

SOUTH DAKOTA BOARD OF REGENTS

Planning, Governance, and Resource Development

AGENDA ITEM: 5 – F
DATE: March 27-29, 2018

SUBJECT

BHSU Foundation Report

CONTROLLING STATUTE, RULE, OR POLICY

[BOR Policy 5:9](#) – Foundations

BACKGROUND/DISCUSSION

The institutional foundation reports have been regularly presented to the Board since October 2016. In these reports, foundations are asked to describe their structure, overview their finances, explain what they are doing to support the university, and consider things the Board can do to make the relationship with the Foundations more effective.

Steve Meeker, BHSU Vice President for University Advancement University Advancement, will present the BHSU Foundation Report at the March 2018 BOR meeting in Spearfish.

IMPACT AND RECOMMENDATIONS

The information in the foundation reports provides the Board opportunity to better understand the important role of the institutional foundations.

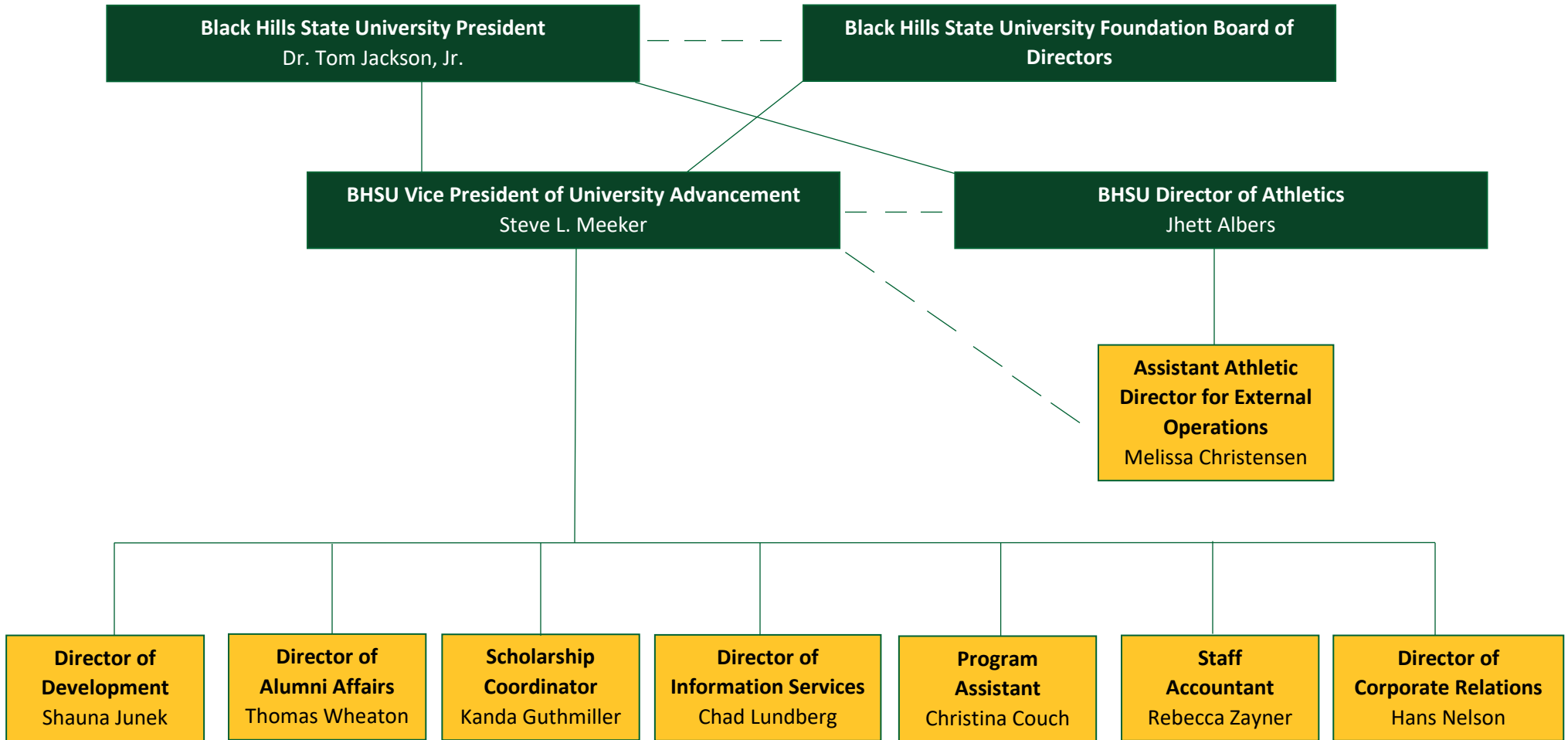
ATTACHMENTS

- Attachment I – BHSU Foundation Organization Chart
- Attachment II – BHSU Organizational Profile
- Attachment III – BHSU Endowment Report

