

SOUTH DAKOTA BOARD OF REGENTS

Planning, Governance, and Resource Development

AGENDA ITEM: 4 – G
DATE: October 2-4, 2018

SUBJECT

SDSM&T 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.

Joel Kincart, President of the SDSM&T Foundation, will present the SDSM&T Foundation Report at the October 2018 BOR meeting in Rapid City.

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 – SDSM&T Foundation PowerPoint Presentation

INFORMATIONAL ITEM



SDSM&T Foundation October 3, 2018



HISTORY



- In 1954, the SDSM&T Endowment Association was chartered as a not-for-profit South Dakota corporation and was designated as a 501(c)(3) tax-exempt charitable organization by the Internal Revenue Service.
- In 1980, the SDSM&T Foundation evolved from the Endowment Association. The Foundation Office opened and efforts were initiated to solicit funds for SDSM&T.
- 16,581 Living Alumni
- 14,876 Solicitable Alumni
- Alumni Giving Rate is 11%
- 40% of Alumni have given at least one gift





BOARD OF TRUSTEES



Todd Kenner (CE '83), Chair
Rapid City, SD
CEO, RESPEC



Steve O'Rourke (Geole '83), Vice Chair
Rapid City, SD
Senior Managing Partner, Strategic
Management Partners, LLC

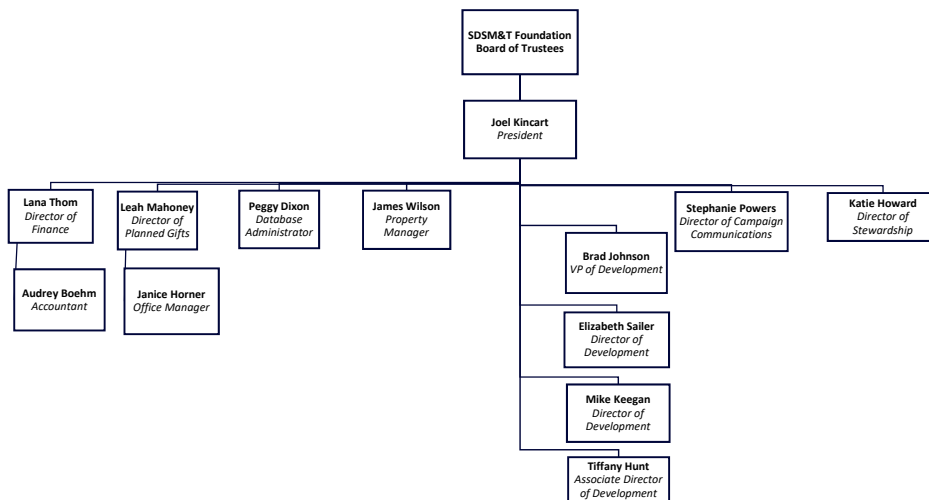


Ken Miller (CE '75), Vice Chair
Rapid City, SD
Retired, Millennium Bulk Terminals
Longview

32 Members of the Board of Trustees (4 Ex-Officio)
13 Members of the Executive Committee (3 Ex-Officio)

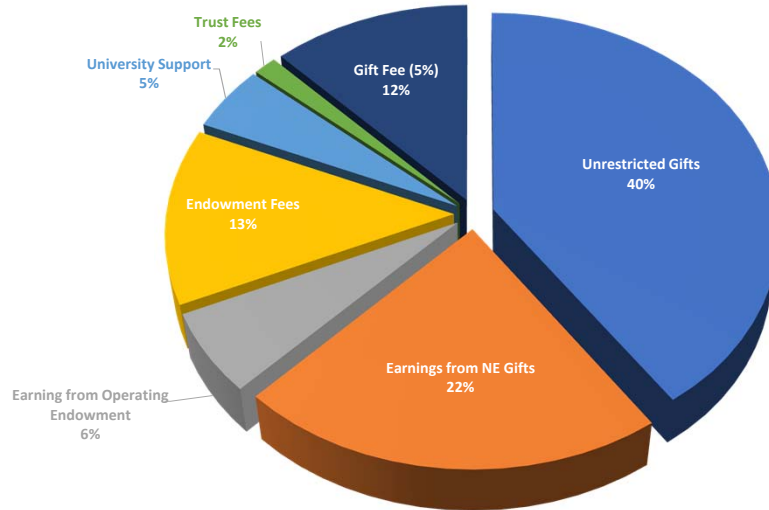


FOUNDATION ORGANIZATIONAL CHART



FUNDING

Based on FY19 Budget



ENDOWMENT PERFORMANCE

As of June 30, 2018



- Total Assets: \$90,663,782
- Endowment Assets: \$61,013,926
- Annualized Return:
 - One-Year: 7.08%
 - Five Year: 6.37%
 - Nine Year (inception date of 4/1/2009): 4.93%
- Endowment Payout – 4% of a 12 quarter rolling Average

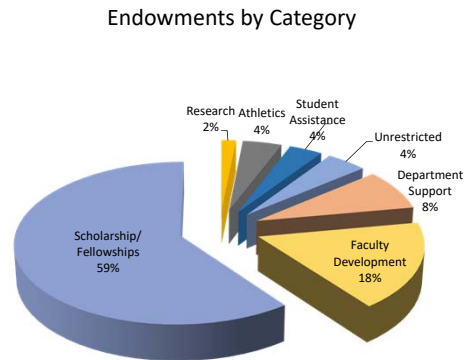
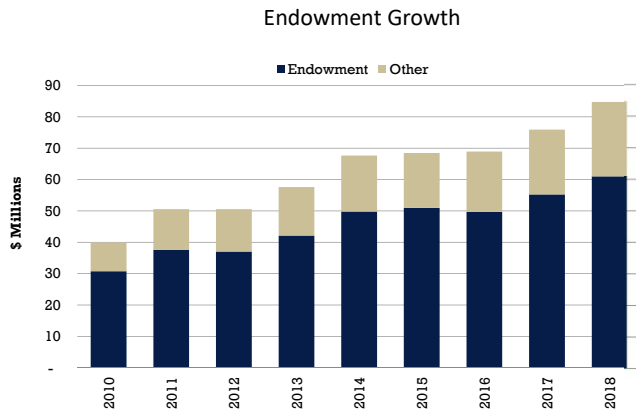
• Graduated Endowment Fee:

Endowed Balance	Fee
First \$100,000	0.5%
Next \$400,000	0.4%
Next \$500,000	0.3%
Over \$1,000,000	0.2%



ENDOWMENT

Endowment Growth and Endowment Restrictions



FY18 REVIEW

Key Date from FY18



- \$8.31 M Dollars Raised (new gifts and pledges)
- 2510 Total Donors
- 65.85% Alumni Donor Retention
- Total Institutional Support \$4,857,211
 - Endowment Transfers: \$1,469,828
 - Non Endowed Dollar Transfers \$3,387,383



ACADEMIC SCHOLARSHIP FUNDRAISING

New Non Endowed and Endowed Gifts and Pledges



FY13	FY14	FY15	FY16	FY17	FY18
\$2,251,219	\$2,324,584	\$1,931,423	\$1,706,005	\$2,742,124	\$2,868,031



PEARSON ALUMNI AND CONFERENCE CENTER

Opening August 2019



\$3M gift from Larry and Linda Pearson.
 Meeting space for an event that seats 100 people
 2 adjoining meeting rooms that each seat 20 people in classroom format.
 Smaller meeting rooms and a boardroom will also be available

