



2016 - 2017

OKLAHOMA STATE UNIVERSITY FOUNDATION

ENDOWMENT REPORT



Our campus has never looked better thanks to the diligent work of landscape services under the direction of Steve Dobbs and the many donors who have given to this effort. In FY17, more than \$72,500 was committed to campus beautification.



\$586.7M

FY17 TOTAL ENDOWMENT

3,213

**TOTAL NUMBER OF
ENDOWMENTS**

\$24M

**SPENDING AVAILABLE
TO OSU IN FY17**

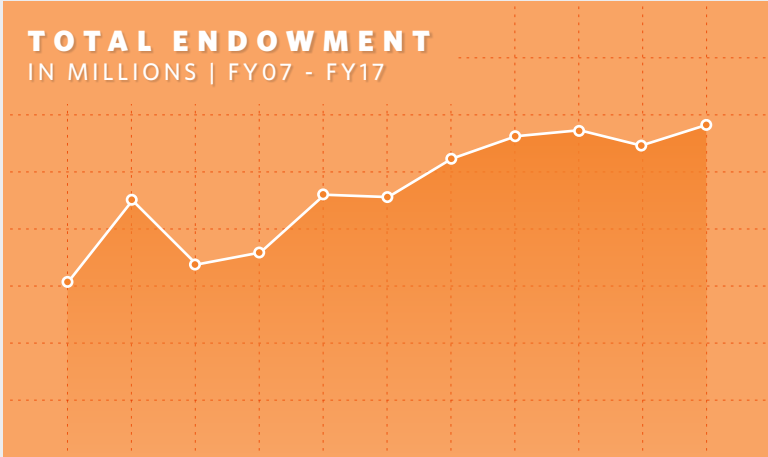
uniting donor and university passions and priorities to achieve excellence

YOUR IMPACT

Thank you for providing lasting support to Oklahoma State University. Your investment allows OSU to continue impacting the world by providing a quality education to leaders of tomorrow while serving the state of Oklahoma and beyond. OSU's endowment is at an all-time high thanks to your generosity and the Foundation's prudent investment of endowed funds.

As the climate of state-supported higher education changes, private gifts have never been more critical. In 2017, only 15

percent of OSU's budget was funded by the state of Oklahoma. While OSU remains one of the best college buys in the country, our students still shoulder an increasingly heavy financial burden. Endowed gifts provide consistent funding to our students, faculty and programs, making it possible for OSU Cowboys to continue achieving excellence. Last year, OSU received \$24 million in spending from endowments. Together we are ensuring Oklahoma State's land-grant mission carries on and that OSU remains America's Brightest ORANGE for generations to come.



\$24M

TOTAL SPENDING AVAILABLE TO OSU IN FY17

3,213

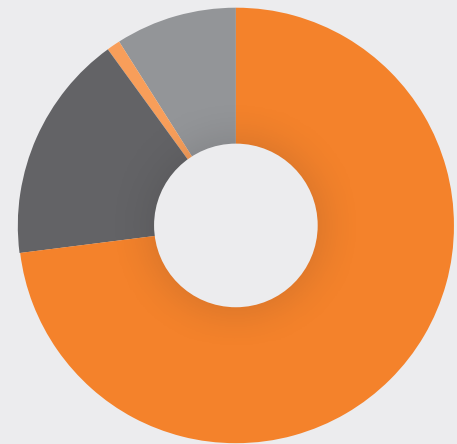
TOTAL NUMBER OF ENDOWMENTS BY AREA:

\$586.7M

TOTAL ENDOWMENT ON JUNE 30, 2017

FY16	\$545.5M
FY15	\$581.4M
FY14	\$579.4M
FY13	\$517.2M
FY12	\$452.2M
FY11	\$456.1M
FY10	\$350.7M
FY09	\$320.6M
FY08	\$448.1M
FY07	\$303.1M