INFORMATIONAL ITEM



BHSU Foundation Organizational Chart



Black Hills State University Foundation Organizational Profile

Financial Profile, as of 12/31/2017

Total BHSU Foundation net assets	\$19.5 million
Total BHSU Foundation investment assets	\$18.2 million

BHSU Board of Directors

20 member board that meets biannually.
President – Harvey Krautschun
Vice President – Daryl Johnson

BHSU Alumni Association

The BHSU Foundation oversees and manages the BHSU Alumni Association events, budget, and activities.

Building on Strength and Stature Capital Campaign - 2008-2014

A six-year comprehensive campaign commenced in 2008 and had an initial goal for \$22 million. The campaign was completed on July 1, 2014 and raised a total of \$26.8 million surpassing its goal.

Because of You Capital Campaign - 2014-Present

The Because of You capital campaign is currently in progress and had an initial goal of \$32 million. This campaign has raised \$26.5 million to date and will end December 2019.

Campaign Goals:

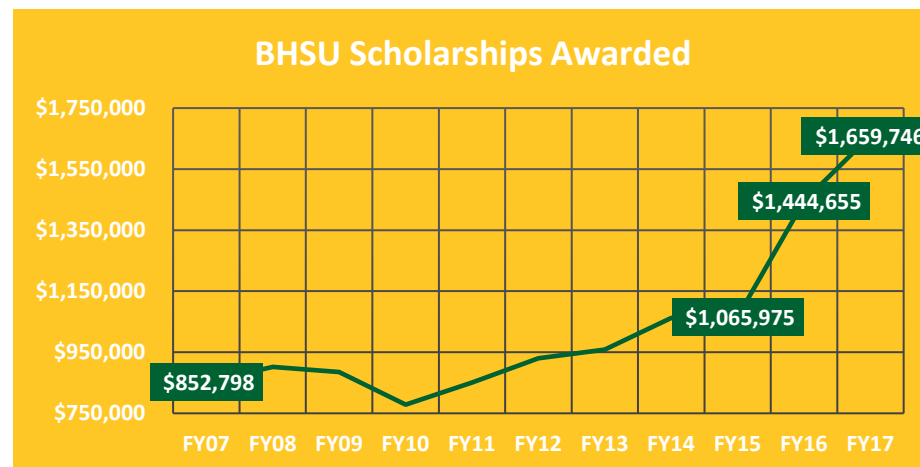
Endowment Student Scholarships
Athletic Facility Upgrades
Wellness Center
Library

Current Year Foundation Support to the University

- \$1.6 million paid in scholarships.
- \$26,108 paid in operational endowment support.
- \$56,300 provided for presidential support.
- \$55,927 provided for alumni services.

Points of Pride

- \$54 million raised during the past 10 years.
- A 16% increase in Presidential Support since 2016.
- Endowment balances had a 28% increase since FY 2016.
- BHSU had a 14.9% increase in scholarships awarded between FY16 and FY17.



Capital Projects

- New football field scoreboard installed in 2013.
- Joy (Proctor) Krautschun Alumni/Foundation Welcome Center opened in 2014.
- New President's Residence construction was completed in 2015.
- Sanford Science Education Center opened in 2016.

Black Hills State University Foundation Endowment Profile

Endowment Profile, as of 12/31/2017

Total BHSU Foundation Endowments \$18.1 million

Endowment Payout Rate – 5%

Distribution rate for the 2017-2018 academic year is based on a 12 quarter rolling average of the endowment’s market value.

Minimum Required to Create an Endowment

\$10,000

Annual Endowment Administrative Fee

An annual fee of 2% is assessed on the 12 quarter rolling average of the individual endowment’s market values.

BHSU Foundation Investment Allocation

■ Cash ■ Equities ■ Fixed Income ■ Mixed ■ Other/Alt

