

2017 ANNUAL REPORT

uidahofoundation.org

University of Idaho
Foundation

GREETINGS VANDALS

Thanks to our generous donors, a prudent investment policy, and sound financial management, the University of Idaho Foundation continues to be a vital partner for the University of Idaho.

We are pleased to share news of this past year's success with you.

Donations to the Foundation increased by 27 percent from the previous year, with alumni and friends contributing nearly \$20.6 million in support of the University of Idaho.

As of June 30, 2017, the total assets of the Foundation reached a record-setting \$320 million, making us not only the largest university foundation but also the largest public foundation in the state. We are proud to manage these critical resources in support of the university and its efforts to expand the institution's intellectual and economic impact and make higher education relevant and accessible to students of all backgrounds.

With investment earnings of \$29 million and a one-year rate of return of 12.1 percent, the Foundation distributed \$10.7 million from its pooled endowment fund, the Consolidated Investment Trust (CIT). The CIT is comprised of 1,510 separate endowments that provide funding for scholarships and programs at the university.

Since fiscal year 2000, the Foundation has distributed \$318 million from endowment earnings and current gifts to support students, programs, faculty, staff and facilities.

This success was achieved as a result of your generosity. In partnership with the Foundation and University, philanthropy promotes outstanding research and educational opportunities for students and faculty, propelling the University of Idaho to greater heights. On behalf of all Vandals, we thank you.

Go Vandals!



**Karen Gowland '81, '84
Chair**



**Joy Fisher '81
Executive Director**

THANK YOU
\$38,739,314

TOTAL DOLLARS RAISED

\$18,847,980

PROGRAMS

\$8,368,045

FACULTY

\$8,453,501

STUDENTS (Scholarships)

\$3,069,788

FACILITIES

TOTAL DONORS
10,046

\$15,858,340

ALUMNI

\$14,843,732

CORPORATIONS, NON-PROFITS, OTHER ORGANIZATIONS

\$4,825,395

FRIENDS, OTHERS

\$2,275,305

FACULTY, STAFF

\$936,542

PARENTS



Mary Kay McFadden '80
Vice President for University Advancement

Our donors invest in the university because we prepare students to succeed in their careers after college. Our research drives economic development throughout Idaho and beyond. We're grateful for this support and partnership.

Giving Highlights reflect all sources of private support for the University of Idaho in accordance with guidelines established by CASE (Council for Advancement and Support of Education.) These guidelines allow for counting certain private support that is not included in the Foundation giving totals.



THE GIFT OF RESEARCH

Through their experience as students at the University of Idaho, Idaho natives Brian Hill '65 and Gayle Hill have learned the importance of undergraduate research and how meaningful it can be for current and future University of Idaho students.

"There is a Swedish learning theory called Educational Sloyd, aka 'Wisdom of the Hands,' which explains that the process of learning through hands-on experience is a very effective way to learn," Brian said. "I think the establishment of the University of Idaho's Office of Undergraduate Research demonstrates the University of Idaho's recognition of the importance of hands-on learning, and I would like to see it flourish."

Over the years, Brian and Gayle have become more involved with the UI Alumni Association, with Brian serving as President from 2004 to 2005. Frequent campus visits led them to partnering with the College of Science and serving on the College of Science Advisory Board. Together, they established the Brian and Gayle Hill Undergraduate Research Fellowship, which ensures that future students have the opportunity to perform undergraduate research.

"Gayle and I had a unique laboratory experience outside of the classroom while at UI," Brian said. "It was a life-changing experience for us. We want to give that experience back to students, recognizing their extra efforts beyond just classroom laboratory experience."

Through their support of and partnership with UI, the Hills provide UI students with an advantage for their future by taking part in these educational opportunities, ultimately setting them up for success.

WHAT IS A CURRENT USE OR EXPENDABLE GIFT FUND?

Short-term support in which gifts are made immediately available to the university to use in accordance with the donors' intent and purpose.



