

Kentucky State University

Board of Regents Meeting

External Relations and Development Committee

October 24, 2014

**Regent Charles Whitehead, Chairperson
Regent LaVaughn Henry
Regent Elgie McFayden
Regent Travis Haskins**

Mr. Hinfred McDuffie, Staff

KENTUCKY STATE UNIVERSITY
Regular Meeting of the
Board of Regents
External Relations and Development Committee
October 24, 2014
11:30 am - 12:15 pm
Board Room - Academic Services Building
Frankfort, Kentucky

MEETING INDEX

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KENTUCKY STATE UNIVERSITY
Regular Meeting of the
Board of Regents
External Relations and Development Committee
October 24, 2014
11:30 am to 12:15 pm
Board Room - Academic Services Building
Frankfort, Kentucky

AGENDA

- | | | |
|-------------|---------------------------------|---|
| I. | Call to Order | Regent Charles Whitehead,
Chairperson |
| II. | Roll Call | Mr. Hinfred McDuffie, Vice
President for External Relations and
Development |
| III. | Opening Remarks | Regent Whitehead |
| IV. | Approval of Minutes | Regent Whitehead |
| V. | Executive Summary Report | Mr. McDuffie |
| VI. | Discussion | Mr. McDuffie |
| VII. | Adjournment | |

Agenda Item Background

To:	Board of Regents External Relations and Development	Date: October 24, 2014
From:	Mr. Hinfred McDuffie, Vice President for External Relations and Development	
Subject:	Committee Meeting Minutes (July 25, 2014)	
Reason for Consideration:	Approval	Enclosures: Yes

Background:

The minutes of the External Relations and Development Committee meeting of July 25, 2014, require approval in order to become an official part of the committee's records.

Recommendation:

That the External Relations and Development Committee approve the minutes of the July 25, 2014, meeting.

Initiator:	Mr. Hinfred McDuffie, Vice President for External Relations and Development
Board Action Date:	October 24, 2014
Effective Date:	October 24, 2014

KENTUCKY STATE UNIVERSITY
Regular Meeting of the
Board of Regents
External Relations and Development Committee
July 25, 2014
8:30 am to 9:15 am
Board Room – Academic Services Building
Frankfort, Kentucky

MINUTES

Regent Charles Whitehead , Chairperson, called the External Relations and Development Committee meeting of the Kentucky State University Board of Regents to order at 8:30 a.m. on July 25, 2014. Regent Whitehead asked the secretary to call roll:

Travis Haskins	Not Present	Charles Whitehead	Present
LaVaughn Henry	Present		
Elgie McFayden	Present		

A quorum was declared.

Mr. Bill Wilson, Associate Vice President for Development and Major Gifts, presented the Contributions Report.

Discussion

Regent Whitehead inquired about the percentage of alumni giving. Mr. Wilson responded that 3.2 percent of the Kentucky State University alumni are contributing. The average rate for HBCUs across the nation is 7 percent and the average rate across all universities is 11 percent. Approximately 66 percent of KSU alumni have never made a contribution. The Council for Advancement and Support of Education (CASE) statistics show 40 percent of alumni not contributing as the national average. Regent Henry commented that this is not an anomaly to KSU. Many groups are looking to social media to attract younger constituents. Mr. Wilson gave a brief report regarding the National Alumni Association’s Summer Weekend. Mr. McDuffie added that External Relations and Development also participated in a one and a half day retreat in support of the KSU Foundation.

Mr. Harold Hayes, Executive Director for Auxiliary Enterprises, presented the Auxiliary Enterprises report. Mr. Hayes presented information regarding the new vendor for the bookstore.

Regent Whitehead inquired about the number of students purchasing books online. Mr. Hayes reported that KSU has seen a decrease in sales due to more students purchasing books online. He also reported that the new vendor, Follett, matches competitors’ lower/discounted prices when presented that information by students. Regent McFayden commented that he would like to see the bookstore move to a paperless process for adopting and ordering books.

Regent Whitehead inquired about revenue generated from the usage of campus facilities. Mr. Hayes responded that the reported revenue is generated from the outside community using the University’s facilities. Regent Henry asked why the University did do not market its facilities. Mr. Hayes and Mr. McDuffie both responded that KSU traditionally does not compete with the local community.

Mr. McDuffie presented the Capital Planning report.

Ms. Felicia Lewis, Assistant Vice President for Communications and Publications presented the communications report. Regent Henry asked about the office’s media strategy. Ms. Lewis responded that Communications uses a multi-level approach, including sending press releases, media relations, increased social media coverage and an enhanced website presence.

