

WKU

F O U N D A T I O N

**Board of Trustees
Prospective Member Packet**

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Table of Contents

Overview

WKU Overview	5
WKU Foundation Overview	6
Sources for Gifts and Use of Funds	8
WKU Foundation Staff and Responsibilities	9
Current WKU Foundation Board Members	12
Investment Managers	16

Board Member Information

Board Member Job Description	17
WKU Foundation Standing Committees	18
Frequently Asked Questions	20

Additional Organization Information

Division of Development and Alumni Relations Overview	21
Institutionally Related Organizations	22
WKU Organizational Structure	24



WKU Overview

Western Kentucky University is part of the Kentucky public postsecondary education system, which includes eight four-year institutions and a community and technical college system. By statute, Western Kentucky University is governed by its Board of Regents. The Kentucky Council on Postsecondary Education (CPE) serves as a coordinating board for the system.

WKU's undergraduate division provides four-year programs leading to bachelor of arts, bachelor of fine arts, bachelor of interdisciplinary studies, bachelor of music, bachelor of science, bachelor of science in nursing, and bachelor of social work degrees. There are 101 academic majors and 110 academic minors available. Thirteen associate degree programs are offered leading to associate of applied science, associate of arts, associate of interdisciplinary studies, associate of science, and associate of science in nursing degrees. Additionally, 34 undergraduate certificate programs are offered.

The graduate school offers the following degrees: master of accountancy, master of arts, master of arts in education, master of arts in teaching, master of business administration, master of health administration, master of music, master of public administration, master of public health, master of science, master of science in nursing, and master of social work. WKU also offers the specialist degree, Rank I and Rank II programs, and doctoral programs in Educational Leadership, Nursing Practice, Physical Therapy, and Psychology. In addition, 31 graduate certificate programs are offered.

WKU Vision Statement

WKU – A leading American university with international reach.

WKU Mission Statement

Western Kentucky University offers a broad spectrum of instruction, scholarly activity, and professional service within an academic climate encouraging intellectual excellence.

Western Kentucky University provides instruction at the associate, baccalaureate, and graduate levels in the liberal arts and sciences, traditional preprofessional programs, and emerging career areas and professional fields including agriculture, business, communications, education, health, and technology. The University supports diverse scholarship, including basic and applied research and creative activity, in order to expand knowledge, improve instruction, and serve its varied clientele. The University directly supports its constituents with professional and technical expertise, cultural enrichment, and educational assistance.

Western Kentucky University affords educational opportunities in a climate that recognizes human diversity. The University is committed to increasing access for both traditional and nontraditional students and to improving education at all levels. Finally, Western Kentucky University recognizes that its mission continues to evolve in response to regional, national, and global changes.



WKU Foundation Overview

Located in the Augenstein Alumni Center, the Western Kentucky University Foundation is an independent, nonprofit organization incorporated in the Commonwealth of Kentucky. Chartered in 1993, it promotes the welfare and future development of Western Kentucky University's educational goals by securing philanthropic gifts, managing assets, and maintaining donor records for the benefit of Western Kentucky University. The Western Kentucky University Foundation, the official repository for gifts to the University, exists for the benefit of Western Kentucky University. To accomplish its mission, the Foundation provides those services normally associated with a university-related foundation, including but not limited to volunteer leadership, fund solicitation, gift acceptance and acknowledgement, and asset management services.

As a non-profit organization, the Foundation is exempt from federal income tax under section 501(c)(3) of the 1986 Internal Revenue Code as amended.

The Foundation has been classified by the IRS as a public charity operated for the benefit of a state university as defined in the Internal Revenue Code of 1986 Section 170(b)(1)(A)(iv).

Contributions to the University through the Foundation by individuals, corporations, organizations and other foundations qualify as tax deductions.

WKU Foundation Mission Statement

Founded in 1993, the Western Kentucky University Foundation exists for the benefit of Western Kentucky University. To accomplish its mission, the Foundation provides services normally associated with a university related foundation, including but not limited to volunteer leadership, fund solicitation, gift acceptance and acknowledgment, and asset management services.

