

EWU FOUNDATION ANNUAL ANNUAL REPORT 2018-19

**EWU LEADERSHIP
TOURED THE NEW
ZERO ENERGY
CATALYST BUILDING
JOBSITE IN
SPOKANE—THE
FUTURE HOME
OF SEVERAL
PROGRAMS THANKS
TO A GENEROUS
\$5 MILLION GIFT
FROM AVISTA AND
MCKINSTRY.
SEE INSIDE FOR MORE.**



EASTERN
WASHINGTON UNIVERSITY

THE NEW U

THE CAMPAIGN FOR EASTERN

CAMPAIGN HIGHLIGHTS

Campaign priority areas support our commitment to students, our academic mission and our region and state. Here are some of the exciting initiatives...

It all started with a \$10,000 gift from Benjamin Cheney in 1882. Soon after, students were stepping off a train at the Cheney Depot, making their way up College Avenue to a small building at the top of the hill. These humble beginnings launched a mission of service at EWU: our birth as a college that educated teachers led to today's diverse, student-centered university focused on transforming lives and powering the region.

As a public university, we must now intensify our fundraising to account for changes in state support. Just as our founders needed private support from Benjamin Cheney, we need investments from our friends, partners and alumni to anticipate student expectations as well as the needs of the 21st century professional workforce.

For this reason, we have launched EWU's first ever comprehensive fundraising initiative, *The New U: The Campaign for Eastern*. This campaign will help ensure that our beloved university will be serving students at the highest level of excellence and transforming lives for generations to come.

THE CATALYST BUILDING

Eastern is expanding into a state-of-the-art space never before seen in our area. Located on the south landing of the U-District Bridge in Spokane, the Catalyst will be the city's first zero energy building. This immersive and applied learning center will inspire leading-edge brainstorming and project creation from EWU students and faculty.





FOOTBALL STADIUM RENOVATION

Eagle Nation deserves a stadium that matches the strength, passion and success of our football program. The red turf is already a point of pride throughout the region and beyond. Now is the time to advance the standard for the rest of the stadium with better seats, improved sight lines and numerous other enhancements.

PRAIRIE RESTORATION PROJECT

Some of the best learning at EWU happens beyond the brick and mortar. The Prairie Restoration Project will restore campus farmland to its native “Palouse” habitat. We are eager to see the prairie land flourish into a beautiful living laboratory for student research and a recreational space for community members.



MESSAGES FROM THE EXECUTIVE DIRECTOR THE FOUNDATION CHAIRMAN

Hello Eagle fans!

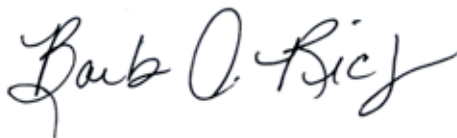


I arrived at the end of the 2018/19 fiscal year and I am inspired by your generosity—it is one of the many reasons

why I returned to serve my alma mater. The work of the EWU Foundation goes deeper than these individual, corporation and foundation contributions within these pages. By working to build permanent endowments and future generations of benefactors, the Foundation is taking steps to ensure that students and programs will receive necessary financial support long into the future.

By donating your time, talent and treasure, you are ensuring a strong future for the Foundation and our University. I want to thank you for the part you've played in changing the lives of our students, our programs and our campus communities. I am grateful for your support over the past year and encourage you to continue to be involved in our mission for years to come.

Thank you for all that you have done and continue to do to reimagine Eastern Washington University. Please connect with me at any time to share your EWU story! I'd love to hear from you.



Barb Richey '92 & '99

Vice President for University Advancement
and Executive Director, EWU Foundation
brichey@ewu.edu
509.359.7022

Greetings Eastern Washington University friends!



The EWU Foundation proudly completed our 41st year of garnering and providing support to

Eastern Washington University. And what an amazing year this has been, breaking another record with more than \$12.3 million in private support. Because of what you, our donors, have given, more EWU students will have scholarships every year. Our region's best and brightest are more often choosing to stay in the area to attend Eastern, with the opportunity to learn from some of the most innovative and inspirational educators in state-of-the-art facilities. You are creating opportunities and improving lives.

As we move forward with tremendous goals and opportunities on the horizon, we need the continued efforts of the entire team—philanthropy staff, volunteer board of directors and committee members, university staff, and our donors and benefactors—in order to take care of those assets most valuable to all of us: our students.