Mr. James Fereday, Fifth Third Bank Endowment Manager, presented KSU’s investment report.

Submitted by:

Approved by:

Mr. Hinfred McDuffie, Vice President for
External Relations and Development

Regent Charles Whitehead,
Chairperson
External Relations and
Development Committee

_____ . Approved with no corrections

_____ . Approved with corrections

Agenda Item Background

To:	Board of Regents External Relations and Development	Date: October 24, 2014
From:	Mr. Hinfred McDuffie, Vice President for External Relations and Development	
Subject:	Executive Summary Report	
Reason for Consideration:	Informational Item	Enclosures: Yes

Background:

N/A

Recommendation:

Informational

Initiator:	Mr. Hinfred McDuffie, Vice President for External Relations and Development
Board Action Date:	October 24, 2014
Effective Date:	October 24, 2014

KENTUCKY STATE UNIVERSITY
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Frankfort, Kentucky

During the period of July 1, 2014, through September 30, 2014, Kentucky State University received contributions in the amount of \$89,797 from 236 contributors – alumni, employees, University friends, corporations, foundations and organizations. The total amount received to date for Uniting Generations . . . Securing Futures – A Capital Campaign for Kentucky State University is \$5,889,110.

Capital Planning and Construction has six major projects in various stages of completion:

- Alumni Stadium Office Building Roof Replacement – 100 percent complete
- Cheaney Legacy Plaza – 95 percent complete
- Pedestrian Bridge over US 60 – 10 percent complete
- Interpretive Center, KSU Downtown Annex – 0 percent complete
- Intersection Realignment, Langford and Douglas Avenue – 10 percent complete
- Utility Relocation for Pedestrian Bridge – 40 percent complete

From July 1 through September 30, 2014, the University was covered in 207 newspaper articles in Kentucky. In addition, the advertising equivalency dollar amount (or cost saving) for newspaper coverage of KSU was \$2,944,820. The University also was covered in 149 television news stories reaching a Nielsen audience of 3,463,904 for a total ad equivalency of \$40,209 or total publicity value of \$120,937. There were 29 messages posted on KSU's electronic message board, 155,440 hits on KSU's website and 26 press releases sent to the media.

Agenda Item Background

To:	Board of Regents External Relations and Development	Date: October 24, 2014
From:	Mr. Hinfred McDuffie, Vice President for External Relations and Development	
Subject:	Executive Contributions Report	
Reason for Consideration:	Informational Item	Enclosures: Yes

Background:

N/A

Recommendation:

Informational

Initiator:	Mr. Hinfred McDuffie, Vice President for External Relations and Development
Board Action Date:	October 24, 2014
Effective Date:	October 24, 2014

**CONTRIBUTIONS REPORT
FY2015 First Quarter
July 1, 2014 - September 30, 2014**

Constituency Type	Total Dollars Raised July 1, 2013 – September 30, 2013	Total Dollars Raised July 1, 2014 – September 30, 2014	Total Gifts July 1, 2013 – September 30, 2013	Total Gifts July 1, 2014 – September 30, 2014
Alumni	\$12,812.50	\$67,743.07	156	190
Corporations	\$7,062.50	\$8,000.00	4	5
Employees	\$2,527.12	\$190.00	14	5
Foundations	\$14,903.46	\$7,456.03	7	6
Organizations	\$3,600.00	\$2,100.00	5	6
University Friends	\$3,688.00	\$4,298.00	13	24
TOTAL	\$44,593.58	\$89,797.10	199	236

**Students Assisted
from Private Gift
Donations**

Number of Awards

339

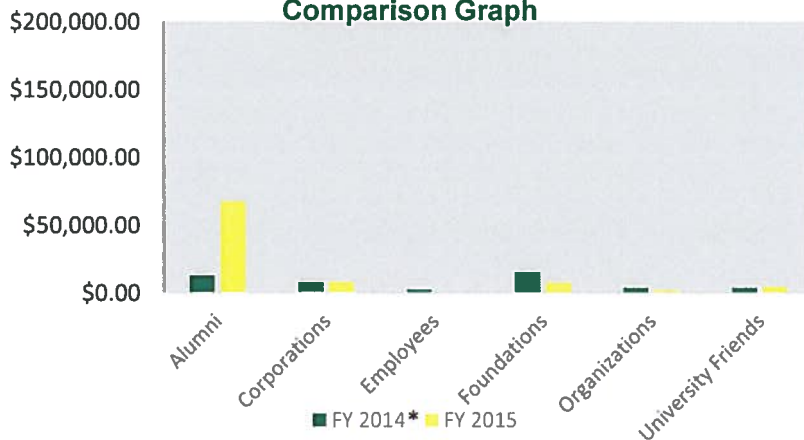
Total Funds Awarded

\$219,305.85

Average Award

\$646.92

**Annual Giving
Total Dollars Raised
Comparison Graph**



*Annual Fund not initiated.

