

**MISSION:**

**Strengthen CSU's  
future, forever.**

ADVANCEMENT | CSU FOUNDATION

**2019-2020 ENDOWMENT REPORT**

**WITH YOU,  
WE WILL.**



COLORADO STATE UNIVERSITY

**THANK  
YOU**



In any “normal” year, our hearts would be filled with gratitude for your generosity to Colorado State University. This year, as we celebrate the successful completion of CSU’s first-ever billion-dollar campaign, and as we face a health and fiscal crisis with unprecedented challenges for CSU students, faculty, and staff, we are more grateful than ever for your endowed investment in CSU! Thank you for your gift of stability and perpetuity. It means more than ever to CSU in this time of need and uncertainty.

While these are, indeed, challenging times for all, CSU is uniquely prepared to deliver on its mission:

- To create access to educational opportunities when people weathering adversity need them the most,
- To conduct innovative research that solves the world’s most challenging problems, and
- To provide meaningful programs and outreach that improve lives.

Now, with state dollars cut and tuition dollars likely reduced by COVID-19, philanthropy – especially endowed giving – ranks among CSU’s most vital assets. Fortunately, CSU donors responded with remarkable generosity. During our just-completed sesquicentennial year, 31,000 donors contributed \$175,190,282 – the third-highest fundraising total in CSU history!

As for stewardship, your Colorado State University Foundation outperformed its investment benchmarks to keep your dollars working hard for CSU. Despite the market dropping a staggering 35% from February to March, triggering a 9% drop in our own portfolio, we were able to recover and end the fiscal year with an investment return of 1.65%. This positive return, coupled with CSU successfully exceeding the Beyond a Billion campaign goal, brings our current endowment to \$393 million and total invested assets to \$512 million. In other words, even with all the volatility of the COVID-19 crash, our endowment ends the year with \$17 million more than the same time last year and total invested assets up \$5 million.

This report provides more detail on some of the actions we have taken to ensure that CSU remains resilient during these unprecedented circumstances. If after reading this report you have questions, we encourage you to reach out to the CSU Foundation at (970) 491-7135 or [csugifts@csuf.colostate.edu](mailto:csugifts@csuf.colostate.edu). Your extraordinary commitment to CSU has a profound impact on the future of our University and the service we deliver to our community and the world. Thank you for your support and for ensuring that our long-standing tradition of philanthropy continues to thrive.

With Ram Pride,



**KIM TOBIN**  
VICE PRESIDENT  
for UNIVERSITY  
ADVANCEMENT



**CHERI O'NEILL**  
CSU FOUNDATION  
PRESIDENT and CEO

## STATE YOUR PURPOSE

The Campaign for Colorado State University began with an ambitious goal of \$1 billion. We exceeded that goal because you stood with CSU.

136,227 donors gave  
**\$1.28 billion**

## STUDENT SUPPORT

**\$211,336,955**

for merit- and need-based  
scholarships

## PROGRAMS

**\$368,264,584**

for programs supporting student  
success and opportunity

## RESEARCH

**\$378,354,815**

for cutting-edge research

## FACULTY SUPPORT

**\$76,321,326**

for endowed positions

## FACILITIES

**\$247,786,886**

for state-of-the-art facilities  
and learning spaces

# YOUR IMPACT RAM AID.



## Rams Shine During Pandemic

As the COVID-19 crisis created uncertainty around the world this year, one certainty remained: the generosity of CSU donors. This spring, an anonymous donor endowed the Ram Aid fund with a \$1 million gift.

Ram Aid provides emergency funds for students when other financial assistance options, such as federal, state, and University programs, leave gaps.

Designed to help students stay in school and on track to graduate during an emergency, Ram Aid funds may be used for a variety of purposes, including (but not limited to) rent, utilities, groceries, or other bills.

The endowment will create an additional layer of sustainability and long-term security for the program, which can be a lifeline for hundreds more students with the greatest financial need.

# Addressing challenge with innovation



Fiscal Year 2019-2020 was rife with challenge: COVID-19 and its fiscal fallout, state funding cuts, projected enrollment declines, and roller-coaster financial markets. Consequently, universities nationwide (CSU included), suffered severe budget cuts. One saving grace: **Generous philanthropy and innovative stewardship.**

## How did we respond when markets dropped a staggering 35% from February to March alone?

It started with your gifts. Despite the chaotic year, CSU delivered the third-biggest giving year in its history. Thank you!