What Are Endowments?

Endowments are vital resources committed to Western Kentucky University's future. They provide the flow of capital necessary to promote educational innovation, foster scientific research, and enhance academic programs at WKU. Endowments encourage exploration of new ideas and fuel technological advancement. They stimulate educators and researchers to expand the frontiers of knowledge and improve our well-being. Indeed, endowments are the foundation of America's great universities and research centers. While WKU seeks annual contributions from alumni, friends, faculty, corporations, and foundations to support its ongoing educational and research activities, WKU's continued development depends significantly on the growth of its endowment.

Endowments are permanent funds established by a Donor whereby only a portion of the interest earned each year is used for the specified purpose of the fund. The principal amount of the gift remains intact and is invested for long-term growth. Donors establish endowments to ensure that their charitable wishes are accomplished in perpetuity.

The Donor generally specifies the purpose for which the income is to be spent. The purpose could be to create a chair of a department, to support a professorship, to purchase library books, to fund lectureships or scholarships, or for general use at the discretion of the University. The University has a legal, as well as an ethical, obligation to a Donor to continually administer the endowment in accordance with the terms of the agreement.

A Donor may contribute a gift or several gifts to establish an endowment in his or her own name or to honor or memorialize someone else. Contributors who are interested in supporting an endowment but do not wish to establish their own may contribute to the WKU Fund, the University's general endowment, which advances the institution's core mission of teaching, research, and public service.

Private and public universities, like WKU, seek to build their endowment as a major resource for the future. Efficiently established and managed, an institution's endowment is an important source of funds for new initiatives, creative projects, and innovative ventures that would be impossible without a significant source of flexible support. Not only can an endowment provide capital from its investment income but it also can attract additional support from those interested in the specific purpose of the endowment as well as the educational mission of the institution.

What Can Endowments Do?

Endowments may be established for almost any educational or related purpose at WKU. Endowments ranging from \$10,000 to several million dollars, for example, may be used for:

- endowed academic chairs and professorships;
- research and library support;
- cultural enhancement programming, lectures, musical and theatrical performances on campus;
- support for specific departments or programs.
- maintaining or upgrading classrooms, lecture centers or other facilities; and
- the purchase of scientific and other equipment.

How Do Endowments Work at WKU?

Once an endowment is established, it is managed by the WKU Foundation in accordance with its investment policies. The management objectives are designed to:

- Preserve the principal
- Invest for long-term growth of the principal
- Seek an investment yield that will meet the endowment's purposes