CAPITAL CAMPAIGN GIVING

Constituency Type	Total Dollars Raised		Total Gifts
	July 1, 2010 – September 30, 2014	July 1, 2010 – September 30, 2014	July 1, 2010 – September 30, 2014
Alumni	\$734,174.84		1,510
Corporations	\$3,010,615.50		509
Employees	\$164,803.61		435
Foundations	\$1,002,530.69		161
Organizations	\$724,673.64		441
University Friends	\$252,312.09		439
Total	\$5,889,110.37		3,495

Agenda Item Background

To:	Board of Regents External Relations and Development	Date: October 24, 2014
From:	Mr. Hinfred McDuffie, Vice President for External Relations and Development	
Subject:	Capital Planning and Construction	
Reason for Consideration:	Informational Item	Enclosures: Yes

Background:

N/A

Recommendation:

Informational

Initiator:	Mr. Hinfred McDuffie, Vice President for External Relations and Development
Board Action Date:	October 24, 2014
Effective Date:	October 24, 2014

Capital Projects Update

ID	Project Name	Start	Finish	Percentage of Completion
1	Alumni Stadium Office Building Roof Replacement	11/1/2013	7/31/2014	100%
2	Cheaney Legacy Plaza	1/11/13	10/31/2014	95%
3	Pedestrian Bridge over US 60	3/26/2014	4/13/2015	10%
4	Interpretive Center KSU Downtown Annex	3/26/2014	2/24/2015	0%
5	Intersection Realignment Langford and Douglas Ave.	3/26/2014	4/23/2015	10%
6	Utility Relocation for Pedestrian Bridge	4/1/2014	1/31/2015	40%

Agenda Item Background

To:	Board of Regents External Relations and Development	Date: October 24, 2014
From:	Mr. Hinfred McDuffie, Vice President for External Relations and Development	
Subject:	Communications Report	
Reason for Consideration:	Informational Item	Enclosures: Yes

Background:

N/A

Recommendation:

Informational

Informational Item

Initiator:	Mr. Hinfred McDuffie, Vice President for External Relations and Development
Board Action Date:	October 24, 2014
Effective Date:	October 24, 2014

Television News Coverage in Kentucky

Quarter	Total # Stories	Positive	Negative	Neutral
First Quarter Fiscal Year 2014-2015	149	55%	45%	0%
Fourth Quarter Fiscal Year 2013-2014	33	100%	0%	0%

Marketing STRATEGIC / MARKET IMPACT

Advertising / Marketing Mode	MARKET	TIME PERIOD	MARKET IMPACT	Last Refreshed
Billboards (3)	Frankfort – various locations in city	Annual	12,834,332 Impressions	Fall 2012
Billboard (1)	I-64 near Frankfort Exit 58	Annual	12,096,000 Impressions	Fall 2012
Airport Displays	Louisville International Airport	Annual	3.4 million Passengers	Fall 2012
	Blue Grass Airport (Lexington)	Annual	414,721 Passengers	Fall 2012

*Reach means the percentage of population who saw the commercial.

Publications

(Artwork and printed materials)

- Development/Alumni Printed Materials – Materials produced for two campaigns/events – 6
- Printed materials produced for University events – 39
- Communication pieces
 - o President's Letter to Campus Community (including Campus Gem) – 6
 - o Good News Newsletter – 2
 - o Hoofbeats - 1
 - o Program/Departmental Newsletters & Brochures – 11
- Marketing and advertisement pieces produced – 20

- Designs for general University operations – 7
- Business cards produced – 36

ELECTRONIC COMMUNICATIONS

Electronic message board postings – 29 messages

Press Releases – 26

Facebook – 159 posts

Twitter – 251 tweets

Instagram – 47 posts

YouTube – 7 videos

Website:

Number of Hits: 155,440

Top 10 Locations Engaged in Kentucky Region: Frankfort, Lexington, Louisville, Bowling Green, Shelbyville, Lawrenceburg, Georgetown, Richmond, Nicholasville and Glasgow.

Top 10 Locations Engaged in the U.S.: Kentucky, Tennessee, Georgia, Ohio, Illinois, Indiana, Michigan, Texas, California and Florida.