LAURA MOORE CUNNINGHAM FOUNDATION

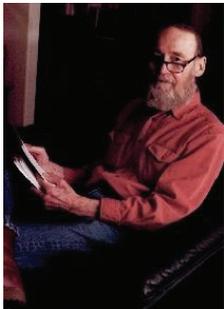
The Laura Moore Cunningham Foundation, one of the oldest and largest charitable foundations in the state, is a longtime benefactor of the University of Idaho. For nearly 5 decades, the Boise-based foundation has supported UI, providing \$11.1 million. This includes over \$5.1 million for scholarships and nearly \$6 million for numerous programs, initiatives, and capital projects. These gifts reach statewide from Idaho 4-H and WWAMI to the Idaho Law Learning Center at the Ada County Courthouse. Its cumulative years of support make the Laura Moore Cunningham Foundation a part of the university's Loyal Partner Program, which recognizes partners with 20 or more years of consecutive giving to the University of Idaho.

Established in 1963, the foundation is named in honor of Laura Moore Cunningham, a Boise native and daughter of C.W. Moore, founding partner of First National Bank (later to become US Bank). Cunningham was a dedicated community member who served on several volunteer boards.

Today, members of the family continue to lead the foundation. The board of directors includes UI alumnae Laura MacGregor Bettis '03 and Janelle A. Wise '04, '05. Their father, Harry L. Bettis, great-grandson of C. W. Moore, was granted an honorary degree from UI in 2013. We thank the Laura Moore Cunningham Foundation for their support and efforts to promote higher education in Idaho.



J. MICHAEL MAHONEY



J. Michael Mahoney invested well over \$2 million in 13 endowments at the University of Idaho that support over 30 student scholarships annually.

He never once visited Moscow, nor set foot on the University of Idaho campus.

Mike's deep connection to Idaho originated during summers spent at his family's ranch, M-M (M bar M), in the Stanley Basin. He and his family developed close relationships with other residents of the valley, many of whom Mike honored through UI scholarships.

Mike established 56 scholarship endowments over the course of his lifetime at Exeter Academy, University of Florida, University of California at Berkeley, Princeton (his alma mater) and the University of Idaho. He has endowed more scholarships at both Princeton and UI than anyone in the history of both institutions.

A philanthropist in the purest sense of the word, Mike never associated his name with any of the scholarship endowments he funded, which honored the memory of his family, friends, people he found inspiring and many young people who passed before their time. "To me, helping other young people succeed is as great an investment as you can make," Mike wrote.

After graduating from Princeton in 1951, Mike served in the Air Force, and then began a career as a writer, first as a journalist then a foreign correspondent in Africa and finally as an author. He was known for being kind, curious, thoughtful, engaged and intelligent. He passed away on February 28, 2016, at his home in Larkspur, California. He lives on in the hearts and minds of those fortunate enough to work with him and the student futures he inspires in perpetuity.

JESSEY MORGAN Senior, University of Idaho



Jessey Morgan, a senior majoring in Agricultural Systems Management in the College of Agricultural and Life Sciences (CALs), is one of sixteen recipients of the Stephanie Crane scholarship established by J. Michael Mahoney, which is awarded

to "deserving undergraduate students from Custer County and other Central Idaho counties."

"The Stephanie Crane Scholarship means that I can pursue and achieve my educational goals without distraction," Jessey said. "Really, it's just great when a person is so willing to help kids, especially those from small towns, realize their goals and dreams."

This past summer, Jessey interned at Rock Creek Ranch near Hailey, Idaho, where she managed 300 head of cattle. After graduation, she wants to use her skills to educate others about land, livestock and management.



Rock Creek Ranch is a collaboration between The Nature Conservancy, the Wood River Land Trust and UI for research, education and public outreach on conservation and sustainable ranching.

UI FOUNDATION CELEBRATES 1,500TH ENDOWMENT

The credit for the 1,500th endowment milestone goes to the late Shirley A. (Williamson) Wentz, a lifelong teacher and dedicated educator, through her gift to the College of Education.

Originally from Caldwell, Shirley earned her bachelor's degree in education from UI in 1971 and dedicated her career to educating young minds in the Mountain Home and Boise school districts as an elementary and kindergarten teacher.

Shirley's devotion to her students went beyond their time in her classroom; parents and former students often kept in touch with her over the years. She had a reputation for teaching with energy, love and excitement, and encouraged many student teachers in her classroom.

Shirley was married to Bill Wentz for 21 years and the couple had two children, Brian and Amy, and seven grandchildren.

Shirley passed away in Caldwell in May 2015 at age 66.