The desire and passion you show is infectious, and greater things will continue to happen as we move forward. Thanks again for your support and effort to improve the educational opportunities and student life of those at Eastern.

Go Eagles!!!



Mark Thompson, '86 CBPA
EWU Foundation Chair

INVESTMENT REPORT AND COMPARATIVE ENDOWMENT PERFORMANCE AS OF 6.30.19

ENDOWMENT POOL

Funds in the EWU Foundation endowment are managed as a single investment. Like an individual who invests in a mutual fund, an endowed fund purchases units in the endowment pool and participates in a per unit allocation of investment pool earnings and distributions. This investment and

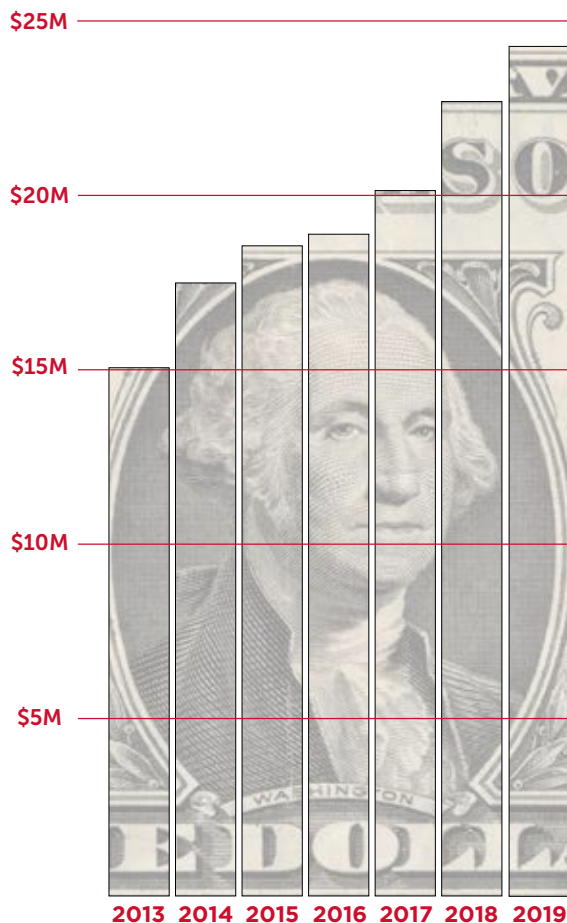
comparative endowment performance report illustrates the performance of the pooled investment for the fiscal year July 1, 2018 – June 30, 2019.

INVESTMENT OBJECTIVES AND OVERSIGHT

The EWU Foundation manages the investment pool with direct oversight by the EWU Foundation investment

committee. The committee actively works with Northern Trust Institutional Investment Services to select asset allocation and achieve a well-diversified asset mix that balances maximum return with acceptable risk over time. Northern Trust, founded in 1889, has core principles of service, expertise and integrity.

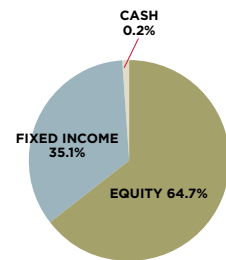
VALUE



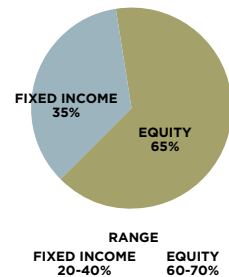
ENDOWMENT MARKET VALUE

INVESTMENT AND DISTRIBUTION PERFORMANCE FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019

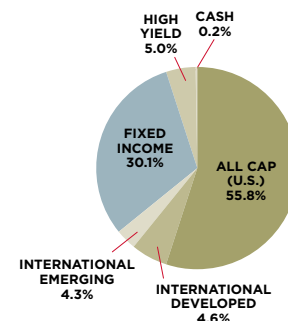
- EWUF endowment value at all-time high: \$24.2 million
- The endowment fund distributed \$768,488 in support of scholarships and programs at Eastern Washington University
- Endowment designated gifts in fiscal year 2019 of over \$638,448