27 Homepage News Posts

National and International Media Coverage of President Burse regarding Pay/Pay It Forward: 115 news stories

Agenda Item Background

To:	Board of Regents External Relations and Development	Date: October 24, 2014
From:	Mr. Hinfred McDuffie, Vice President for External Relations and Development	
Subject:	Endowment Management Report	
Reason for Consideration:	Informational Item	Enclosures: Yes

Background: **See Appendix**

Recommendation:

Informational

Initiator:	Mr. Hinfred McDuffie, Vice President for External Relations and Development
Board Action Date:	October 24, 2014
Effective Date:	October 24, 2014

**KENTUCKY STATE UNIVERSITY
DIVISION OF ADMINISTRATION, EXTERNAL RELATIONS AND DEVELOPMENT
OFFICE OF THE VICE PRESIDENT**

1. Capital Campaign Report showing actual dollars received, dollars pledged and in-kind donations to campaign

Cash Received	\$	4,325,269.96
Pledge Balance	\$	1,552,212.23
In-Kind Donations	\$	11,628.18
Total	\$	5,889,110.37

2. Report on actual net revenue from President's Gala 2010 - 2014

	2010	2011	2012	2013	2014
Revenue (Ticket Sales, Donations and Sponsorships)	\$ 70,754.00	\$ 80,020.00	\$42,416.00	\$ 44,225.00	\$ 37,860.00
Expenses	\$ 46,922.66	\$ 39,641.99	\$ 52,733.22	\$ 63,963.16	\$ 60,598.53
Net	\$ 23,831.34	\$ 40,378.01	\$ (10,317.22)	\$ (19,738.16)	\$ (22,738.53)

3. Strategies with measurable activities and outcomes related to completing campaign

Capital Campaign Goal	\$ 12,500,000.00
Dollars Raised to Date	\$ 5,889,110.37
Dollars To Be Raised	\$ 6,610,889.63

OBJECTIVES

FY 2015	FY 2016	FY 2017	FY 2018	TOTAL
\$ 1,000,000.00	\$ 1,300,000.00	\$ 2,000,000.00	\$ 3,000,000.00	\$ 7,300,000.00

STRATEGY

	FY 2015	FY 2016	FY 2017	FY 2018	TOTAL
Faculty and Staff	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 240,000.00
Board of Regents	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 200,000.00
Cheaney Legacy Plaza Bricks	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 800,000.00
Direct Mail Solicitations	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 400,000.00
Frankfort / Franklin County	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 240,000.00
Foundations / Corporations	\$ 800,000.00	\$ 800,000.00	\$ 800,000.00	\$ 800,000.00	\$ 3,200,000.00
Major Gifts	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 80,000.00
Major Prospects	\$ -	\$ -	\$ 1,000,000.00	\$ 2,000,000.00	\$ 3,000,000.00
Alumni Goal for Capital Campaign	\$ 31,250.00	\$ 31,250.00	\$ 31,250.00	\$ 31,250.00	\$ 125,000.00
Total	\$ 1,321,250.00	\$ 1,321,250.00	\$ 2,321,250.00	\$ 3,321,250.00	\$ 8,285,000.00

4. Goals for Alumni Affairs

◆ Increase alumni donors

FY 2015	FY 2016	FY 2017	FY 2018
+2% over base	+2% over base	+2% over base	+2% over base

◆ Establish a formal Student Alumni Association on campus by June 30, 2015

Supplemental Response

Progress to Date Downtown Annex Building (KSU Interpretive Center)

- The Downtown Annex building has a new roof. All Windows are new. Exterior stone has been tuck pointed. The interior first floor has been painted. First floor has new carpet and terrace has been cleaned. The boiler has been put in operation with some heat units working. The elevator works. Basement area has been cleaned after the flood.
- Land Grant has worked with the firm Solidlight out of Louisville to develop a plan for the Kentucky River Interpretive Center to be housed on the main floor of the KSU Downtown Annex.
- A charrette was held by the firm to assess the overall concept and objectives of the University in planning for the KY River Interpretive Center. Written input was gathered as well as several follow up meetings with an internal committee.
- Based on this input, Solidlight developed a Phase I plan/design. This copy was reviewed and approved by the KSU internal committee. A hard copy is available for review.
- The firm was then contracted to develop a Phase II design, cost estimate, and timeline. That plan is also available. The timeline was developed and circulated. The approximate cost as designed was \$1.2 million. That is display only and does not included needed building improvements and modifications.
- Later meetings between KSU and Capital Construction of the State (DECCA) came to the conclusion that the project would have to be bid out as a turnkey job. That was in June, 2014.
- Land Grant has submitted all requested documents by NIFA. The University is currently waiting for the Facility Grant funds to be released by NIFA and to start the internal (partial) renovation of the building and construction of the Kentucky River Exhibit.