FY17 reflects pre-audited amounts



- STUDENT SUPPORT 73%
- FACULTY & RESEARCH 16%
- FACILITIES 1%
- PROGRAM OPERATIONS 10%

{  **6,350**  }

STUDENTS IN FY17 BENEFITED FROM PRIVATE SCHOLARSHIP SUPPORT

ESTIMATED TOTAL COST TO ATTEND OSU UNDERGRADUATE 2017-18 ACADEMIC YEAR

\$19,730
RESIDENT

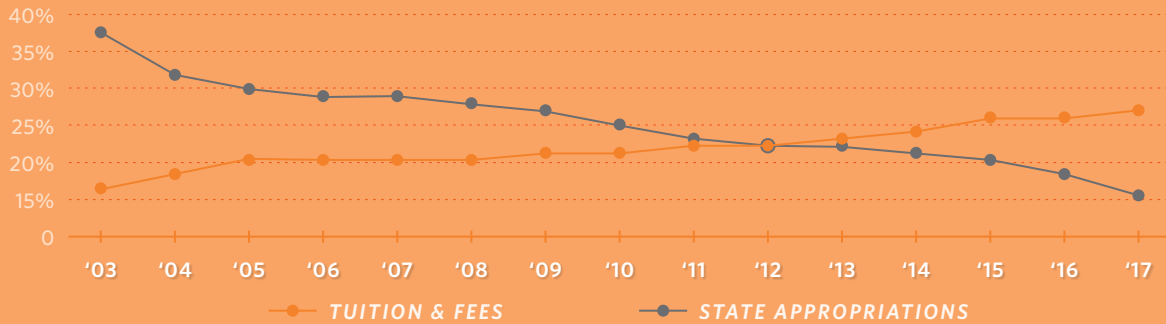
\$33,860
NON-RESIDENT

ESTIMATED TOTAL COST TO ATTEND OSU GRADUATE 2017-18 ACADEMIC YEAR

\$15,080
RESIDENT

\$24,920
NON-RESIDENT

SOURCES OF OSU'S OPERATING BUDGET - THE IMPORTANCE OF PRIVATE SUPPORT

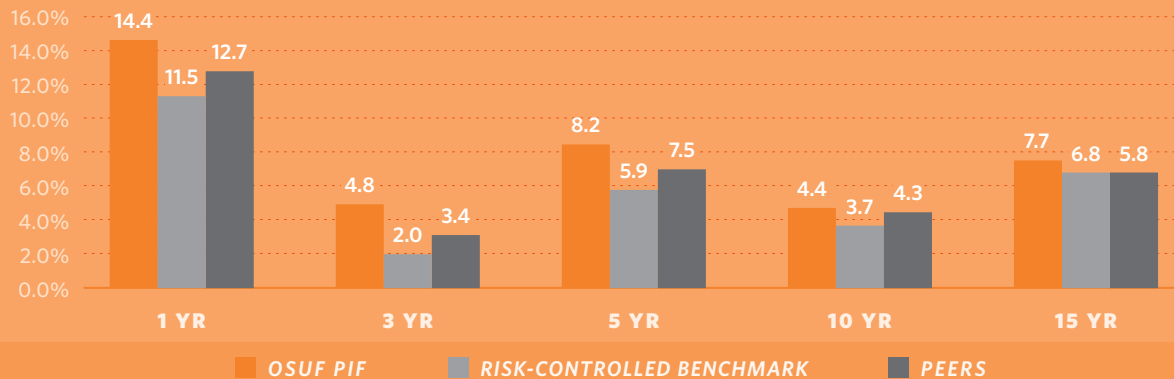


PERFORMANCE

Endowment gifts for the benefit of Oklahoma State University are placed in the Pooled Investment Fund (PIF), which is managed by the OSU Foundation. The OSU Foundation Board of Trustees has adopted a PIF investment strategy to preserve the long-range purchasing power of the endowments while prudently managing risk. In order to execute this strategy, the Trustees have delegated the investment management of the PIF to the Investment Committee, which operates within the parameters of the Investment Policy Statement. The Investment Committee