Shirley created a permanent legacy of her devotion to education with a \$25,000 gift to the UI Foundation to create the Shirley A. Wentz Education Scholarship

Endowment. Her legacy supports future elementary education teachers from Ada and Canyon counties in Idaho. Her wish was to help future educators so they too might enjoy the rewards she received from introducing young readers to the power of books and reading.



Shirley A. (Williamson) Wentz, at right, with her mother, Evelyn

Wentz's pride in UI and love of the Vandals didn't waver throughout her life, said her sister-in-law Susan Williamson. Shortly before she passed away, Wentz's doctor asked her to say something to test her breathing, Williamson said. In pain and barely able to speak, she looked at the doctor and said "Go Vandals!"

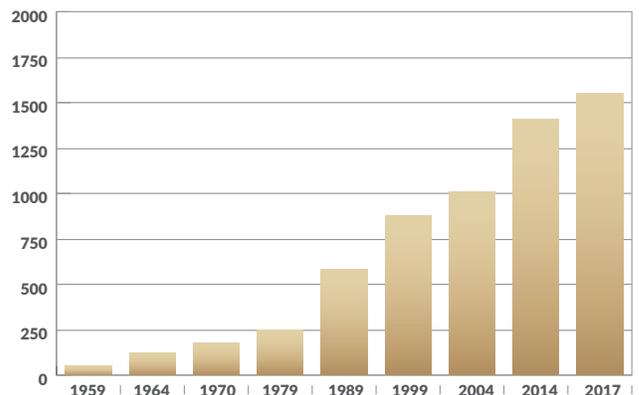
Endowments like the one left by Shirley are invested by the Foundation over the long term. The foundation's 1500+ endowments equate to more than \$10.2 million in scholarships and program support distributed each year, with \$176 million distributed since 1959.

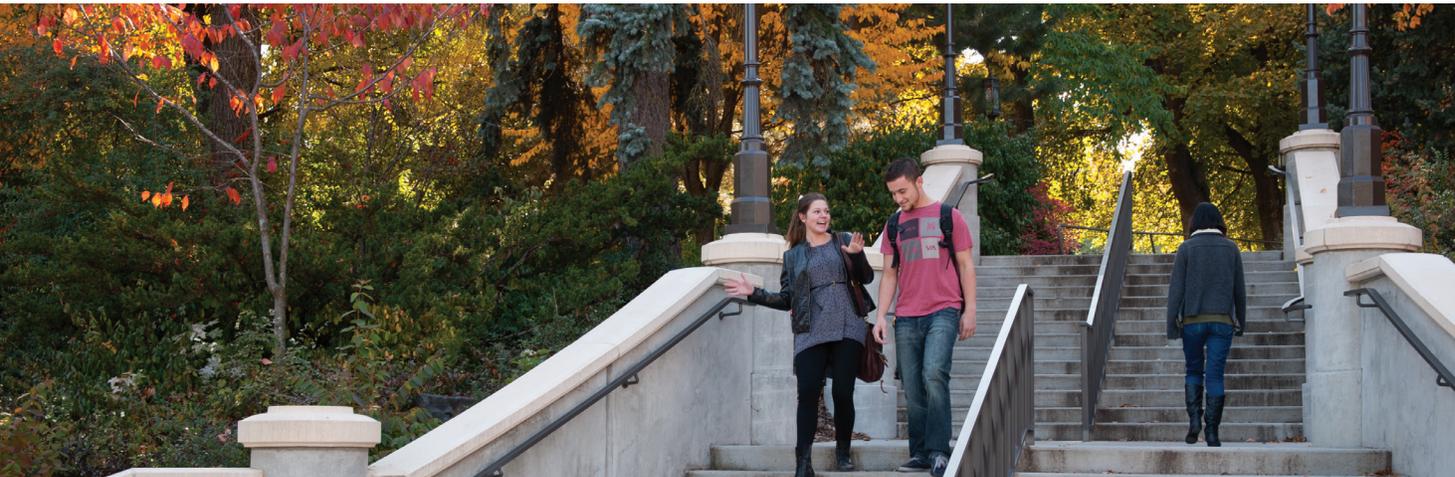
WHAT IS AN ENDOWMENT?

A permanent fund professionally managed in our pooled investment portfolio. Annual distributions provide long-term support for the university in accordance with the donor's intent and purpose.