ALLOCATION RANGE



TARGET ALLOCATION



ACTUAL ASSET ALLOCATION

PERFORMANCE

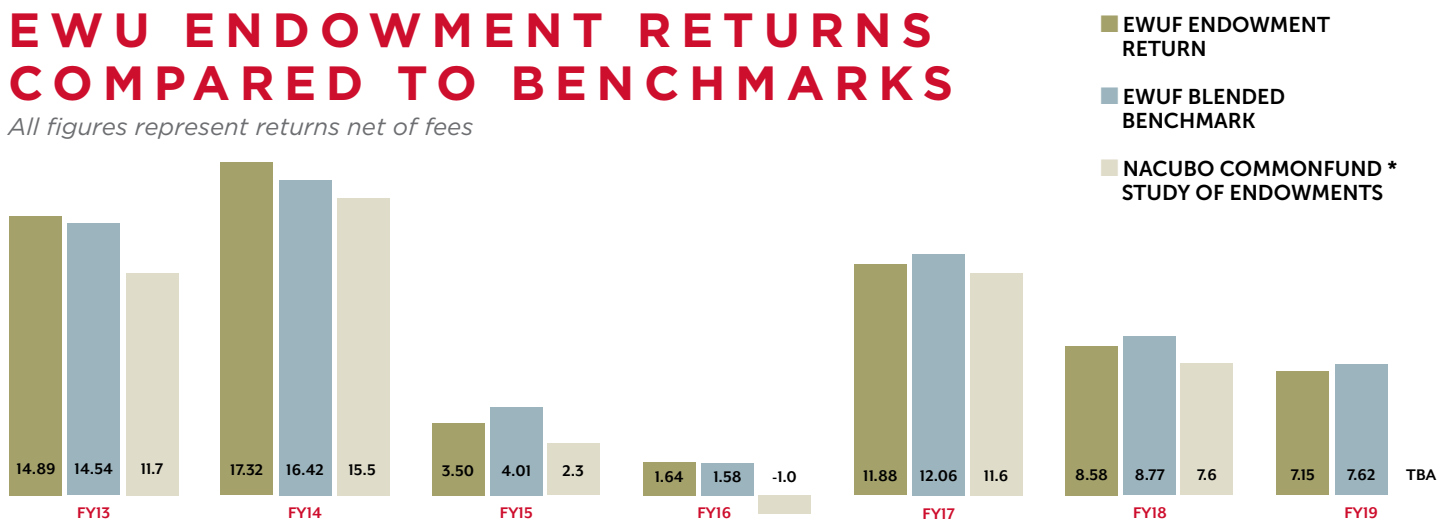
PERFORMANCE BENCHMARKS

The Foundation endowment investment goal is to match the return of a benchmark consisting of public market indices weighted to asset allocation targets.

** An industry standard, the NACUBO-Commonfund Study of Endowments is based on data received annually from over 800 U.S. college and university endowments and affiliated foundations.*

EWU ENDOWMENT RETURNS COMPARED TO BENCHMARKS

All figures represent returns net of fees



ENDOWED PROFESSORSHIPS



Endowed professorships enable EWU to attract and retain excellent faculty members who expand their research, develop innovative strategies for teaching and learning, and design interdisciplinary projects and collaborations.

Jonathan Middleton, the chair of EWU's music department, is immersed in just such a project. While attending a training conference recently, he found himself the winner of an unexpected award. Not in music, in entrepreneurship! Middleton is collaborating with the College of Business on a new Bachelor of Arts in Music Technology and Entrepreneurship at EWU. A wonderful example of the forward thinking, interdisciplinary innovation happening at Eastern.

SCHOLARSHIPS

MAKE A COMMUNITY-WIDE IMPACT



For **Katie Travis, '19**, entering her fifth and final year at Eastern Washington University came with an extra financial burden—the Presidential Scholarship she received for her first four years wasn't going to carry over. Intent on finishing her programs in health and physical education on-time, Katie applied for

other scholarships.

"It was a HUGE burden lifted off my shoulders when I found out I received the scholarship," says Katie. "It meant that I wasn't going to have to figure out how to make it my final year of college or have to take out a loan to get by."