Your generosity was coupled with smart, informed investing by your CSU Foundation board, staff, and outsourced chief investment officer. Despite national and international market losses, we finished the year in the black and provided more than \$69 million to CSU. This is the second-largest amount the Foundation has ever granted back to CSU.

Finally, we changed how we allocate endowment earnings, moving from a one-year system, which would have concentrated the downturn all at once, to a three-year rolling average to cushion the blow.

As we manage the donations you've entrusted to us with utmost care, transparency, impact, and innovation, we're grateful for your support in service to CSU.

## ADJUSTMENTS AND INNOVATIONS LAUNCHED IN FISCAL YEAR 2019-20



### OCIO MODEL

In September 2019, we boosted our expertise and investment power by transitioning to an outsourced chief investment officer model with the investment firm NEPC. This transition helped us be more responsive to market ebbs and flows. When COVID-19 sent the market tumbling, NEPC was able to react quickly on our behalf and position our portfolio to take maximum advantage of the market correction.



### YEAR ROLLING AVERAGE

We accelerated an existing plan and transitioned to a three-year rolling-average payout calculation a full year ahead of our original schedule. This provides some immediate relief and predictability as CSU plans for one of the most uncertain academic years in history.



### ENDOWMENT POOL AND CURRENT-USE POOL

We approved the separation of our investment pool into distinct endowment and current-use pools. This, too, will provide protection against market downturns, flexibility during times of market volatility, and preservation of intergenerational equity.



### STABLE SUPPORT

We maintained the 4.25% payout to provide stable support to the University during these challenging times.



### NEW RAM LOAN PROGRAM

In partnership with CSU's Division of Enrollment and Access and Department of Business and Financial Services, we created a new Ram Loan Program to help fill the student lending gap left by the discontinuation of the federal Perkins Loan Program.

Foundation/University Partnership Creates

## Low-Interest Ram Loans



Endowed scholarships have long been vital to CSU's mission of increasing access to a college education. That need has grown tremendously in the current economy. Even with all the generous support from donors like you, we still don't have enough scholarships to help all the students in need, so viable loan programs are essential.

Until 2017, federal Perkins Loans helped students with financial need afford college. The interest rates and repayment terms were much better than other kinds of student loans. Unfortunately, the program was discontinued.

To help fill the Perkins gap and the mounting financial obstacles of the COVID-19 pandemic, the University asked the CSU Foundation to help. The result: Ram Loans, a University/Foundation partnership that invests a portion of the Foundation's endowed dollars in loans for low- and middle-income students. The University manages the program, which has Perkins-like interest rates and favorable terms.

"With approximately 25% of our freshmen being first-generation college students, we strive to make CSU as affordable as we can so our students graduate with as little debt as possible," said Tom Biedscheid, assistant vice president of enrollment and access. "This new program meets a critical need, and we hope participating

students can breathe a little easier as they focus on their educational and career goals. This partnership with the CSU Foundation is another innovative example of Rams taking care of Rams."

**"This is truly a win-win," said CSU Foundation Board Chair Jim Martell. "It's a good investment for the Foundation, and the terms are better than other options available for students in need."**