Rosenwald Center for Families and Children

Rosenwald currently has 32 children enrolled. The Center cannot enroll more students until more staff is hired. A recommendation has been made for two teachers and two teacher assistants. The Center is waiting for the individuals to be offered the job and hired. This should help get families off of the waiting list and get the Center closer to the operating capacity of 90 students. Some of the positive attributes of the Center include the following:

- Governor's Office of Early Childhood Visit
- Current 3 STAR accreditation and future NAEYC accreditation
- Very high ERS (environmental rating scores) for classrooms
- Candidate for the early Head Start collaboration grant

APPENDIX



**Kentucky State University
Endowment**

**Investment Update
As of August 31, 2014**

**Fifth Third Bank -
Investment Review**

Asset Allocation & Policy

As of August 31, 2014

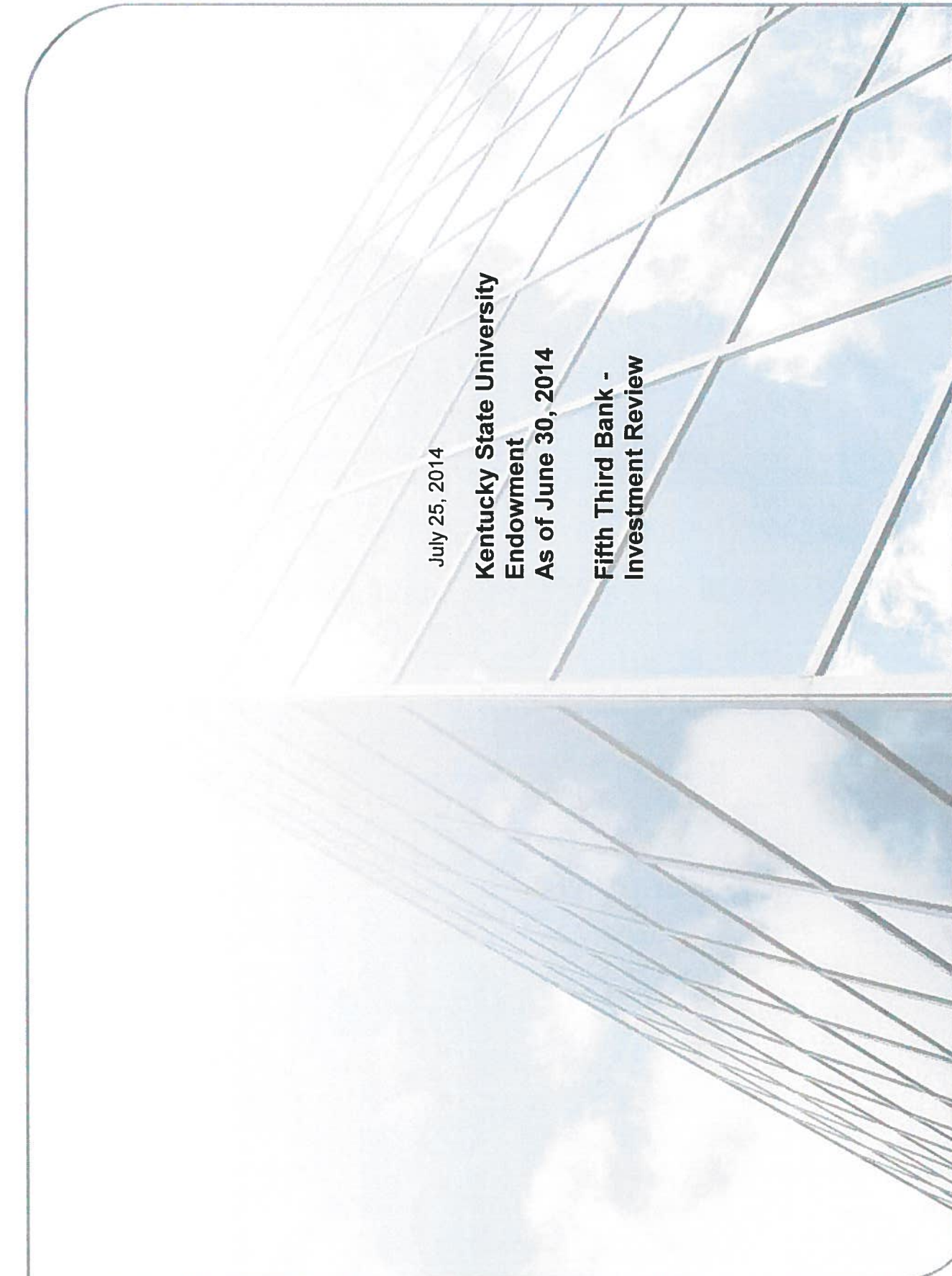
Asset Class	Market Value	Strategic		Policy	
		Target	Current Position	Target	Ranges
Equity	\$ 7,602,227	45%	50%	35-55%	
Fixed Income	\$ 3,948,051	35%	26%	25-45%	
Real Estate	\$ 730,255	5%	5%	0-10%	
Alternatives	\$ 2,296,021	10%	15%	0-20%	
Cash	\$ 651,706	5%	4%	0-25%	
Total	\$ 15,228,260	100%	100%		

