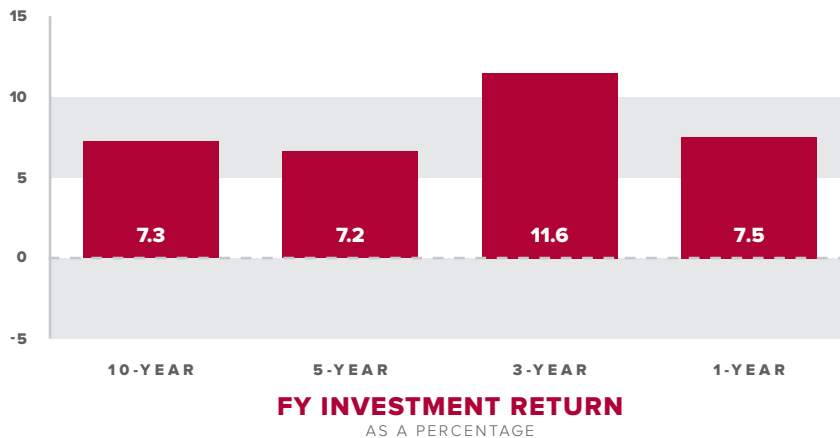


# INVESTMENT REPORT AND COMPARATIVE ENDOWMENT PERFORMANCE



## 2023 FISCAL YEAR PERFORMANCE

For the Fiscal Year ending June 30, 2023, total WSU Foundation endowment pool assets increased \$29 million from \$634 million to \$663 million. Total return for the Foundation's endowment during Fiscal Year 2023 was an increase of 7.5 percent. Additions to the endowment during this period totaled \$17 million, and the WSU Foundation distributed \$25 million from the endowment in support of programs across Washington State University.

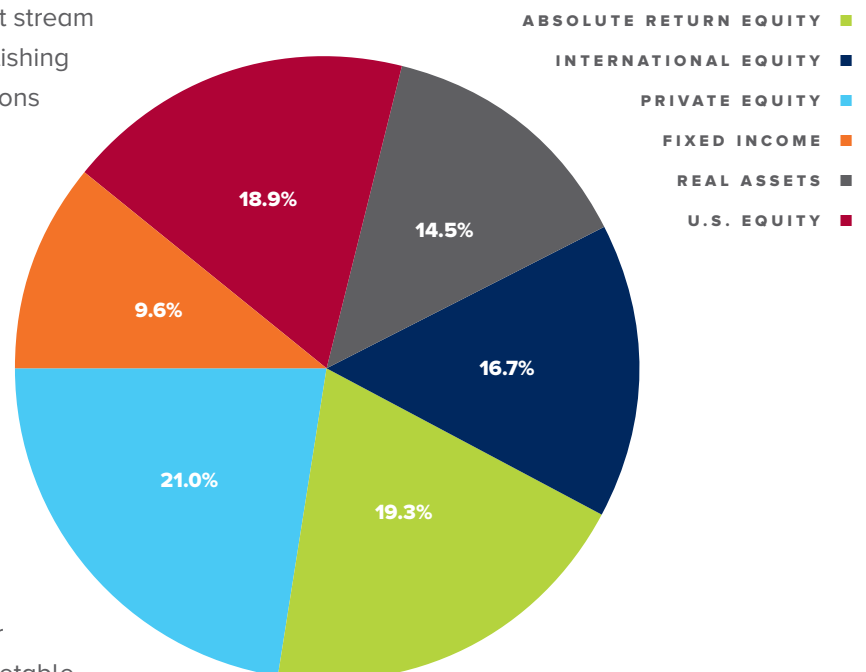
## INVESTMENT STRATEGY

The investment objectives of the Washington State University Foundation's Endowment Fund reflect its long-term nature. It is recognized that the desire to grow endowment gifts and to produce a large, stable, and predictable payout stream involves tradeoffs that must be balanced in establishing the investment and spending policies. Considerations that shape the endowment's objectives include:

- Producing a relatively predictable and stable payout stream to WSU's programs that are supported by endowment funds;
- Increasing the inflation-adjusted value of the endowment in the long term, while assuming only moderate risk;
- Balancing the support of present and future generations of students and faculty.