TOTAL UI FOUNDATION ENDOWMENTS BY YEAR





NEW ENDOWMENTS

The Foundation appreciates the generous donors who established and funded the following 36 new endowments with more than \$8 million in gifts in fiscal year 2017. Endowments are invested and managed in perpetuity. Distributions are made annually to the University of Idaho for the use and purpose established by the donor.

Ambrose Storytelling Endowment

Burt Berlin Humanities Scholarship Endowment

Burt Berlin Mechanical Engineering Scholarship Endowment

Dr. P. Michael and Linda S. Davidson Food Science Endowment

Education Technology Endowment

Bob Danner Stanley Bush Pilot River of No Return Memorial Scholarship Endowment

Erma M. Scholtz Coppage and Richard P. Coppage Estate Endowment

Robert C. Day Agricultural Education Scholarship Endowment

Frank Darlington III Vandal Athletic Scholarship Endowment

NROTC Class of 1962, LT Don S. Campbell, USN, Leadership Endowment

David Giese Fellowship for Interdisciplinary Studies Endowment

Brad Huffman Wheat Royalty Scholarship Endowment

Bruce T. Haglund and Tisha Egashira Earth Stewardship Award Endowment

Alberta Hill Scholarship Endowment for International Studies

Judd Family Scholarship Endowment

Karlborg Endowment for Music Education

Torrey and Sara Lawrence Music Excellence Endowment

Lisa Muscavage/Maryellen Easom Honorary Stanley Schoolteacher Scholarship Endowment

Robert Mahler Soil Science Scholarship Endowment

Operation Education Endowment

Tom and Jo Ann Trail International 4-H Endowment

Strategic Initiatives Endowment for the College of Engineering

Tau Kappa Iota/TKE Scholarship Endowment

Jon Trail Research and Education Endowment

Thomas T. Thoreson Scholarship Endowment

Thomas T. Thoreson Endowment for Enhanced Learning

Col. James and Col. Betty Lee Raymer Endowment for Learning

Wilma Thomas Scholarship Endowment

Elvon T. Skinner Memorial Music Scholarship Endowment

J.D. Rowell Award for International Excellence in Agricultural Economics Endowment

Roxie Simcoe Scholarship Endowment

TD Ameritrade thinkorswim Challenge Endowment

Wallace Faculty Award in Modern Languages and Cultures Endowment

Shirley A. Wentz Education Scholarship Endowment

C. Merton and Inez Winegar Scholarship Endowment

Albert Suttman Endowment

FLEX ENDOWMENT: MAKING THE MOST OF YOUR GIFTS NOW AND IN THE FUTURE

A flex endowment is a permanent fund in the making which allows highly motivated donors like Dennie Byram '58 to build the principal fund balance and see their gifts in action immediately. The result is the creation of a lasting legacy and current, meaningful support for our students, academic programs or faculty research.

With this flexible giving plan, donors commit to funding the endowment with at least \$25,000 over a five-year period. While the endowment principal grows, donors make an additional charitable contribution that approximates the expected distribution from the endowment in a way that fits their personal financial situation. Thanks to Dennie's

generosity and commitment to a flex endowment, eligible and deserving students in the College of Agricultural and Life Sciences realize the immediate benefits of scholarship support. Once an endowment is fully funded, future students will continue to receive this critical financial assistance in perpetuity.

All your gifts – whether to increase sustainable resources through endowments or support current initiatives of the University – advance our mission to shape the future through innovative thinking, community engagement and transformative education. For more information on flex endowments, contact the University of Idaho Foundation.



Future University of Idaho Students
\$1,000 scholarship tomorrow



Dennie Byram '58

A
"FLEX"
ENDOWMENT
IMPACTS IDAHO
STUDENTS
TODAY

\$1,000 scholarship TODAY!

\$5,000 for five years plus earnings



University of Idaho Student

\$1,000 scholarship TOMORROW!