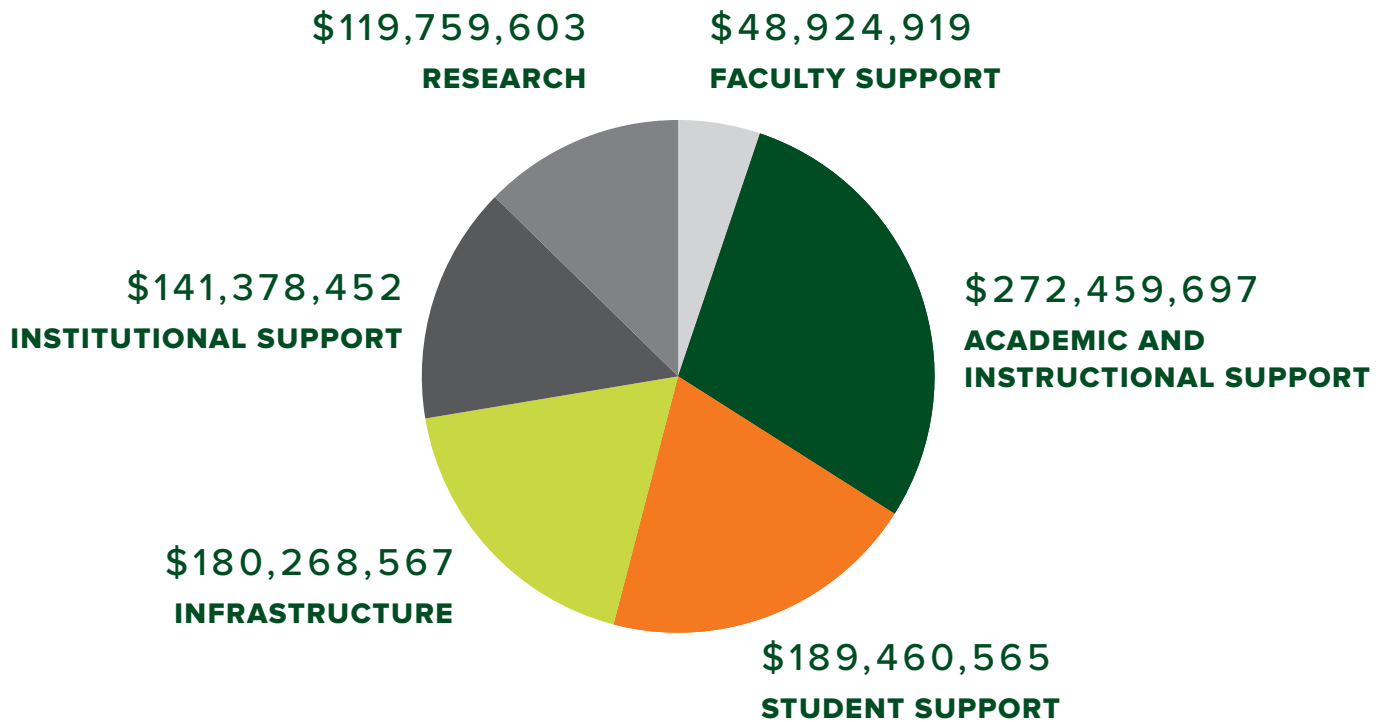
Using fixed-income assets from the Foundation's endowment investment pool, the program should become self-sustaining by 2035.