Overall Performance

As of August 31, 2014

	<u>Fiscal</u>		<u>Annualized</u>			
	<u>YTD</u>	<u>2014</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>	<u>10 Yrs</u>
Equity	1.77	7.21	21.86	18.08	15.25	8.79
<i>MSCI World Index</i>	<i>0.57</i>	<i>6.79</i>	<i>21.10</i>	<i>15.48</i>	<i>12.35</i>	<i>7.62</i>
Fixed	0.28	3.78	5.47	3.44	4.92	3.97
<i>Barclays Aggregate</i>	<i>0.85</i>	<i>4.81</i>	<i>5.66</i>	<i>2.97</i>	<i>4.48</i>	<i>4.72</i>
<i>Barclays Int. Gov/Credit</i>	<i>0.48</i>	<i>2.74</i>	<i>3.55</i>	<i>2.15</i>	<i>3.70</i>	<i>4.12</i>
Real Estate	2.83	18.76	21.52	12.42	na	na
<i>S&P 500 US REIT</i>	<i>2.86</i>	<i>20.30</i>	<i>22.65</i>	<i>13.26</i>	<i>17.53</i>	<i>7.57</i>
Alternatives	0.92	3.82	8.80	na	na	na
<i>CPI</i>	<i>-0.21</i>	<i>2.06</i>	<i>1.70</i>	<i>1.64</i>	<i>1.96</i>	<i>2.30</i>
<i>HFRX Absolute Return</i>	<i>0.16</i>	<i>1.99</i>	<i>3.96</i>	<i>1.88</i>	<i>0.51</i>	<i>0.09</i>
<i>ML 91 Day</i>	<i>0.00</i>	<i>0.03</i>	<i>0.05</i>	<i>0.07</i>	<i>0.10</i>	<i>1.61</i>
Total Account Net	1.16	5.41	13.78	11.01	10.13	6.50
Total Account Gross	1.23	5.72	14.30	11.52	10.65	6.98
<i>Blended Benchmark*</i>	<i>0.71</i>	<i>6.16</i>	<i>12.86</i>	<i>9.18</i>	<i>8.70</i>	<i>6.46</i>

*45% MSCI World Index, 35% Barclays Aggregate, 10% CPI, 5% S&P 500 US REIT, 5% BoAML 91



July 25, 2014

**Kentucky State University
Endowment
As of June 30, 2014**

**Fifth Third Bank -
Investment Review**

Investment Management & Charitable Services



Your Advocates	Strength & Stability	Experienced Professional Money Managers
<ul style="list-style-type: none"> • LouAnn Atlas KY Director, Charitable Client Services & Vice President • Guthrie Culbertson Regional Director of Institutional Portfolio Management & Senior Vice President • James Fereday Senior Portfolio Manager & Vice President • Clinton Long Institutional Sales & Vice President • John Shasky Lead Commercial Relationship Manager & Vice President <p>There are no guarantees that any investment strategy described in this publication will result in a profit. Investment results cannot be predicted or forecasted and will vary depending on market conditions.</p>	<ul style="list-style-type: none"> • Founded in 1858. • \$111 billion in assets. • \$274 billion in assets under care. • 7th strongest bank in the world. <i>Bloomberg Markets magazine, May 10, 2011</i> 	<ul style="list-style-type: none"> • More than \$26 billion in assets under management. • Over 100 years of fiduciary and investment experience. • A team of more than 100 analysts, strategists and portfolio managers. • Clients in all 50 states. • Relationships with corporations, public entities, non-profits and individuals.