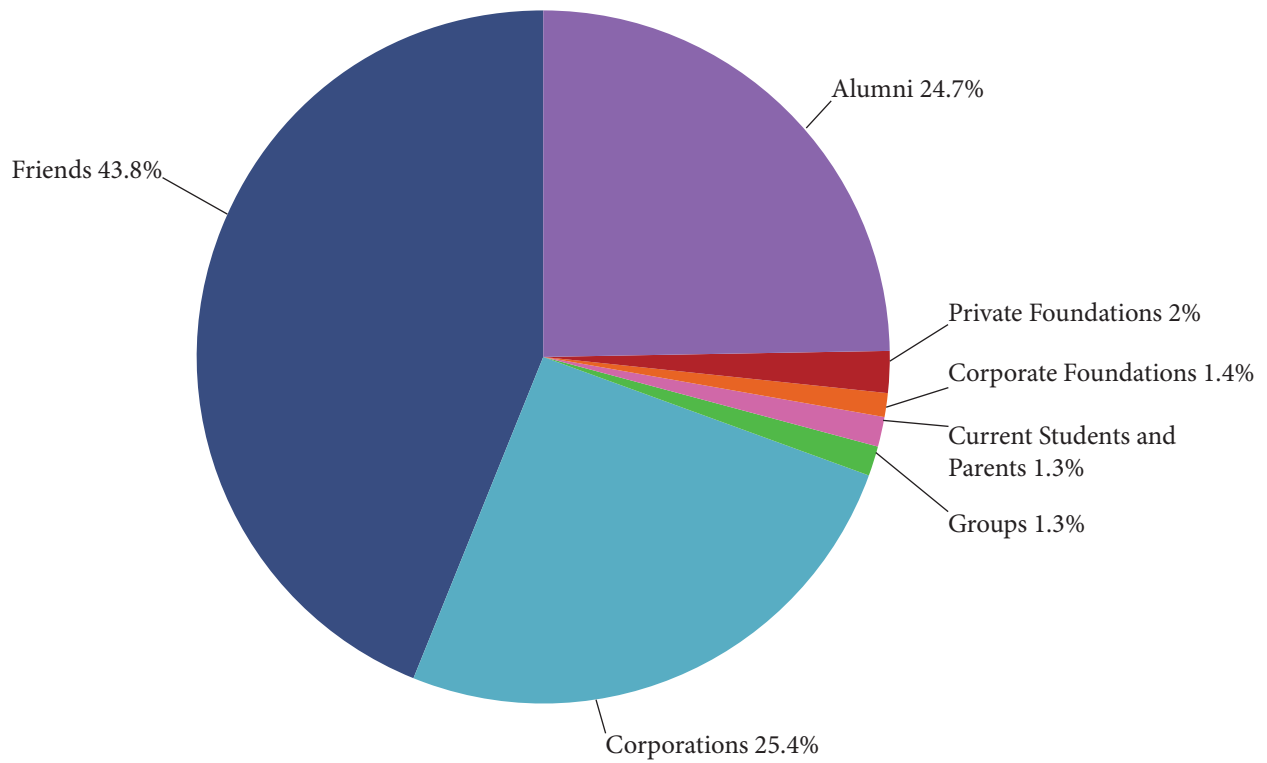
The investment objective for the endowed assets of the WKU Foundation is to achieve growth that will preserve and increase the purchasing power of the assets. The goal is to protect the assets against inflation and to produce current income to support the numerous programs and requirements of the WKU Foundation.

Currently, the annual distribution goal is three percent of the endowment fund's trailing twelve calendar quarter moving market value average. In its initial year, the annual distribution goal shall be three percent of the beginning market value of the endowment. In the second and third years, the annual distribution goal shall be based on the average market value of the endowment for the preceding four calendar quarters and eight calendar quarters, respectively.

