetuity. Because of their permanence, endowments are among the most advantageous sources of funding for the University. Like all universities, WSU is subject to the volatility of the economy. The University, however, must endure despite market ebbs and flows.

Endowments help ensure quality teaching, research, and outreach continues even if other funding sources become less reliable. Consistent funding provides administrators and faculty the assurance they need to excel when a need arises.

Endowments may be established to fund faculty chairs, professorships, graduate fellowships, student scholarships, study abroad initiatives, equipment and library needs, as well as areas of highest priority throughout the University.



Endowed gifts
provide a
permanent
source of
funding for
WSU's students
and faculty.



Creating an
endowment is
a simple and
meaningful way
to honor or
memorialize the
ones you love.



BENEFITS TO YOU

When establishing an endowment with the WSU Foundation, you have the power to choose how your investment will support the University. The perpetuity of your endowed gift will help WSU sustain support in the area of your choosing, and you will feel satisfaction in knowing that you have invested in something you care deeply about. Through your endowment, you may also build a stronger connection with the students, faculty, and programs that benefit from your generosity. Endowments are an excellent way to honor someone special or to memorialize a loved one. Colleagues, friends, and family may choose to support the endowed fund you created and named because they know how special it is to you. Your family will enjoy a long relationship with WSU built around support for something you value.





HOW DOES IT WORK?

Establishing an endowed fund at WSU is easy. A development professional will guide you through the process and discuss options that fit your situation. Generally, the procedure for endowing a fund is as follows:

- With a minimum gift of \$25,000, you can establish an endowment at the WSU Foundation to benefit Washington State University. Options are available to allow you to reach the \$25,000 minimum over time (see page 14).
- The use and purpose of the endowed gift is documented in a written Gift Use Agreement (GUA) between the donor, WSU, and the WSU Foundation. Once established, your endowment fund will be used exclusively for the purpose outlined in the GUA.
- Your endowment is prudently invested along with all endowed funds at the WSU Foundation. The Foundation's investment portfolio is diversified to provide healthy long-term returns that should outperform the general market over time while minimizing losses during market downturns.
- Each year, a percentage of your endowed fund's 36-month rolling average value is distributed to benefit WSU as designated in the GUA. Investment growth beyond the distribution to the University and endowment advancement fee is added to the principal to help protect the fund against inflation and market fluctuations.



Establishing an
endowment creates
a rewarding
partnership
between you and
Washington State
University.



HOW AN ENDOWMENT WORKS

AN EXAMPLE

Mr. and Mrs. Jones work with a development officer to create an endowment, establishing a scholarship at WSU with a gift of \$105,000.

\$100,000* is invested along with the other endowed funds in the WSU Foundation's endowment pool.

A percentage of the 36-month rolling average value (4%[†]) is distributed from the fund to support scholarships at WSU during year one.

A small Endowment Advancement Assessment based on a percentage of the 36-month rolling average value (1.5%[†]) is distributed to the WSU Foundation annually to help fund fundraising activities, and endowment and investment management.

Assuming an annual investment return of 8.0%*, the Jones Scholarship Fund totals \$102,500 by end of year one (after 5.5% total distribution and assessment).

This cycle continues in perpetuity, providing permanent income for scholarships at Washington State University.



EXAMPLE FIGURE—FOR ILLUSTRATION ONLY

JONES ENDOWMENT GROWTH, EXPENDITURE OVER 10 YEARS

Year	Endowment Beginning Balance	Projected Earnings on Endowment (net of 5.5% distribution and assessment)** (4.0% 36-mo. avg [†])	Projected Distribution to WSU (4.0% 36-mo. avg [†])	Projected Endowment Advancement Assessment (1.5%)	Projected Endowment Year-End Total
1	\$100,000	\$2,500	\$4,000	\$1,500	\$102,500
2	\$102,500	\$2,563	\$4,100	\$1,538	\$105,063
3	\$105,063	\$2,627	\$4,203	\$1,576	\$107,690
4	\$107,690	\$2,692	\$4,308	\$1,615	\$110,382
5	\$110,382	\$2,760	\$4,415	\$1,656	\$113,142
6	\$113,142	\$2,829	\$4,526	\$1,697	\$115,971
7	\$115,971	\$2,899	\$4,639	\$1,740	\$118,870
8	\$118,870	\$2,972	\$4,755	\$1,783	\$121,842
9	\$121,842	\$3,046	\$4,874	\$1,828	\$124,888
10	\$124,888	\$3,122	\$4,996	\$1,873	\$128,010
Total 10-year distribution to WSU students:			\$44,816		

* Net of applicable one-time fees at time of gift. Visit foundation.wsu.edu/fees for details.