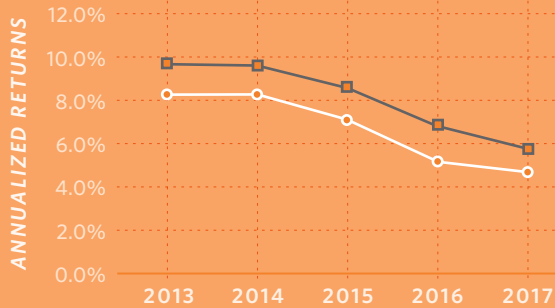
delegated responsibility for day-to-day management of the PIF to the internal OSU Foundation Investment Office in January 2012. The Investment Office and the Investment Committee are committed to maintaining a diversified portfolio that exhibits significantly less risk than the global equity markets. It is our view that a properly constructed, risk-controlled portfolio is able to achieve long-term equity-like returns with less risk of significant drawdowns, such as those experienced in the equity markets during the financial crisis of 2008.

HISTORICAL RETURNS VS. RISK-CONTROLLED BENCHMARK & PEERS



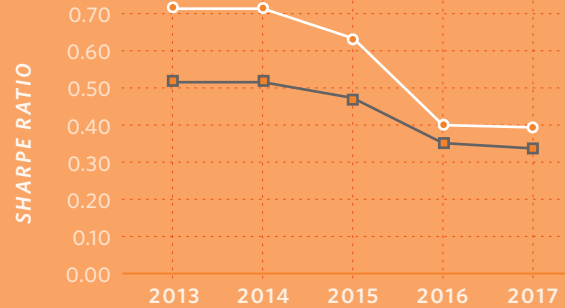
Over the past ten years, the PIF has outperformed a risk-controlled benchmark, approved by the Investment Committee, which is representative of the exposures and risk level in the PIF. The PIF has also generally outperformed peer institutions, as measured by the Cambridge Associates Endowment Composite, over similar time periods.

ROLLING 10-YR ABSOLUTE RETURNS



—○— OSUF PIF —■— GLOBAL EQUITY BENCHMARK

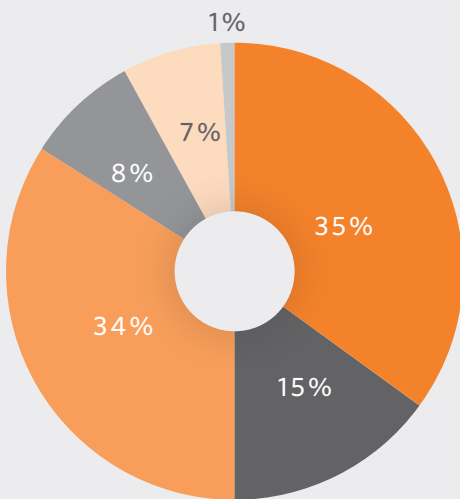
ROLLING 10-YR RISK ADJUSTED RETURNS



—○— OSUF PIF —■— GLOBAL EQUITY BENCHMARK

Although the PIF has generated more return – with less risk – than a risk-controlled benchmark, it has been more challenging to outperform an aggressive, 100% equity portfolio on an absolute basis, with the PIF underperforming the global equity markets by roughly 1.8% annualized over the past ten years. However, the PIF has outperformed the global equity markets on a risk-adjusted basis over that period, delivering more return per unit of risk taken.

ASSET ALLOCATION BY STRATEGY JUNE 30, 2017



- LONG-ONLY EQUITY
- PRIVATE EQUITY
- HEDGED EQUITY
- REAL ASSETS
- GLOBAL FIXED INCOME
- CASH



The Investment Office is committed to becoming a best-in-class endowment. For more detailed information or any questions on the PIF,

PLEASE CONTACT THE OSU FOUNDATION INVESTMENT OFFICE:

Ryan Tidwell
 Managing Director of Investments
 OSU Foundation Investment Office
 rtidwell@OSUgiving.com | 405.385.5171

Please see the back of your endowment reports for a glossary of terms.

Learn more at OSUgiving.com/Endowment

Connect with us: