

SOUTH DAKOTA BOARD OF REGENTS

Planning and Resource Development

AGENDA ITEM: 5 – G

DATE: May 9-11, 2017

SUBJECT: SDSU Foundation Report

Mr. Steve Erpenbach, SDSU President & CEO of the South Dakota State University Foundation, will provide an overview of the efforts undertaken by the SDSU Foundation to support the university. Attachments include the following:

1. SDSU Foundation Organizational Profile (Attachment I)
2. SDSU Foundation Organizational Chart (Attachment II)
3. State of the SDSU Foundation (Attachment III)

INFORMATIONAL ITEM

South Dakota State University Foundation Organizational Profile

Financial Profile, as of 3/31/2017

Total Assets	\$193.6 million
Net Assets	\$173.5 million
Pooled Endowment	\$110.6 million

Council of Trustees

The Foundation relies on a 108-member Council of Trustees and a 16-member Board of Governors. The Trustees are among the university's most generous and influential supporters.

Chair - Mary Howard

Chair-Elect - Bob Schmidt

Endowment Payout Rate

Distribution rate is 4% based on a 20 quarter trailing average of market value. Over 1,700 funds make up the pooled endowment.

Minimum Required to Create an Endowed Fund

\$25,000

Fees and income sources used to support Foundation operations

1. Annual endowment fee is 1.6% of market value
(provides approximately 33% of operating budget)
2. One-time fee on gifts (non-endowed funds, capital projects, bequests)
(provides approximately 31% of operating budget)
3. Development services agreement with University
(provides approximately 25% of operating budget)
4. Unrestricted investment income
(provides approximately 8% of operating budget)
5. Unrestricted gifts
(provides approximately 3% of operating budget)

Visions for the Future – (1994 to 1998)

Exceeded its \$50 million goal with \$52.4 million raised

It Starts with STATE: A Campaign for South Dakota State University - (2007 to 2013)