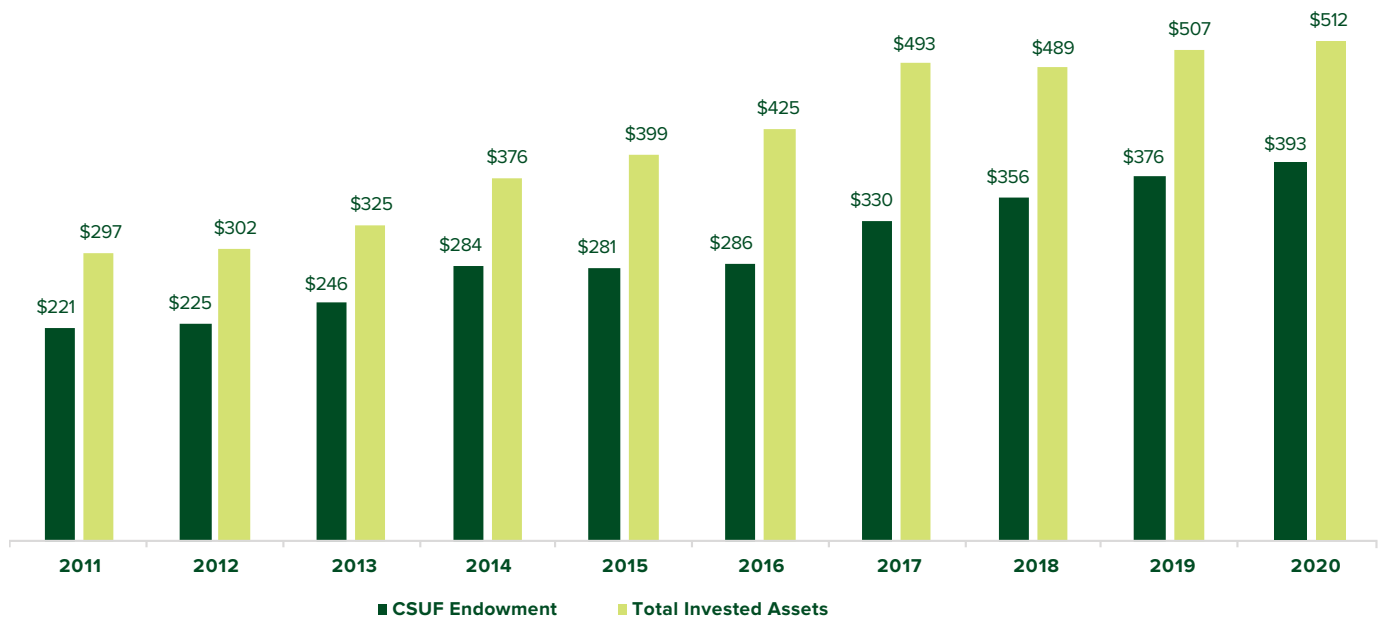


# FINANCIAL REPORT

# Foundation's Lifetime Support to CSU Approaches \$1 Billion



## Endowment & Total Invested Assets (in millions by fiscal year)





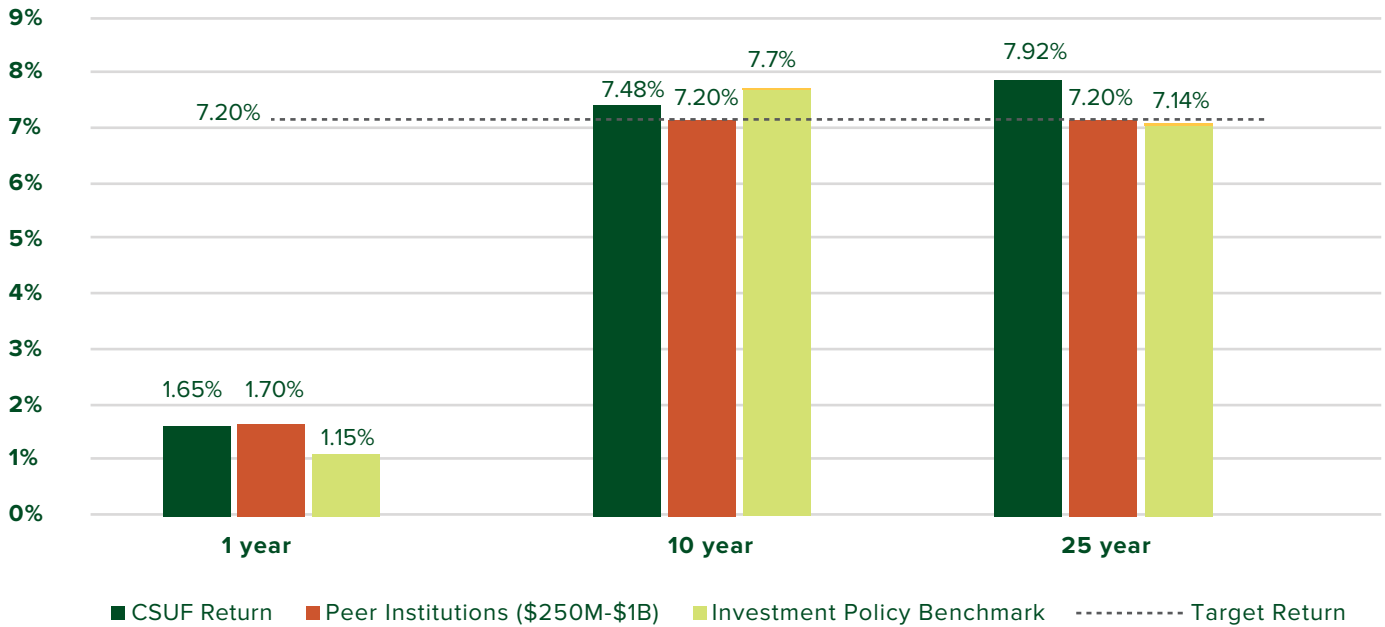
## Assets, Liabilities, & Net Assets (by fiscal year)

	2020	2019
<b>ASSETS</b>	\$573,710,618	\$572,727,937
<b>LIABILITIES</b>	\$27,752,483	\$19,556,276
<b>NET ASSETS</b>	\$545,958,135	\$553,171,661