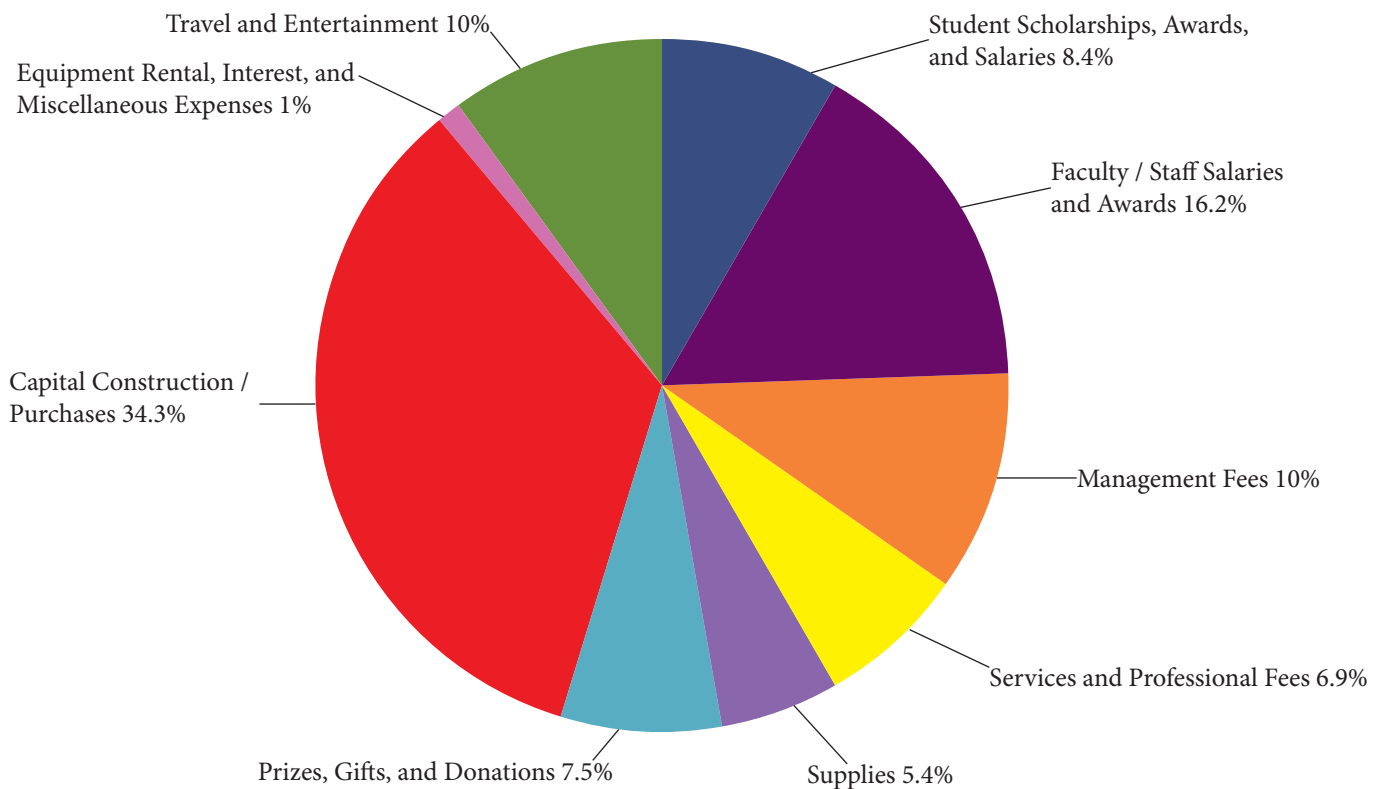
WKU Foundation's funds are used for the following:

- Capital expenditures
- Faculty and staff salary support
- Faculty research
- Scholarships and honorariums
- Travel, meals and entertainment
- Printing and office supplies
- Dues and subscriptions

WKU Foundation Sources of Gifts in 2015



WKU Foundation Use of Funds in 2015



WKU Foundation Staff and Responsibilities



Marc Archambault
President, WKU Foundation

Office: 270-745-6208

Email: marc.archambault@wku.edu

Mr. Archambault serves as President of the WKU Foundation. Prior to joining WKU, Marc served as Vice President of Development and Alumni at Utah Valley University in Orem, Utah, and CEO of the UVU Foundation. Marc also served as Vice President for College Advancement for Harvey Mudd College in Claremont, California, held several senior director positions at Purdue University in West Lafayette, Indiana, and was Associate Director, Grants and Contracts, Division of Research, University of Houston in Houston, Texas.

Marc has performed every role in the advancement portfolio, from annual to major giving and development services to communications. In 2013, three years after joining UVU, his development team was named the most improved program in the nation among liberal arts institutions by the Council for Advancement and Support of Education. Marc holds a Bachelor's Degree in Physical Sciences and English from Saint Michael's College in Colchester, Vermont, and a Certificate in Fundraising Management from the Center of Philanthropy at Indiana University in Indianapolis, Indiana.