Asset Allocation & Policy

Asset Class	Market Value	Strategic		Policy	
		Target	Current Position	Target	Ranges
Equity	\$ 7,515,221	45%	50%	35-55%	
Fixed Income	\$ 3,981,098	35%	26%	25-45%	
Real Estate	\$ 707,441	5%	5%	0-10%	
Alternatives	\$ 2,273,439	10%	15%	0-20%	
Cash	\$ 580,240	5%	4%	0-25%	
Total	\$ 15,057,440	100%	100%		

Overall Performance

	<u>Fiscal</u>		<u>Annualized</u>						
	<u>QIR</u>	<u>YTD</u>	<u>2014</u>	<u>1 Yr</u>	<u>3 Yrs</u>	<u>5 Yrs</u>	<u>10 Yrs</u>		
Equity	4.82	21.15	5.35	21.15	14.44	17.23	8.02		
<i>MSCI World Index</i>	4.85	24.05	6.18	24.05	11.81	14.99	7.25		
<i>S&P 500</i>	5.23	24.61	7.13	24.61	16.58	18.83	7.78		
Fixed	1.98	4.87	3.48	4.87	4.53	5.34	4.12		
<i>Barclays Aggregate</i>	2.04	4.37	3.93	4.37	3.66	4.85	4.69		
<i>Barclays Gov/Credit</i>	1.92	4.28	3.94	4.28	4.08	5.09	4.73		
Real Estate	5.86	10.78	15.48	10.78	8.22	na	na		
<i>S&P 500 US REIT</i>	6.69	11.84	16.96	11.84	10.56	22.37	8.13		
Alternatives	2.22	8.17	2.87	8.17	na	na	na		
<i>CPI</i>	0.68	1.88	2.08	1.88	1.77	1.98	2.36		
<i>HFRX Absolute Return</i>	0.50	3.68	1.82	3.68	1.31	0.25	1.21		
<i>ML 91 Day</i>	0.01	0.05	0.02	0.05	0.07	0.11	1.63		
Total Account Net	3.46	12.68	4.20	12.68	9.21	11.38	6.13		
Total Account Gross	3.58	13.20	4.44	13.20	9.72	11.90	6.61		
<i>Blended Benchmark*</i>	3.38	13.15	5.39	13.15	7.79	10.22	6.41		

*45% MSCI World Index, 35% Barclays Aggregate, 10% CPI, 5% S&P 500 US REIT, 5% BOAML 91

Historical Performance – Calendar Year

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Market Value	\$ 1,681,609	\$ 4,334,149	\$ 5,830,780	\$ 7,327,733	\$ 9,266,316	\$ 10,401,183	\$ 7,899,661	\$ 9,134,237
Total Account	na	14.72%	6.42%	5.41%	10.93%	9.63%	-16.80%	16.15%
Equities	na	26.17%	9.46%	8.23%	14.96%	12.27%	-30.09%	25.29%
Fixed Income	na	2.44%	1.84%	1.55%	4.22%	6.01%	-0.37%	4.73%
Composite Index	na	18.42%	7.93%	3.87%	10.78%	6.11%	-19.25%	17.03%

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Market Value	\$ 10,048,851	\$ 10,414,782	\$ 11,579,457	\$ 14,476,075
Total Account	10.84%	4.11%	11.70%	14.23%
Equities	13.64%	2.23%	16.92%	27.47%
Fixed Income	6.76%	8.41%	6.16%	-1.46%
Composite Index	11.18%	4.46%	9.99%	11.11%

New Composite Index: 45% MSCI World, 35% BC Aggregate, 10% CPI, 5% US REIT's, 5% ML 91 Day Tres. (updated January, 2012)

Old Composite Index: 58% S&P 500, 37% Barclays Gov/Credit, 5% ML 91 Day Treasury

Endowment Comparison –Fiscal Year

	<u>FY 2008</u> <u>Returns</u>	<u>FY 2009</u> <u>Returns</u>	<u>FY 2010</u> <u>Returns</u>	<u>FY 2011</u> <u>Returns</u>	<u>FY 2012</u> <u>Returns</u>	<u>FY 2013</u> <u>Returns</u>
KSU Endowment	-2.21%	-10.00%	10.48%	20.27%	4.96%	10.31%
Benchmark	-4.75%	-13.21%	11.95%	19.17%	1.13%	8.72%
NACUBO Ave. Return*	-4.10%	-16.80%	11.60%	17.60%	0.30%	11.70%
S&P 500	-13.10%	-26.20%	14.40%	30.69%	5.45%	20.60%
Russell 3000	-12.70%	-26.60%	15.70%	32.37%	3.80%	21.70%
MSCI World ex-US	-6.60%	-31.60%	7.50%	30.92%	-14.10%	17.10%
Barclays Aggregate	7.10%	6.10%	9.50%	3.90%	7.50%	-0.70%
CPI-U	5.00%	1.40%	1.00%	2.00%	2.90%	1.70%
NACUBO Ave. Spending*	4.10%	3.90%	3.50%	3.70%	3.70%	4.10%