## Summary of Revenues & Expenses (by fiscal year)

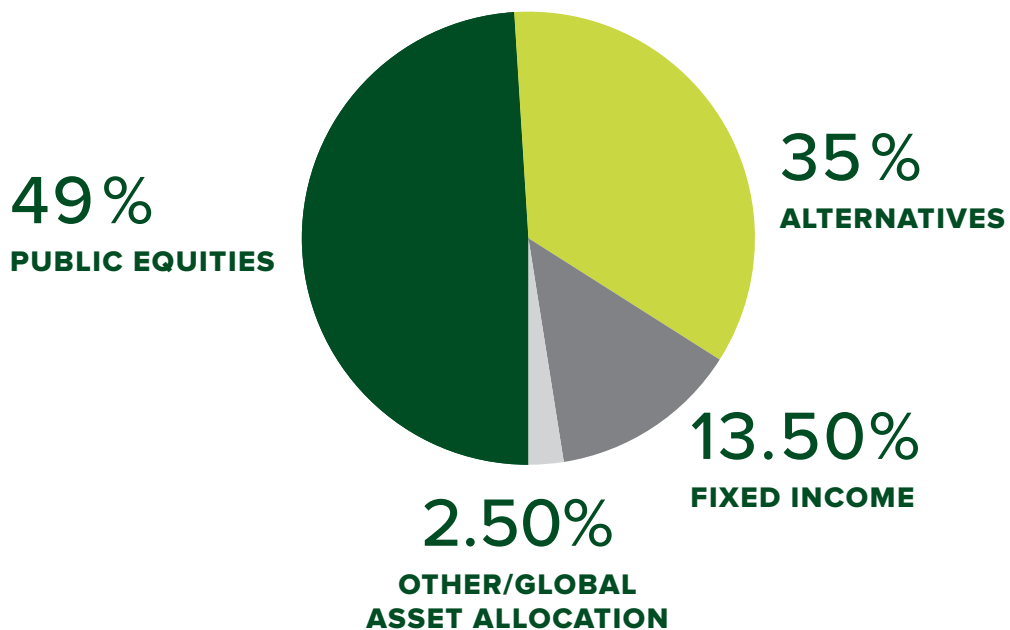
	2020	2019
<b>CONTRIBUTIONS</b>	\$56,991,506	\$59,807,686
<b>INVESTMENT REVENUE</b>	\$7,725,562	\$28,705,957
<b>OTHER REVENUE</b>	\$3,103,778	\$374,899
<b>UNIVERSITY SUPPORT</b>	\$69,268,693	\$67,304,802
<b>SUPPORT SERVICES</b>	\$3,082,127	\$3,044,629
<b>OTHER EXPENSES</b>	\$2,683,552	\$1,273,075
<b>CHANGE IN NET ASSETS</b>	\$(7,213,526)	\$17,266,036

# CSUF Foundation Performance



To preserve the value of the endowment, investment returns in excess of the 4.25% payout and the 1.75% Foundation administrative fee are reinvested to the endowment annually. To ensure the best returns, the Foundation uses a diverse group of asset allocations.

# Asset Allocations



## **DEVELOPMENT OFFICES**

**College of Agricultural  
Sciences**  
(970) 491-0909

**College of Business**  
(970) 491-5158

**Walter Scott, Jr. College  
of Engineering**  
(970) 491-5000

**College of Health  
and Human Sciences**  
(970) 491-2797

**College of Liberal Arts**  
(970) 491-4030

**Warner College of Natural  
Resources**  
(970) 491-1902

**College of Natural Sciences**  
(970) 491-0997

**College of Veterinary Medicine  
and Biomedical Sciences**  
(970) 491-3507

**Department of Athletics**  
(970) 491-4666

**Alumni Association**  
(970) 491-7941

**Extension and Engagement**  
(970) 491-1537

**CSU Libraries**  
(970) 491-2893

**Student Affairs, Enrollment  
and Access, and Provost  
Programs**  
(970) 491-3403

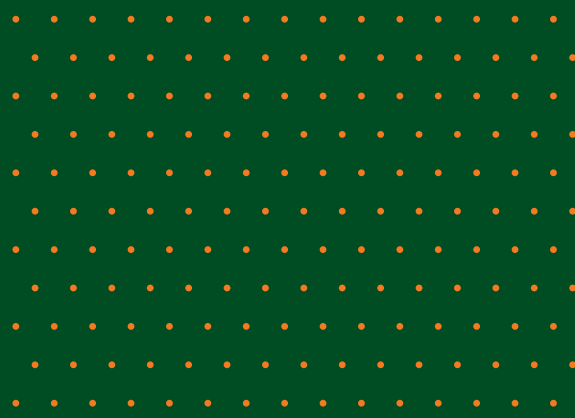
**Vice President for Research**  
(970) 491-7694

## **CSU FOUNDATION**

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Fort Collins, CO 80523

(970) 491-7135

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**COLORADO STATE UNIVERSITY**