Paula Cockrel Jarboe

Board Treasurer

Office: 270-745-6421

Email: paula.jarboe@wku.edu

Mrs. Jarboe currently serves as the Chief Financial Officer of the WKU Foundation and Treasurer of both the WKU Foundation and WKU Real Estate Corporation, after initially joining the Foundation in June 1997 as the Trust Accountant. She holds two Bachelor of Science degrees - one from Western Kentucky University and another from Eastern Illinois University. In addition, Paula is a Certified Public Accountant, a Certified Management Accountant, and a Chartered Global Management Accountant. She is a member of the Kentucky Society of CPAs, the American Institute of Certified Public Accountants (AICPA), the Nashville Chapter of the Institute for Management Accountants (IMA), the Council for the Advancement and Support of Education (CASE) and the Southern Kentucky Estate Planning Council. Prior to joining the Foundation, she had a diverse background in retail buying and merchandising, magazine publishing, and banking.



Marcia Brown

Board Secretary

Office: 270-745-6208

Email: marcia.brown@wku.edu

Ms. Brown is the Administrative Assistant for the Vice President of Development and Alumni Relations and Secretary to the WKU Foundation Board of Directors and the WKU Real Estate Corporation. Marcia began her career at WKU in 1999. She is a Western Kentucky University graduate with a Bachelor of Arts degree in Corporate and Organizational Communication.

Other WKU Foundation Employees



Heather Glass
Assistant Director
General Accounting



Clint Snodgrass
Assistant Director
Financial Operations



Susan Ingram
Account Coordinator



Jana Rowell
Accounts Payable
Coordinator

WKU Foundation Board of Trustees



Mark A. Antonini
Nashville, TN



Craig E. Browning
Immediate Past Chair
Smiths Grove, KY



Dale Augenstein
Hilton Head Island, SC
Bowling Green, KY



Paul Calico
Cincinnati, OH



Bryan Baysinger
Glasgow, KY



Dr. Randall (Randy) Capps
Bowling Green, KY



Jennifer Greulich
Louisville, KY



Julie H. Hinson
Prospect, KY



Thomas (Tom) F. Hart
Bowling Green, KY



James (Jim) Martens
Bowling Green, KY



Freddie Higdon
Lebanon, KY



Kim Allen Menke
Vice-Chair
Georgetown, KY



Tony Pelaski
Bowling Green, KY



Danny (Dan) L. Renshaw
Bowling Green, KY



Tom Pennington
Bowling Green, KY



Randy W. Schumaker
Chair
Bowling Green, KY



Robert P. Ramsey
Bowling Green, KY



Steve Shirley
Bowling Green, KY



Dr. Donald L. Smith
Bowling Green, KY



Bob Young
Bowling Green, KY



David (Dave) E. Tatman
Bowling Green, KY



Garry D. Watkins
Leitchfield, KY

Investment Managers



DiMeo Schneider & Associates, L.L.C.
500 West Madison Street, Suite 1700
Chicago, IL 60661



James M. Jensen, CIMA
Senior Consultant



Matthew P. Porter, CIMA
Principal, Director of Research Analytics

Board Member Job Description

The Board of Trustees is the governing board of the Western Kentucky University Foundation, an independent organization incorporated within the Commonwealth of Kentucky under section 501(c)(3) of the US Tax Code, which operates for the purpose of supporting Western Kentucky University (WKU). This gives it exception from income taxes and makes it eligible to receive tax-deductible contributions.

Volunteer members of the Board of Trustees are elected to the position based on demonstrated involvement, support, and/or commitment to Western Kentucky University and the Western Kentucky University Foundation. In accepting the four-year appointment, an individual agrees to fulfill the requirements and meet the responsibilities associated with Board membership. An individual is eligible to serve two terms of four years each. However, if a member is completing the term of someone who resigned from the Board, the term being completed does not count against that member's eligibility. A member who has served two terms of four years each could be reelected to the Board after two years.

Board membership includes the following responsibilities:

Participate in Governance

- Serve as an active member of the Board by attending the quarterly Board meetings, serving on a Board committee as needed, and volunteering to assist with special projects when available to do so.
- Develop the vision and conduct long range strategic planning for the WKU Foundation.
- Formulate and approve goals consistent with the mission and needs of Western Kentucky University.
- Adopt Foundation policies and procedures.
- Monitor the Foundation's operations and management by serving on appropriate oversight committee(s).
- Protect and grow the assets of the Foundation.