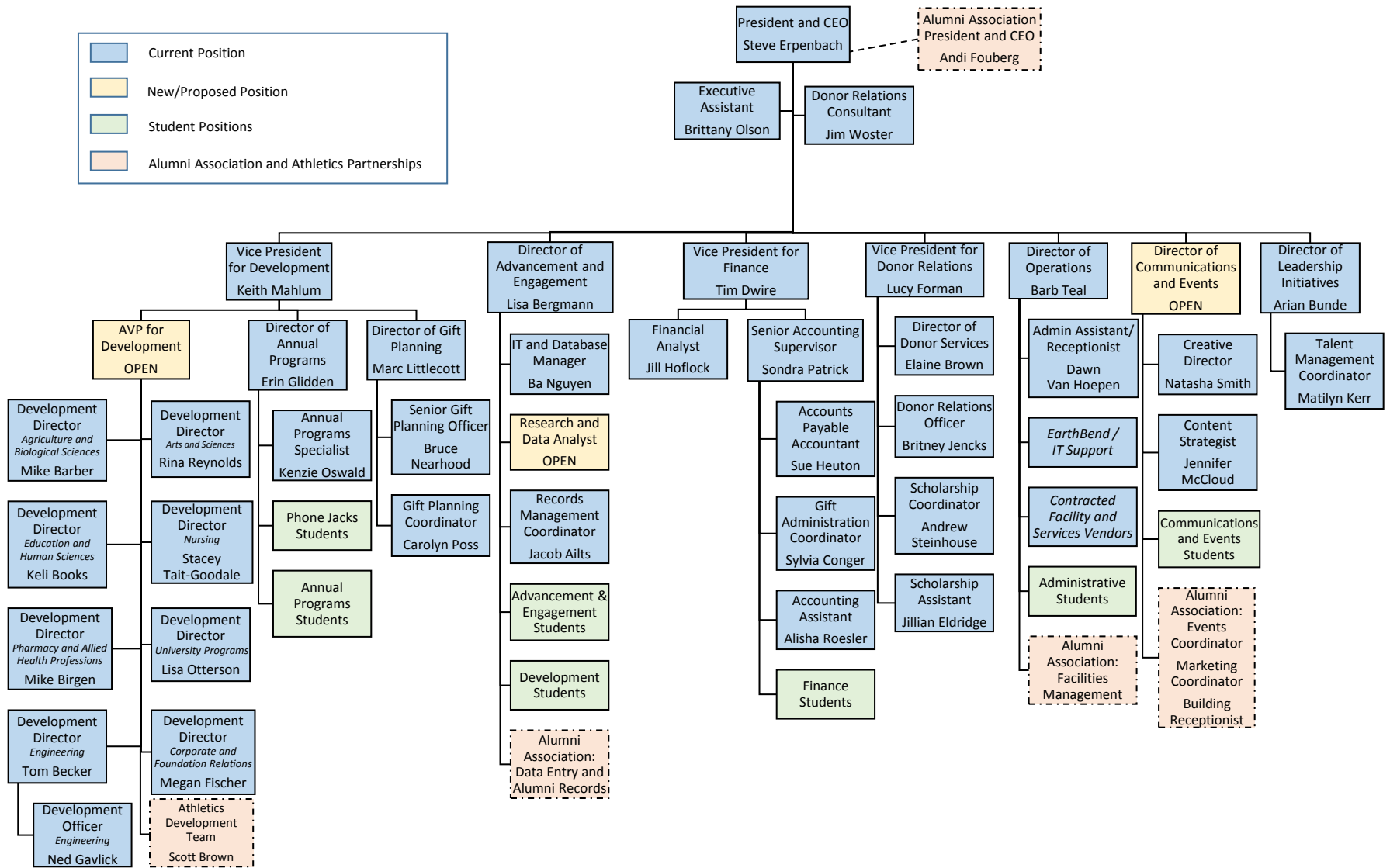
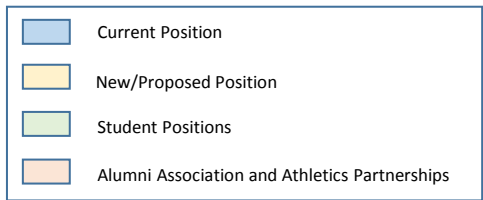
The initial working goal was established at \$190 million; the goal was eventually raised to \$200 million. It Starts with STATE's final total was \$255,736,045 in gifts and pledges from 23,014 unique donors, from all 50 states, of which 6,917 were first-time donors.

Capital Building Projects

From 2006 through 2016 over \$160 million has been raised for capital building projects, including Architecture, Mathematics & Engineering Building, Avera Health & Science Center, Cow-Calf Facility, Frost Arena – Practice Gyms, Headhouse, Honors College Residence Hall, PAC Renovation, Sanford-Jackrabbit Athletic Complex, Dana J. Dykhouse Stadium, Swine Education Research Facility, DeHaan Equestrian Facility, Wintrode Success Center, Davis Dairy Manufacturing Facility, Young Brothers Seed Technology Lab, and Daktronics Hall.

Cost per dollar raised

The Foundation's 8-year average cost per dollar raised is 13.2 cents when comparing total operating costs to donations recorded in the audited financial statements and IRS Form 990. When calculating using total fundraising amounts, which include revocable planned gifts and conditional pledges, the average cost per dollar raised over the last 8 years is 8.3 cents.



STATE OF THE FOUNDATION

The Foundation recorded its third-largest fundraising year ever in 2016, with over \$56 million in new gifts and pledges. The Foundation has now eclipsed the \$50 million mark for four consecutive years.

\$56,837,518



NEW WEBSITE
WENT LIVE IN JULY



\$105.3 MILLION

IN POOLED ENDOWMENT
ALL-TIME HIGH

9,559 UNIQUE DONORS

186 NEW LIFETIME GIVING MEMBERS

1,494

TOTAL LIFETIME GIVING SOCIETY MEMBERS
(MINIMUM OF \$25,000)