Dennie L. Byram
Scholarship Endowment
\$25,000 permanently funds a
\$1,000+ per year scholarship

FOUNDATION FINANCIAL STATEMENT SUMMARY

Condensed Statements of Net Position

ASSETS	2017	2016
Cash and cash equivalents	\$19,723,874	\$16,109,377
Accrued interest and other receivables	227,280	182,030
Promises to give, net	3,170,416	2,285,912
Investments	292,093,496	268,745,813
Notes receivable	233,741	334,764
Real estate holdings	4,420,457	5,340,457
Other assets	367,354	371,028
TOTAL ASSETS	\$320,236,618	\$293,369,381

LIABILITIES AND NET POSITION	2017	2016
Liabilities		
Accounts payable	\$71,746	\$43,042
Liability for split interest trusts	7,550,064	7,347,096
Endowment earnings payable to trust beneficiaries	10,675,358	10,236,656
Total Liabilities	\$18,297,168	\$17,626,794

Net Position	2017	2016
Restricted - nonexpendable	228,811,089	216,363,531
Restricted - expendable	66,176,111	52,567,752
Unrestricted	6,952,250	6,811,304
Total Net Position	\$301,939,450	\$275,742,587

TOTAL LIABILITIES AND NET POSITION	\$320,236,618	\$293,369,381
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Condensed Statements of Revenues, Expenses and Changes in Net Position

REVENUES	2017	2016
Gifts	\$20,552,299	\$16,123,165
Investment Income	6,626,988	6,867,356
Change in fair value of investments	23,210,392	(1,980,931)
Change in split interest trusts	136,920	627,516
Other	820,832	627,162
TOTAL ASSETS	\$51,347,431	\$22,264,268

EXPENSES	2017	2016
Distribution of endowment income to trust beneficiaries	\$10,675,358	\$10,236,656
Distribution to University and affiliates	11,382,658	11,169,873
Distribution of trust income to life income beneficiaries	815,552	753,860
Administrative expense	2,128,616	2,228,528
Other	148,384	27,732
Total Expenses	\$25,150,568	\$24,416,649

CHANGE IN NET POSITION	26,196,863	(2,152,381)
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NET POSITION Beginning of Year	\$275,742,587	\$277,894,968
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NET POSITION End of Year	\$301,939,450	\$275,742,587
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The Foundation's condensed financial statements for the years ended June 30, 2017 and 2016 are presented in this section.

To present a picture of the fiscal year activities, the Foundation has provided condensed financial statement information that departs from generally accepted accounting principles (GAAP) in two ways. First, the accompanying condensed financial statements include only summarized statements of net position and statements of revenue, expenditures and changes in net position and do not include statements of cash flows or the footnote disclosures. Second, the Foundation presented condensed information which consolidates current and non-current assets and liabilities.

The Foundation's financial statements undergo an annual audit, which is conducted by EideBaily LLP. They audited the financial statements for the years ended June 30, 2017 and 2016, which are presented in conformity with GAAP, and they expressed an unqualified opinion on these financial statements. A copy of EideBaily's audit report dated September 18, 2017, is available upon request or may be viewed on the Foundation's website www.uidahofoundation.org. Additional information about the Foundation can be found in the 2015 annual information return, Form 990, which is available in its offices or may be viewed on the website. The 2016 annual information return will be available on the website after it is filed in early 2018.

MISSION STATEMENT

The mission of the University of Idaho Foundation, Inc. is to inspire, manage and distribute private support to enhance the excellence of the University of Idaho.

HISTORY

The University of Idaho Foundation, Inc. was officially established in 1970 to attract private financial support to aid in the achievement of institutional goals and to manage assets for the benefit of the University of Idaho.