Represent the Foundation and University to the Community

- Provide the WKU Foundation President, WKU President, deans, and other staff and faculty with input regarding public relation needs and provide community feedback.
- Serve where appropriate as WKU's advocate with key government, corporate, and alumni contacts in order to heighten awareness of WKU's needs and activities statewide, nationally, and internationally.
- Assist staff with the development of strategies to educate alumni and friends about the Foundation and WKU's needs.

Support for University and Foundation Activities

- Continue personal financial support of the WKU Foundation.
- Assist in securing necessary resources by identifying gifts prospects, connecting WKU major gift staff with prospects, and participating in the solicitation of prospects with staff members annually.

WKU Foundation Standing Committees

Executive Committee

The Executive Committee consists of the WKU Foundation Chairperson, Vice Chairperson, the Immediate Past Chairperson, the WKU Foundation President, and the Chairs of the Investment Committee, the Finance and Audit Committee, and the Membership and Governance Committee.

The responsibilities of the Western Kentucky University Foundation Executive Committee include:

- Authority to conduct Board business between meetings of the Board of Trustees, as specified in WKU Foundation bylaws, and report to the full Board on any actions taken.
- Create committees on an as needed basis.

Membership and Governance Committee

The Membership and Governance Committee consists of WKU Foundation Board members. The Chairperson and membership of the committee is selected by the Chairperson of the WKU Foundation Board. The Vice Chair is selected by the Committee Chairperson.

The responsibilities of the Western Kentucky University Foundation Membership and Governance Committee include:

- Maintain an active roster of pre-screened qualified preferred candidates for Board membership.
- Determine currently required skills for membership.
- Make membership recommendations to the Board considering balance with regards to gender, race, and constituency.
- Recommend revisions in Foundation policies and procedures when appropriate.
- Provide guidance with best practices for the WKU Foundation.
- Be actively involved in governance issues as they relate to the Foundation and best practices.
- Determine the minimum membership number for each of the Board's permanent committees.

Investment Committee

The up to 10 member Investment Committee consists of WKU Foundation Board members and may have non-WKU Foundation members. However, the Chairperson of the committee must be a WKU Foundation Board member. Each member serves at the pleasure of the WKU Foundation Chairperson. Quarterly meetings are held to conduct committee business. The Vice Chair is selected by the Committee Chairperson and must be a member of the Board.

The responsibilities of the Western Kentucky University Foundation Investment Committee include:

- Implement the investment policies of the WKU Foundation.
- Provide the due diligence necessary to give the Foundation Board assurance that the policies are consistent with the Foundations goals and that the risks assumed are reasonable.
- Recommend an advisor on policy, manager search, selection, evaluation, and monitoring of investment managers to the Foundation Board and the Foundation President.
- Recommend investment manager(s) to manage all or part of the Foundation portfolio investments within the policies guidelines to the Foundation Board and the Foundation President. The number of managers and the amount of funds managed by each shall be determined by the Investment Committee with periodic review and approval by the Board of Trustees. The committee will set appropriate benchmarks to assist in evaluating each manager's performance.
- Recommend custodian(s) of the assets to the Foundation Board and the Foundation President.
- At least annually, review the investment policy with particular emphasis on the success of the rolling 5-year results relative to the expectations and consider whether any new strategies should be considered given market conditions and business requirements.

Finance and Audit Committee

The Finance and Audit Committee consists of WKU Foundation Board members. Each member serves at the pleasure of the WKU Foundation Chairperson. The Vice Chair is selected by the Committee Chairperson.

