

Endowment Report 2014-2015

Women's Association of MUN



im • pact: *have a strong effect on someone or something.*

Dear Dr. Hensman,

Not a day goes by that generosity of donors like you isn't profoundly felt throughout Memorial's campuses. Because of your personal commitment, our students, faculty and staff have access to more scholarships, stronger programming and better equipment. Indeed, Memorial is a better academic institution because of you. Thank you for your support.

This year marks a change in the way we are delivering updates on the status of endowed funds at Memorial University. I am pleased to send you the enclosed report as a summary of the activity associated with the fund that you have established or support at our university.



Students of every generation, from every academic discipline, have told us that scholarships and awards make a meaningful difference in their lives. Our students value your support, particularly as they balance their studies with the financial responsibilities that come with their education.

Should you have any questions about your report, please contact us at 709.864.6763 or 1.877.700.4081 (Toll Free). As well, since this is our first time providing you with such a report, we welcome any feedback you may have in the way we deliver this information to you.

On behalf of Memorial University, I sincerely thank you for your generous support.

Sincerely,

A handwritten signature in black ink that reads "Penny Blackwood". The signature is fluid and cursive.

Penny Blackwood, PhD
Executive Director
Alumni Affairs and Development

Women's Association of MUN

Breakdown of Endowment

Book Value	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Opening Balance (April 1)					
Restricted	100,777	100,777	116,289	116,424	116,730
Unrestricted	22,081	27,272	14,548	17,588	23,993
Total	122,858	128,049	130,837	134,012	140,723
Donations					
Restricted	-	936	135	306	598
Unrestricted	50	104	15	34	66
Top-up	5,842	4,633	2,548	4,435	5,925
Investment Income	5,899	4,315	7,677	9,136	10,324
Scholarship / Bursary / Award Expenditure	-6,600	-7,200	-7,200	-7,200	-7,200
Closing Balance (March 31)					
Restricted	100,777	116,289 **	116,424	116,730	130,060 **
Unrestricted	27,272	14,548 **	17,588	23,993	20,376 **
Total	128,049	130,837	134,012	140,723	150,436
Market Value	2010-11	2011-12	2012-13	2013-14	2014-15
Closing Book Value (March 31)	128,049	130,837	134,012	140,723	150,436
Unrealized gain / loss	17,667	11,918	16,748	26,076	23,758
Closing Market Value (March 31)	145,716	142,755	150,760	166,799	174,194

Allowable Payout

Payout, as per spending policy (SIPO) is based on *previous* fiscal year ending March 31st and is the lesser of:

	2010-11	2011-12	2012-13	2013-14	2014-15
Unrestricted adjusted for Unrealized gain/loss	44,939	26,466	34,336	50,069	44,134
* 4% of Restricted Book Value	4,031	4,652	4,657	4,669	5,202
Allowable payout in next fiscal	4,031	4,652	4,657	4,669	5,202

*The maximum allowable payout is calculated as a portion of the income on the endowment based on the current spending rate (current rate of 4%), and is calculated on the restricted portion of the fund only. The payout amount will change over time as the spending rate changes to reflect market conditions.

** Rebalanced as per SIPO at March 31.

Understanding this report

Your philanthropy is making a big difference at Memorial University and we thank you for your support.

This inaugural report includes a summary of your endowed fund covering up to five years of activity. As this may be your first time seeing this report, we recognize you may have specific questions. Please use the glossary of terms below as a way to guide you through the report. As well, a member of our development team is available to assist you if desired. Please do not hesitate to contact us at 709.864.6763 or 1.877.700.4081 (Toll Free).

Term	Definition
Book Value	Amount donated plus subsequent transactions for the fund (donated funds + realized income – funds awarded)
Restricted	That portion of the fund that cannot be spent or infringed upon in perpetuity (often referred to as the 'principle'). Initially, this represents 90% of the overall fund (in accordance with university policy).
Unrestricted	That portion of the fund that is available to spend based on the university's spending policy. Initially, this represents 10% of the overall fund (in accordance with university policy).
Unrealized Gains/losses	The cumulative market gains or losses on the fund, as at March 31 (Fiscal year end)
Market Value	The value of the endowment if all investments were sold at March 31 (Fiscal year end) (closing book value + unrealized gains/loss)
Allowable Payout	The Allowable Payout is the lesser of <ul style="list-style-type: none">the book value of the unrestricted closing balance adjusted for unrealized gains/lossesthe book value of the restricted closing balance x the current spending rate (the current spending rate is 4%)

The endowed funds at Memorial University are overseen by the Investment Committee (Sub-Committee of the Finance Committee of the Board of Regents of Memorial University) and governed by the Statement of Investment Policy and Objectives (SIPO).

The purpose for the breakdown of the fund as 90% restricted and 10% unrestricted is to allow the fund to support a scholarship/award/other use immediately without having to wait until sufficient income is earned to support the payout. Currently, the unrestricted amount represents just over two years of payout. New donations to an endowment are automatically split 90/10 (restricted/unrestricted).

To request a full copy of the SIPO or other information on our investments at Memorial, please contact us at the numbers listed above.