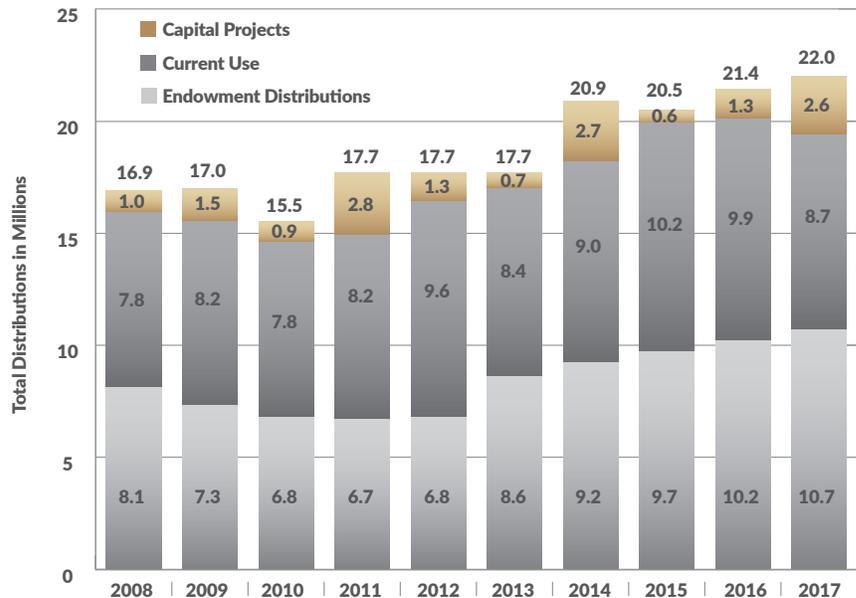
FACTS

- **\$320 million** – Assets held by the largest public foundation in Idaho
- **\$265 million** – Assets managed in the CIT endowment pool
- **Over \$22 million** – Distributed to the University of Idaho for scholarships and academic programs during the 2017-18 school year
- **12.1%** – One-year annualized total rate of return for the CIT
- **7.6%** – Five-year annualized total rate of return for the CIT
- **Over \$176 million** – Endowment support for scholarships and programs since 1959, and more than \$100 million since 2006

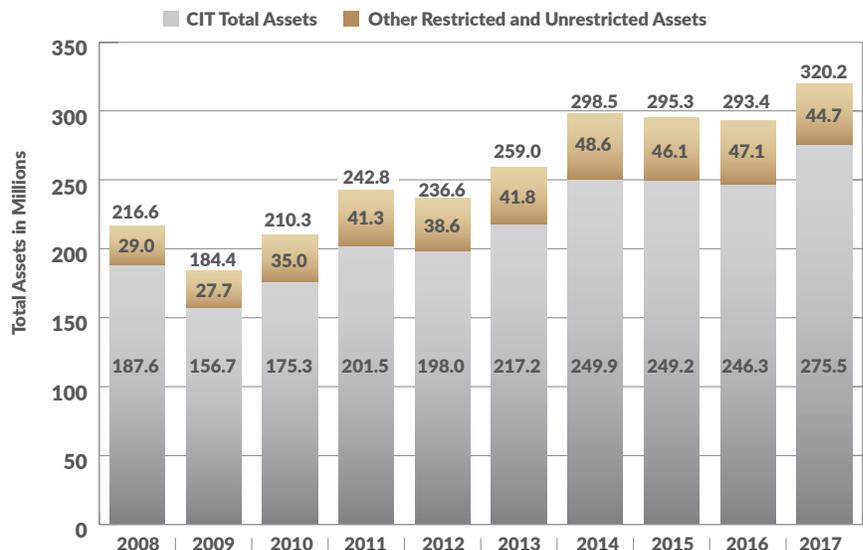
Based on FY2017

FINANCIAL HIGHLIGHTS

DISTRIBUTIONS



TOTAL ASSETS



As of June 30, 2017

BOARD OF DIRECTORS

OFFICERS

Chair

Karen Gowland '81, '84

Vice Chair

Andrew Emerson '97

Treasurer

Michael Hunter '73

Secretary

Frances Ellsworth '83

Past Chair

Richard Allen '73

DIRECTORS

Michael Bogert '85
Richard Dahl '73
Michael Fery '88
Mark Fredback '78
David Goss '69, '72
Douglas Gross '75
Lisa Grow '89
Kristi Hanson '88
Debbie Hetherington '74
Charley Jones '75
Bill Kearns '81
Katharine "Kit" Kimball '72
Clint Marshall '97
Peter McDonald '93
Craig Olson '74
Jim Pierce '87
David Poe '70
Nick Purdy '62
Linda Copple Trout '73, '77

EMERITUS DIRECTORS

Robert Alexander '62, '64
Emma Atchley '68
Carl Berry '62
Dolores Chapman '61
Frances Ellsworth '83
Dennis Faucher '60, '62
William Gilbert '97
James Hawkins '59, HON '96
Stanley Johnson '62, '63
Patrick McMurray '70
Laine Meyer '72
Gary Michael '62, HON '78
Mahlon "Lonnie" Park '58
Keith Riffle '62, '63
Jeffry Stoddard '75, '76
Carolyn Terteling '59
Robert Woodhead '46, HON '80

UNIVERSITY OF IDAHO FOUNDATION OFFICE

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UNIVERSITY LEADERSHIP

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