The responsibilities of the Western Kentucky University Foundation Finance and Audit Committee include:

- Along with the President, monitor and establish the Foundation's finance objectives and programs, including monitoring the distribution of Foundation funds.
- Oversee financial operations of the Foundation as well as establishing the fiscal policies of the Foundation including budget and fees.
- Provide oversight for internal controls.
- Review budgets initially prepared by staff, to help develop appropriate procedures for budget preparation(s) (such as meaningful involvement by program directors) and for consistency between the budget and the organization's plans.
- Report to the Foundation Board any financial irregularities, concerns, and opportunities.
- Work with staff to design financial reports and ensure that reports are accurate and timely.
- Recommend selection of the auditor to the Foundation Board, receiving and reviewing the auditor's report, meeting with the auditor, and responding to the auditor's recommendations.



Frequently Asked Questions

1. What is the term of service on the WKU Foundation Board?

An individual is eligible to serve two terms of four years each. However, if a member is completing the term of someone who resigned from the board, the term being completed does not count against that member's eligibility. A member who has served two terms of four years each could be reelected to the Foundation Board after two years.

2. What is required of me as a Foundation Board member?

A job description is enclosed (on page 17) which lists specific details. In short, your requirements include attendance at quarterly meetings, input on the oversight and management of the WKU Foundation, and support of Western Kentucky University. However, we realize and respect that you have many commitments requiring your time.

3. Why was I asked to be a part of the WKU Foundation Board?

You have necessary experience; you have demonstrated your fondness for WKU; you have the ability to support the WKU Foundation and WKU, and you can influence others to impact the future of this University. Simply put, you are well respected within your community and your field and will be a great role model for your peers.

4. Am I required to attend every Foundation Board meeting?

We would love to have perfect attendance at every Foundation Board meeting. However, we are also realistic. Time commitments, costs of transportation for each meeting, pressing items at work, and a host of other things will always require consideration. We hope you will attend as many meetings as you can work into your schedule.

5. How often will the committees meet?

Most committee meetings will occur on an as-needed basis prior to the quarterly Foundation Board meeting.

6. Am I expected to give financially?

We hope all of our Foundation Board members will financially support the WKU Foundation and serve as role models for other donors. We request 100% participation from our Board. The size of the gift is up to you, and we hope you will significantly support our efforts, but your participation is what is most important.

7. What type of liability insurance does the WKU Foundation carry?

Directors and Officers (D&O) insurance policies offer liability cover for company officials to protect them from claims which may arise from the decisions and actions taken within the scope of their regular duties. These policies cover the personal liability of company directors and officers as individuals, but also the reimbursement of the insured company in case it has paid the claim of a third party on behalf of its managers in order to protect them. The WKU Foundation currently has a D&O policy with Great American Insurance Group of Cincinnati, Ohio with the local agent Neace Lukens. The aggregate limit of liability for each policy year is \$10,000,000.



Division of Development and Alumni Relations Overview

The WKU Foundation is housed in the Division of Development and Alumni Relations at Western Kentucky University.

Other Entities within the Division of Development and Alumni Relations include:

Major Gifts

Responsible for increasing the level of private support through major gifts by alumni, friends, corporations, and foundations to the University's academic and educational programs. WKU's definition of a major gift is \$10,000 or more annually, designated to support current operations or endowment. The major gift officers also raise funds through deferred giving vehicles. These opportunities include vehicles such as wills, charitable remainder trusts, gift annuities, charitable lead trusts, gifts of life insurance and endowed gifts, and those involving more complex assets such as real estate, closely held stock, business interests, etc.

Annual Fund

Responsible for designing and implementing a comprehensive Annual Fund program which fosters lifelong support by educating our constituents, acquiring new donors, upgrading current donors, and developing a habit of giving with constituents. The Annual Fund consists of Topper Talk (the Phonathon), direct mail campaigns, personal solicitations for gifts of less than \$10,000, and specialized fundraising campaigns.

Alumni Relations

Responsible for developing and implementing the alumni relations initiatives for the University which are designed to bring WKU's alumni and the University closer together. Various programs, services, and events are conducted to enhance the WKU Spirit and reconnect alumni with their alma mater.