Scholarship support for students like Katie means they can focus on their studies, internships, research projects and volunteer opportunities rather than working to finance their education. And the impact doesn't stop there—scholarships support the

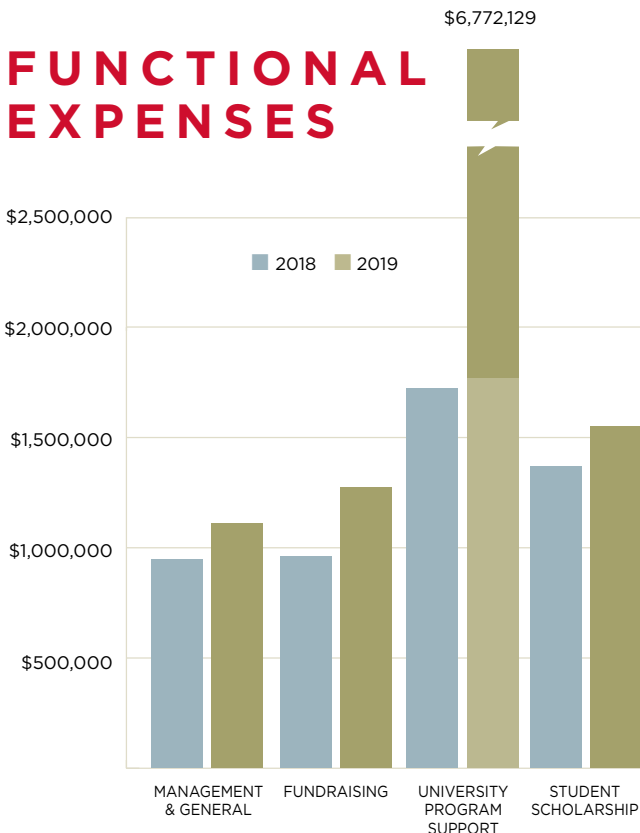
wellbeing and vitality of our entire community.

Katie plans to use her passion for teaching and physical education to help children in our area. "If kids aren't active and don't know how to live a healthy lifestyle, they are going to struggle in all areas of life," she says.

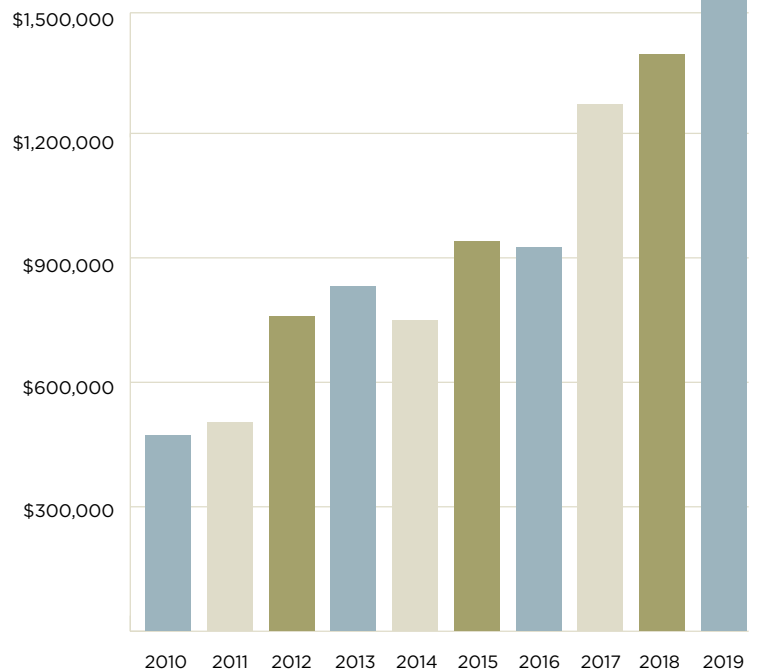
Success stories like this one can't be told without our students' hard work and support from donors.

"Because of you," adds Katie, "I am debt free and can focus on my career and starting a family."