The WSU Foundation seeks to achieve these investment objectives by diversifying across major asset classes (e.g., marketable equities, non-marketable investment, absolute return, fixed income), as well as within each asset class (e.g., investment style, capitalization, industry).

## ENDOWMENT ACTUAL ASSET ALLOCATION



# INVESTMENT REPORT AND COMPARATIVE ENDOWMENT PERFORMANCE

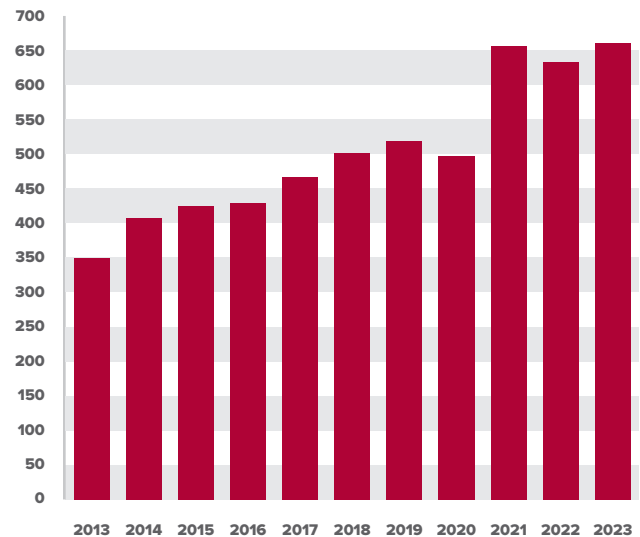
## INVESTMENT PERFORMANCE

As of June 30, 2023, the WSU Foundation Endowment's total asset value was \$662,916,903. Total return during Fiscal Year 2023 (July 1, 2022 – June 30, 2023) was 7.5 percent. The five-year return is 7.20 percent; and ten-year return is 7.30 percent.

WSU FOUNDATION ENDOWMENT RETURNS			
DATE	1-YEAR	5-YEAR	10-YEAR
6/30/2013	10.00	2.40	6.90
6/30/2014	15.70	10.50	6.90
6/30/2015	2.30	9.40	6.20
6/30/2016	-1.40	5.10	4.80
6/30/2017	12.80	7.70	4.20
6/30/2018	8.00	7.30	4.80
6/30/2019	4.20	5.10	7.80
6/30/2020	-2.00	4.20	6.70
6/30/2021	30.80	10.20	7.60
6/30/2022	-1.20	7.30	7.50
6/30/2023	7.50	7.20	7.30

## INVESTMENT RETURN COMPARISON

## ENDOWMENT FUND 10-YEAR VALUE



## ENDOWMENT ACTIVITIES

The WSU Foundation consolidates all funds available for long-term investment in its Endowment Fund, with the exception of funds restricted by law or by special donor limitations. This fund is the investment pool for approximately 2,793 privately endowed funds supporting a wide variety of education, research, and service programs across Washington State University.

## ENDOWMENT MANAGEMENT AND FEES

In accordance with WSU Foundation bylaws, this Endowment Fund is managed by the Investment Committee, a sub-committee of the WSU Foundation Board of Directors. The Investment Committee is responsible for investments, reinvestments, and general management of the endowment. The committee establishes policies for investing capital, monitoring and reviewing investment performance, establishing appropriate benchmarks, and managing the investments to maximize the endowment's financial potential while minimizing risk. Pavilion, a Mercer Practice, serves as the Foundation's investment consultant.

Every year, the WSU Foundation distributes 4 percent of the endowment fund's 36-month rolling average to benefit WSU as designated by each Gift Use Agreement. Additionally, there is a 1.5 percent fee charged annually to the endowment fund to support advancement efforts.

For more information about the WSU Foundation's fee structure, visit [foundation.wsu.edu/fees](https://foundation.wsu.edu/fees).