	<u>Equity</u>	<u>Fixed</u>	<u>Cash</u>	<u>Alternatives</u>
KSU Endowment (06-30-09)	57%	37%	6%	0%
2009 NACUBO Study*	51%	27%	9%	13%
KSU Endowment (06-30-10)	60%	33%	7%	0%
2010 NACUBO Study*	53%	27%	8%	12%
KSU Endowment (06-30-11)	63%	31%	6%	0%
2011 NACUBO Study*	55%	25%	10%	10%
KSU Endowment (06-30-12)	64%	27%	5%	4%
2012 NACUBO Study*	53%	29%	7%	11%
Equity includes 3% REITS				
KSU Endowment (06-30-13)	56%	31%	5%	9%
2013 NACUBO Study*	57%	26%	6%	11%
Equity includes 5% REITS				

*NACUBO study referenced is for Endowments of \$25 Million or Less
Data collected from the National Association of College & University Business Officers (NACUBO) website.

Manager Performance as of 3/31/2014		(Manager Level Benchmarks)		*Annualized Returns				
Class/Category	Manager	Type	1 Year	3 Year*	5 Year*	10 Year*		

Equity

Large Cap Domestic	Dana Large Cap Equity	SMA	24.25	15.61	21.56	8.88
	S&P 500 TR USD	B	21.86	14.66	21.16	7.42
Small & Mid Cap Domestic	The London Co. Small Cap	SMA	16.42	18.16	26.36	14.98
	Russell 2000 TR USD	B	24.90	13.18	24.31	8.53
Developed International	Harding Loevner Intl Eq ADR	SMA	11.23	5.71	16.82	9.27
	MSCI ACWI Ex USA Growth NR USD	B	10.84	4.27	15.22	6.93
Emerging Markets	Artisan International Investor	Fund	15.92	11.37	18.61	8.09
	American Funds EuroPacific Gr F2	Fund	17.90	6.65	15.84	8.45
	MSCI ACWI Ex USA NR USD	B	12.31	4.15	15.52	7.12
	Oppenheimer Developing Markets Y	Fund	6.61	2.32	19.90	14.69
	MSCI EM NR USD	B	-1.43	-2.86	14.48	10.11

Fixed Income

Domestic Fixed Income	Segall Bryant & Hamill Core Fixed Income	SMA	-0.05	4.02	5.19	5.23
	Barclays US Gov/Corp Intermediate TR USD	B	-0.14	3.13	4.18	3.91
International Fixed Income	Templeton International Bond Adv	Fund	0.42	3.60	9.11	-
	Oppenheimer International Bond Y	Fund	-2.53	2.30	6.76	6.48
	Barclays Gbl Agg Ex USD TR USD	B	3.24	2.06	5.25	4.48
	TCW Emerging Markets Income I	Fund	-2.74	5.93	15.12	9.74
High-Yield	JPM EMBI Global Diversified TR USD	B	0.56	7.10	11.70	8.19
	Eaton Vance Floating Rate I	Fund	3.32	4.54	11.41	4.33
	S&P/LSTA Leveraged Loan TR	B	4.35	5.01	12.52	5.23
	T. Rowe Price High-Yield	Fund	8.21	8.73	16.79	8.12
	Barclays US HY Interm TR USD	B	7.49	8.77	17.57	8.40

Class/Category	Manager	Type	*Annualized Returns			
			1 Year	3 Year*	5 Year*	10 Year*

(Manager Level Benchmarks)

Manager Performance as of 3/31/2014

Real Estate Investments

Real Estate - Indirect	Uniplan REIT Portfolio	SMA	1.50	10.71	25.15	10.84
	S&P United States REIT TR USD	B	4.15	10.64	28.73	8.16

Alternative Strategies

Core Diversifier	5/3 Alternatives SMA	Fund	2.39	2.24	3.82	0.95
	HFEX Global Hedged Fund Index	B	4.63	0.46	3.82	0.95

Cash and Equivalents

Cash and Equivalents	Federated Prime Cash Obligs Instl	Fund	0.04	0.11	0.18	1.85
	BofAML US Treasury Bills 0-3 Mon TR USD	B	0.04	0.05	0.09	1.57

Notes:

Data source: Morningstar and Fifth Third calculations

Results are gross of advisory fees and net of mutual fund expenses

Type-SMA=Separately Managed Account, Fund=Mutual Fund/ETF/ETN/LP, B=Benchmark

Value assigned for unavailable item: 5/3 Alternatives SMA 5 Year* = 3.82 Source: Manager Index

Value assigned for unavailable item: 5/3 Alternatives SMA 10 Year* = .95 Source: Manager Index