FUNCTIONAL EXPENSES



TOTAL SCHOLARSHIP SUPPORT



FY19 FOUNDATION FINANCIAL HIGHLIGHTS

	2019	2018
ASSETS		
Cash and cash equivalents	\$2,537,799	\$2,295,193
Certificates of deposit	1,796,168	1,764,184
Promises to give, net	6,064,533	618,821
Other assets	111,096	155,759
Property and equipment, net	245,442	245,442
Assets held under split-interest agreements	1,312,341	202,475
Beneficial interest in charitable trusts held by others	409,498	401,395
Beneficial interest in perpetual trusts	2,421,109	2,460,878
Investments	24,506,194	22,818,122
TOTAL ASSETS	\$39,404,180	\$30,962,269
LIABILITIES AND NET ASSETS		
Accounts payable	\$80,384	\$48,142
Program support payable	5,000,000	-
Liabilities under split-interest agreements	1,015,320	116,789
TOTAL LIABILITIES	\$6,095,704	\$164,931
NET ASSETS		
Without donor restriction	\$503,307	\$528,703
With donor restriction	32,805,169	30,268,635
TOTAL NET ASSETS	\$33,308,476	\$30,797,338
TOTAL LIABILITIES AND NET ASSETS	\$39,404,180	\$30,962,269
REVENUE, SUPPORT, AND GAINS		
Contributions	\$9,387,214	\$3,711,510
Net investment return	1,699,056	1,864,326
Marketing revenue	381,274	412,712
Gross special events revenue	634,898	364,108
Less cost of direct benefits to donors	(604,757)	(264,753)
Net special events revenue	30,141	99,355
Other revenue	3,062	6,402
Support provided by Eastern Washington University	1,680,165	1,395,834
Change in value of split-interest agreements held by the Foundation	(22,631)	(950)
Distributions from and change in value of beneficial interests in assets held by others	86,475	67,364
Net assets released from restrictions	-	-
TOTAL REVENUE, SUPPORT, AND GAINS	\$13,244,756	\$7,556,553
EXPENSES		
Program services expense	8,328,330	3,079,149
Support services expense		
Management and general	1,117,753	934,497
Fundraising and development	1,287,535	986,868
TOTAL SUPPORTING SERVICES	2,405,288	1,921,365
TOTAL EXPENSES	10,733,618	5,000,514
CHANGE IN NET ASSETS	2,511,138	2,556,039
NET ASSETS, BEGINNING OF YEAR	30,797,338	28,241,299
NET ASSETS, END OF YEAR	\$33,308,476	\$30,797,338



A NEW LEVEL

OF FUNDRAISING

The Catalyst Building, on the south landing of the University District Gateway Bridge, will be the core of an internationally significant eco-district where smart grid meets smart building. Eastern electrical engineering, computer science and visual communication design students will have an

innovative new space to work alongside local business and industry.

Eastern's largest corporate gift to-date will not only advance career connected learning for students, but also lead growth and revitalization on the eastern edge of downtown Spokane.

The generous, combined gift totaling \$5 million from the McKinstry Charitable Foundation and the Avista Foundation launched fundraising at EWU to a new level. A deep public-private partnership like this one is the future for higher education and business working together.



A GIFT GIFT BUILT FROM

What was old became new again with the opening of the renovated Pence Union Building (PUB) on the Cheney campus. The \$47 million project was partially funded through a student-approved fee, but success also required help from private donors, like **Mark Nysether, '78**.

For Nysether, the PUB was like the glue that held his college experience together. Forty years later, he knew he wanted to be part of the renovation. "I had donated to causes every couple of years," says Nysether. "Then in the spring, I heard they were going to be doing some fundraising for the PUB. I was in."

To recognize his gift, the university named a multipurpose, collaborative space inside the new PUB the Nysether Community Room.



NOSTALGIA



A SUCCESSFUL PATHWAY >>>

For **Dante Tyler, '19**, getting into the University of Washington School of Law might not have happened without EWU.

Scholarships allowed Dante to pursue dual degrees in communication studies and political science at Eastern. He was also actively involved as a student-athlete, in Residence Life and as ASEWU President his senior year.

Dante credits the sense of community at EWU for his success. He says every professor he asked for a letter of recommendation came through and the EWU Career Center was crucial in helping him write his law school application.

Dante plans to use his law degree to help people. "It's important to me to help break down the systemic barriers I see and help those lower- and middle-class people in our communities," he says. "I know I'm not alone in this thinking, but I think I have a lot of compassion for people."



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2019-20 FOUNDATION BOARD OF DIRECTORS

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(EWUF Immediate Past Chair)
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Chief Budget Officer
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Judge James Murphy
(BOT Representative)



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Financial questions?
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Chief Budget Officer
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*Have you considered including
an endowment in your estate plan?*
Laura Thayer
Sr. Director, Planned Giving
and Stewardship
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FOUNDATION RESPONSIBILITIES

The EWU Foundation has a responsibility to be accountable to our constituencies; to our board of directors (who serve without remuneration and at their own expense); to EWU and its leadership, faculty, staff and students; to our donors; to our volunteers; and to the advancement staff.