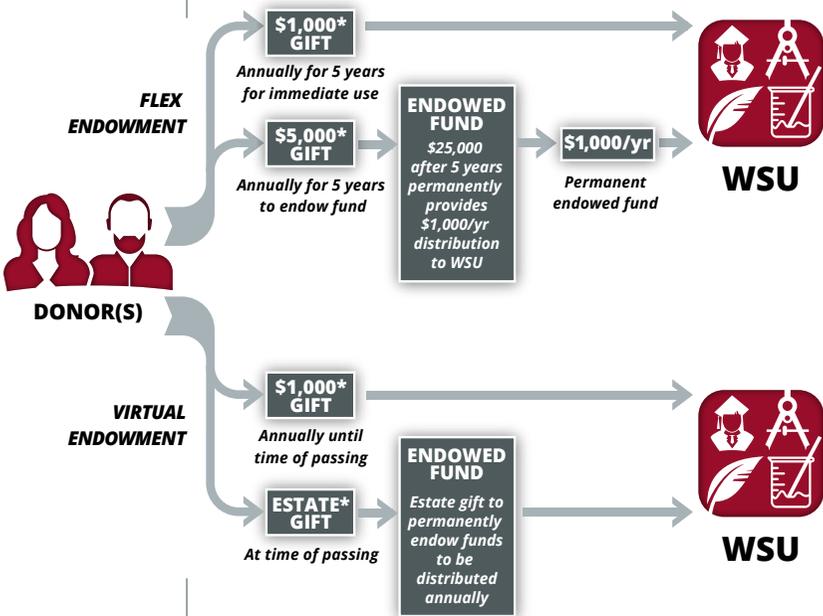
** Illustration assumes 8.0% annual investment growth. Figures and percentages are for illustration purposes only. Actual investment performance will vary.

† Annual Distribution (4.0% of 36-month rolling average) and Endowment Advancement Assessment (1.5% annually).

FLEXIBLE OPTIONS TO CREATE AN ENDOWMENT

Do you want to see the impact of your endowment at WSU today while you build your endowment's principal over time? The WSU Foundation has two flexible options for funding your own endowed gift. With a Flex Endowment, you can fund your endowed gift over the next five years. With a Virtual Endowment, you can plan to fund your endowed gift through your estate. Either way, you will be making an impact in the WSU program of your choosing today that will carry on forever.

How they work:



To learn more about these flexible options or to explore other ways to create an endowment at WSU, please contact the WSU Foundation at 800-448-2978, or by email at foundation@wsu.edu.

*Net of applicable one-time fees at time of gift. Visit foundation.wsu.edu/fees for details.



HOW DO I GET STARTED?

Once you decide to create an endowment, a WSU development professional will work closely with you to help define the features of your endowment to meet both your wishes and the needs of the University. For more information about creating an endowment, contact the WSU Foundation at 800-448-2978, or by email at foundation@wsu.edu.

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INCOME TAX DEDUCTION

Gifts to the Washington State University Foundation, whether outright or in trust, may qualify for the maximum income tax deduction allowed for charitable contributions. The Foundation recommends that you consult with your attorney or tax advisor to determine the best form of charitable giving for your individual situation. The federal tax identification number for the WSU Foundation is 91-1075542.



ENDOWMENT NAMING OPPORTUNITIES

Naming Opportunities	Minimum Gift Amount*
Department	\$ 10,000,000
Program	\$ 5,000,000
Dean	\$ 5,000,000
Distinguished Faculty Chair	\$ 3,000,000
Faculty Chair	\$ 1,500,000
Distinguished Professorship	\$ 500,000
Professorship	\$ 300,000
Faculty/Staff Fellowship	\$ 100,000
Faculty/Staff Excellence Award	\$ 25,000
Graduate Fellowship	\$ 25,000
Scholarship	\$ 25,000
Other	\$ 25,000



**Endowment naming opportunities funded by a future gift from one's Estate, or with a Charitable Gift Annuity or Charitable Remainder Trust, should be individually negotiated with the WSU Foundation.*



"YOUR TASK IS NOT TO FORESEE THE FUTURE,
BUT TO ENABLE IT."

—ANTOINE DE SAINT-EXUPÉRY



