

SOUTHERN
OREGON
UNIVERSITY
FOUNDATION

ANNUAL REPORT 2018





MOMENTUM

Dear Raider family,

On behalf of the students, faculty, and staff of Southern Oregon University, the SOU Foundation and its Board of Trustees wish to thank all of the generous donors and volunteers who stepped forward in fiscal year 2017-18 for their investment and philanthropic leadership.

During the year, more than 4,000 alumni, friends, foundations, and corporations contributed more than \$3 million in private funding to support academic programs, campus infrastructure, service initiatives, and intercollegiate athletics. From providing scholarship support for first-generation college students to supporting faculty members across the academic disciplines, our donors' investments will have an important impact on the future of the Rogue Valley and on the lives of our students and their families for years to come.

This report honors the accomplishments of the last fiscal year. It also underscores the momentum we feel as SOU's new strategic plan takes shape and identifies a very clear place for the university in our region, state, and nation. Southern Oregon University's vision as a university for the future inspires us, and it inspires our philanthropic partners. All of us associated with Southern Oregon University are proud of what we have collectively accomplished, and we are eager to build the future together.

To each of our loyal donors, thank you. We appreciate your commitment to the mission of Southern Oregon University.



Dan Thorndike
President
Southern Oregon University Foundation

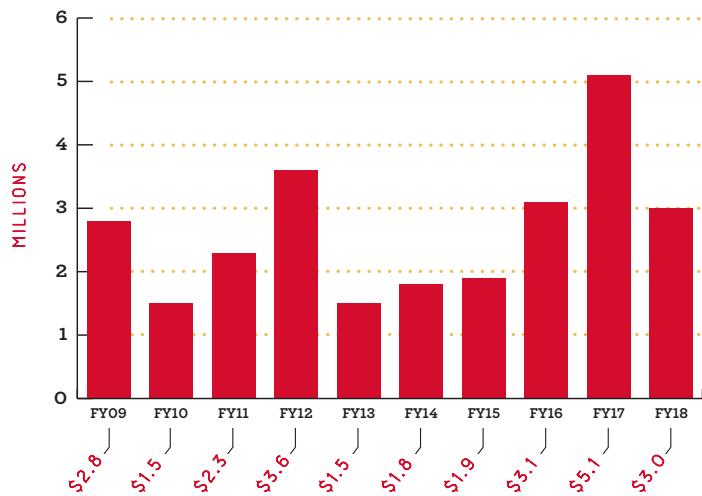


Janet Fratella
Vice President of Development, Southern Oregon University
Executive Director, Southern Oregon University Foundation

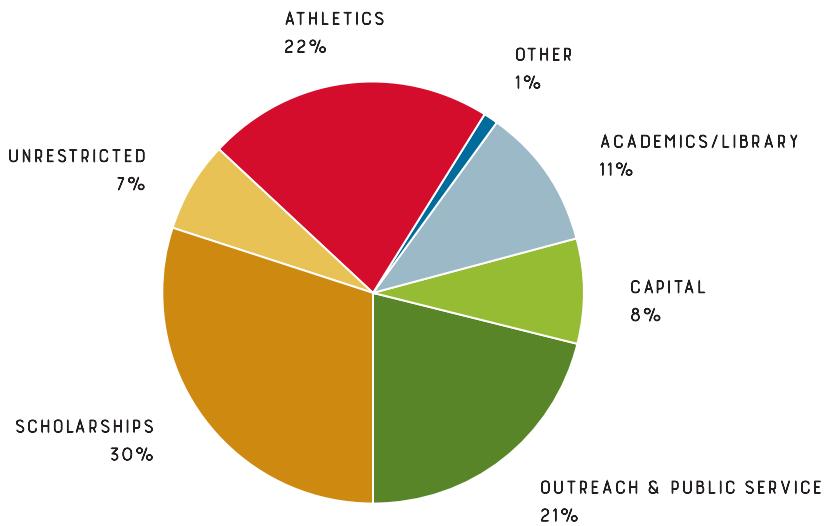
FISCAL YEAR 2018 OVERVIEW

The Southern Oregon University Foundation received \$3,013,273 in private gifts, grants, and pledges to support Southern Oregon University during FY 2017-18. More than 4,100 donors contributed toward a range of scholarship funds, academic and athletic programs, and public outreach initiatives.