Advancement Services

Responsible for gift processing and acknowledgment, data entry, management of the alumni/development database, prospect management and research, and report processing and writing in the client-server environment.

Marketing & Communications

Responsible for all marketing and communication to alumni and friends of WKU using a variety of mediums including print and electronic. Areas of concentration include WKU Spirit (quarterly alumni magazine-both print and electronic), alumni website (alumni.wku.edu), e-marketing initiatives (email, social marketing, and e-newsletters), alumni membership (annual and lifetime) campaigns, affinity relationships, Augenstein Alumni Center marketing, and overall branding of the WKU Alumni Association.



Institutionally Related Organizations

College Heights Foundation

Chartered in 1923, the College Heights Foundation continues as the “Guardian of Trusts” to administer scholarship gifts made to benefit students at Western Kentucky University. The primary mission of the College Heights Foundation is in the administration of gifts which provide encouragement and assistance through the scholarship and loan programs for worthy and deserving students enrolled at WKU.

Hilltopper Athletic Foundation

Since 1965, the HAF has served as the financial lifeblood for WKU Athletics helping to fund the overall student-athlete experience at Western Kentucky University. The purposes of the Foundation are to provide the necessary scholarships and other financial assistance to allow as many student athletes as possible the opportunity for an athletic and academic experience at WKU and to further support WKU Athletics through private support and visibility.

Donors to the HAF are investing in WKU Athletics by supporting approximately 400 student-athletes, helping to ensure their academic and athletic success. Donations through membership with HAF are used to provide student-athlete scholarships for tuition, room, and board; Academic and career development support; and coaches and administrative support. The assets of the HAF are invested with the WKU Foundation.

Ogden Foundation

The Ogden Foundation was established in 1927 with assets from Ogden College, a boys’ school founded in 1877 which later merged with WKU. The Ogden Foundation distributes monies annually to students and faculty of Ogden College for scholarships, special research schools, awards and prizes, and professorships.

Student Life Foundation

In 1999, the WKU Student Life Foundation Inc. was incorporated as a nonprofit, non-affiliated, tax-exempt Kentucky corporation, and granted 501(c)(3) tax-exempt status by the Internal Revenue Service. Western Kentucky University established the Student Life Foundation to fund and renovate student housing on and around the WKU campus.

WKU Alumni Association

Chartered in 1913, the Alumni Association exists to involve all members of the WKU family in the life of the institution. The Western Kentucky University Alumni Association encourages alumni to develop strong ties with each other and the University through an engaging mix of programs and activities. Currently, more than 100,000 WKU alumni live around the globe. The assets of the WKU Alumni Association are invested with the WKU Foundation.

WKU Real Estate Corporation

Created in 1998, the WKU Real Estate Corporation is designed to accept, acquire, manage, and sell real estate designed to benefit the mission of Western Kentucky University or one of its institutionally related foundations. The assets of the WKU Real Estate Corporation are invested with the WKU Foundation.

WKU Research Foundation

The Western Kentucky University Research Foundation, Inc. (WKURF) was formed in 1998 to facilitate and expedite scholarly research at WKU. The WKURF became recognized by the Commonwealth of Kentucky in November 1999 and by the IRS as a 501(c)(3) not-for-profit to serve the educational needs of WKU and the community in 2000. The WKURF has become operational as the unaffiliated fiscal agent of most external funds from grants, contracts, and cooperative agreements.

The WKURF provides many services that would not otherwise be available to the University. It promotes financial flexibility, provides incentives for intellectual property opportunities, provides customized services for contracting with business and industry, and, most importantly, helps WKU to attract and retain quality researchers. The WKURF accomplishes these services by promoting the development, implementation, and coordination of extramurally funded sponsored programs. The investment policy of the Board of Directors has the potential for providing even more incentives to best accomplish our educational purposes.

University Organizational Structure

