

COLLEGE OF ARTS & SCIENCES | UNIVERSITY *of* WASHINGTON

WHAT YOU CARE ABOUT CAN CHANGE THE WORLD

The Impact of Endowments
at the University of Washington



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INVESTING IN A LASTING IMPACT

Why an endowment fund?

While current use funds support departments with important short-term resources for current priorities, earnings from endowments provide a permanent, reliable source of income. This ensures that the College of Arts & Sciences will have the stable resources to plan for the future and to fulfill its long-term mission of education, research and service.

An endowment is a permanent, self-sustaining source of funding that is invested so it grows over time. Each year, 4%* of the market value is paid out to support the scholarship, faculty position or program the endowment supports. Any earnings in excess of this distribution are used to build the fund's market value. That means your endowment can grow and provide support for its designated purpose in perpetuity. When you establish an endowment, you create a permanent legacy of your dedication to the University.

What can endowments support?

You can choose to support what is most meaningful to you through an endowment gift:

- Undergraduate Scholarships or Graduate Fellowships
- Chairs, Professorships or Faculty Fellowships
- Programs
- Research
- Unrestricted Use

Note: Unrestricted funds do not place specific limitations on how distributions should be spent, providing departments and programs with the flexibility to address their greatest needs.

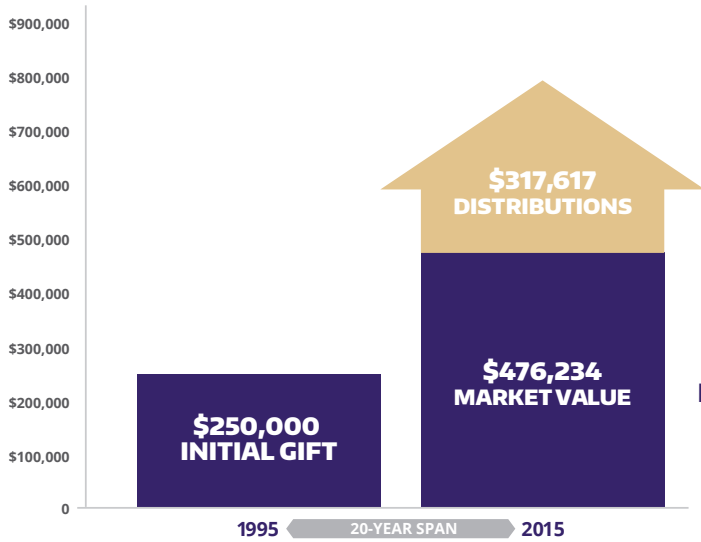
How can I fund an endowment?

We encourage you or your financial adviser to contact us about how to structure your gift to provide support that is meaningful to you. You can use almost any type of asset, including cash, securities and real estate. Bequests and other deferred gifts, including those that provide life income to you or another beneficiary, can also fund endowments. To create a new endowment with a name you choose, the UW has several options starting at \$25,000. Gifts of any size can support an existing endowment.



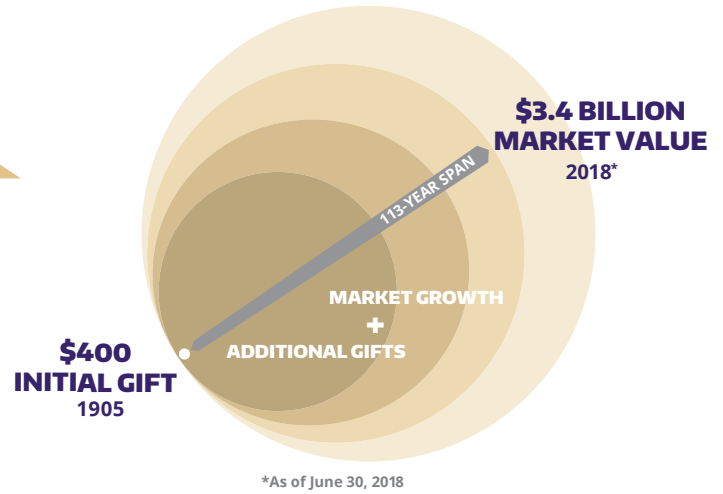
YOUR ENDOWMENT MAKES A LASTING IMPACT

Growth of a \$250,000 Endowment from 1995 to 2015



THE CONSOLIDATED ENDOWMENT FUND (CEF)

Growth of the CEF since 1905



ENDOWMENT MINIMUMS AT A GLANCE

	TYPE OF GIFT	MINIMUM	DISTRIBUTIONS*
GENERAL SUPPORT	Program Support	\$25,000	\$1,000
	Undergraduate Student Support	\$25,000	\$1,000
	Graduate or Professional Student Support	\$50,000	\$2,000
	Faculty Support	\$50,000	\$2,000
	Research Acceleration	\$100,000	\$4,000
FOR STUDENTS	Undergraduate Scholarship	\$100,000	\$4,000
	Distinguished Undergraduate Scholarship	\$250,000	\$10,000
	Graduate Fellowship	\$100,000	\$4,000
	Professional Student Scholarship	\$100,000	\$4,000
	Distinguished Graduate Fellowship	\$250,000	\$10,000
	Distinguished Professional Student Scholarship	\$250,000	\$10,000
FOR FACULTY	Faculty Fellowship	\$100,000	\$4,000
	Professorship	\$500,000	\$20,000
	Chair	\$2,000,000	\$80,000
	Deanship	MARKET PRICE	

*Annual distributions are approximate, based on 4% of the five-year rolling average value of the CEF.

FAQS

May I make a pledge commitment to be paid over time?

Yes. Pledge commitments may be fulfilled over a period of up to five years. The endowment invests once payments are completed.

May I make a gift from a donor-advised fund or community foundation?

Yes. Your directed gifts from donor-advised funds and community foundations are treated as donor gifts. If your gift is eligible for a match, it will be considered as coming from the donor household.

May I name my endowment?

Absolutely. Creating an endowment can be among the most important philanthropic gifts of a lifetime and establishes a permanent legacy at the UW. We encourage you to name your endowment—after yourself, your family or an influential person in your life.

Can I make a gift to an existing endowment?

Yes. If you or someone you know already has established an endowment, you may donate to it. Existing endowments are great ways to further your impact and to engage your family and friends in supporting programs you are passionate about.

Is it possible to establish an endowment with an estate gift?

Yes. As long as your estate gift meets the donation minimum at the time the gift is received, you may establish a new endowment. You may also direct your estate gift towards an existing endowment.

How are endowed funds managed?

Though distinct in purpose, endowed funds are commingled in the UW's Consolidated Endowment Fund (CEF) and tracked much like a mutual fund. The CEF holds a diversified mix of stocks, bonds and other assets managed primarily by professional investment firms employed by the UW. The UW's Board of Regents, the University's highest authority, establishes CEF investment and spending policies and monitors the fund's management and performance.

How much does the department receive?

Distributions from the CEF are made on a quarterly basis to support an endowment's purpose. Under the CEF spending policy, distributions to programs are currently equal to 4% of the 5-year rolling average market value.

For more information, visit <https://finance.uw.edu/treasury/CEF/spending-policy>.

When does the department begin to receive disbursements?

Once an endowment invests in the Consolidated Endowment Fund, the first two quarters' income is distributed to Advancement. This means that the benefiting unit will begin receiving endowment disbursements at the end of the third quarter following investment. For example, if an endowment is invested in the CEF on January 1, the distributions made on March 31 and June 30 would go to Advancement efforts. Beginning with the September 30 disbursement, quarterly distributions would be deposited to the endowment's operating account housed in the benefiting unit.