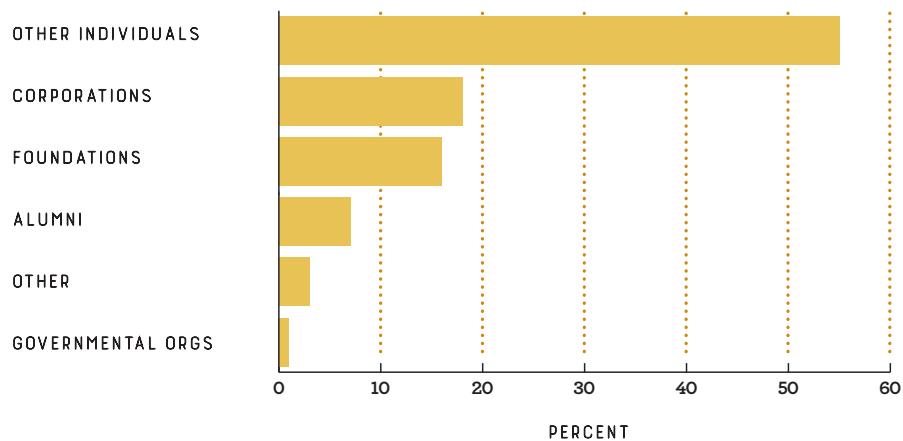
TOTAL PRIVATE SUPPORT FY 2009-2018 *(for fiscal years ended June 30)*



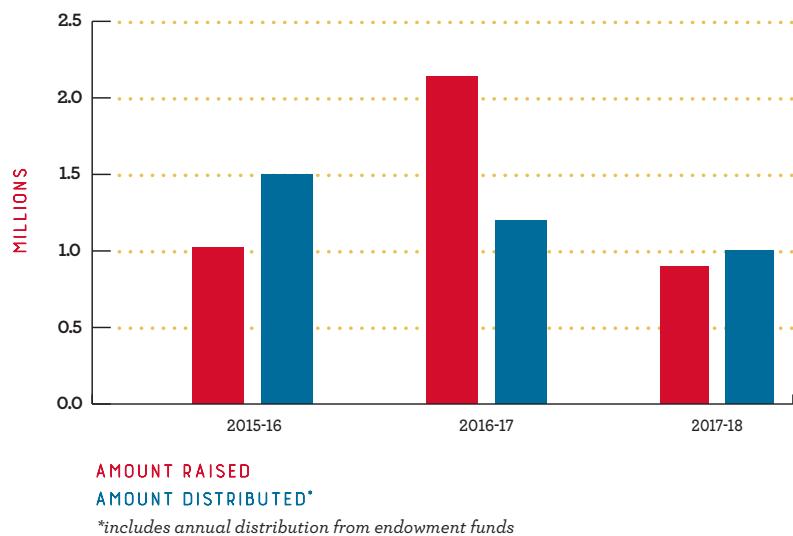
TOTAL PRIVATE SUPPORT BY DESIGNATION *(FY 2018)*



TOTAL PRIVATE SUPPORT BY SOURCE (FY 2018)



SUPPORTING STUDENTS





Donors and classmates (L to R)

Mick Skillern '67, Lynn Wakem '67, and Art Diederich '67 flank inaugural Fellers' scholars Andria Rasmussen and Kaylin Murdoch and two of Dr. Fellers' daughters, Marilyn Fink and Debi Lake.

COLLEGE FRIENDS TEAM UP TO HONOR MENTOR

To help students who need a little support, and to honor the college dean who inspired them, SOU alumni and longtime friends, Art Diederich '67, Mick Skillern '67, and Lynn Wakem '67 joined forces to create the Dr. Alvin Fellers Memorial Scholarship.

The award recognizes students who have demonstrated professionalism, integrity and a devotion to human values—all characteristics and qualities embodied by Fellers. With a career in education spanning more than 40 years, Fellers served as Dean of Men and Dean of Students. With an unflagging belief in every student's potential, Fellers showed genuine warmth, and his encouragement had a lasting impact on the three men who endowed a scholarship in his name. "He was our Dean, and he was so much more," said Lynn Wakem. "We all held him in high regard. He was very approachable, and he helped so many students."

"Dr. Fellers genuinely cared about students. He followed our academic careers, often suggesting we get involved with campus organizations like student government," said Diederich. "He would lead by example, showing up to help at school events or to cheer us on."

"We want to recognize students who are involved in school and the community," added Skillern. "That was important to Dr. Fellers, and it's important to us."

While the endowment is a testament to the legacy of Fellers, it is also a testament to the three men's enduring bond. Diederich, Wakem, and Skillern's long friendship started at SOC and has continued ever since. Over the years, they talked about giving back to the school that they say gave so much to them.

"Without the education we received at SOC, we wouldn't be where we are," said Diederich, a former retirement plan administrator.

"SOC is where we matured," added Skillern. "I went from a kid who thought he was stupid to someone who was able to realize his potential. That's life changing," said Skillern, an investment professional.

Wakem says donating is an ideal way to pay things forward. "We want to help those kids who maybe need that extra little push," he said, "people like us, who Dr. Fellers would be following around." Wakem spent a career in the financial and retirement planning industries.

The first scholarship was awarded to students in 2016, and the three men said it was a real joy to meet the recipients in person. "We were so moved to hear one recipient talk about receiving the financial help," said Wakem. "It reaffirmed for us the importance of giving."

The scholarship is also proof of what is possible when people come together to help one another. "We want both students and other potential donors to see what can be done when we all work together. People can do big things when they have a little help," said Skillern.

LADUKE SCHOLARSHIP HONORS NATIVE STUDENTS

Through her work, activism, and daily life, internationally renowned artist and SOU Professor Emeritus Betty LaDuke seeks to connect and inspire people, to remind us that we are strongest standing together and raising one another up. For LaDuke, endowing an SOU scholarship for Native American students is simply an extension of her way of living and responding to the world. “Lately, as I’m in my eighth decade, I’ve been thinking about what’s meaningful, and apart from my art, what can I do? For me, the answer is education,” she said. “Being a teacher and having teachers—that’s what made a difference in my life, all the difference in the world.”

As a child, LaDuke carried around a sketchbook, drawing the people living in her Bronx neighborhood. Later, she studied art at Denver University, Cleveland Art Institute, and Instituto de Allende in San Miguel, Mexico. She moved to Ashland in 1964, where she taught art at SOU for over 30 years. “My education would not have been possible without scholarships,” she said.

An article in the newspaper helped crystalize how LaDuke would direct the endowment. Because many Native American students face income disparities, discrimination, and a lack of representation, they subsequently have lower high school graduation rates. “I wanted to do something that would make a difference in people’s lives and to honor my kids and grandkids and their heritage,” said LaDuke. “The personal becoming global is something that has permeated my work,” she added. “A scholarship for Native students is part of that.”

“AS DONORS, WE GET TO LEAVE A LEGACY OF LEARNING, I COULDN’T HAVE DONE WHAT I’VE DONE WITHOUT SCHOLARSHIPS. IT’S SUCH A GIFT, AND NOW IS OUR CHANCE TO GIVE BACK. IT’S CONTINUITY. IT’S MAGNIFICENT.”

— BETTY LADUKE

Although teaching is not a requirement for the scholarship, LaDuke hopes to help someone who wants to be a teacher. “Often for Native students, the sense of your being and who you are is not honored in the educational system, and it is so important to see yourself reflected in the schools, to have teachers who look like you and materials that reflect your experience,” she said. “It’s just as important for non-Native students to have teachers of various cultures and ethnicities,” she added.

LaDuke recalls her early experiences and the teachers who made a marked difference in her life. She especially credits her early teachers and mentors who expanded her world view and inspired her passion for social justice. “They had such an impact on the path my life has taken and the work I do even now,” she said.

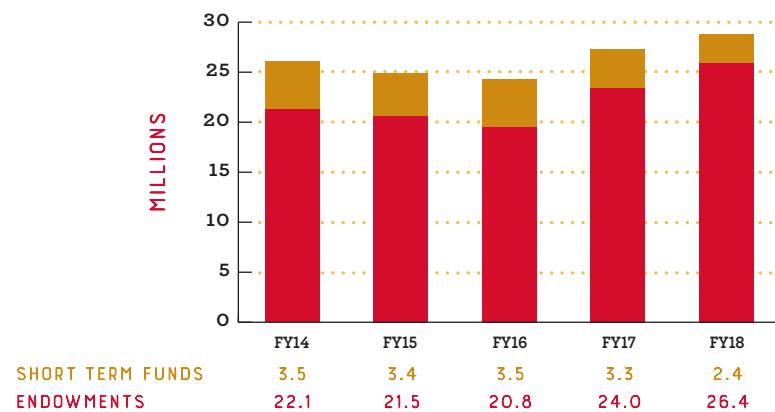
Over the years, LaDuke has traveled extensively and worked to bring attention to issues of hunger and poverty in developing countries, as well as to women artists of color. “My interests came from being a teacher and learning about people and communities, and then sharing that knowledge with students,” she said. “We’re all lifted by one another’s experiences.”



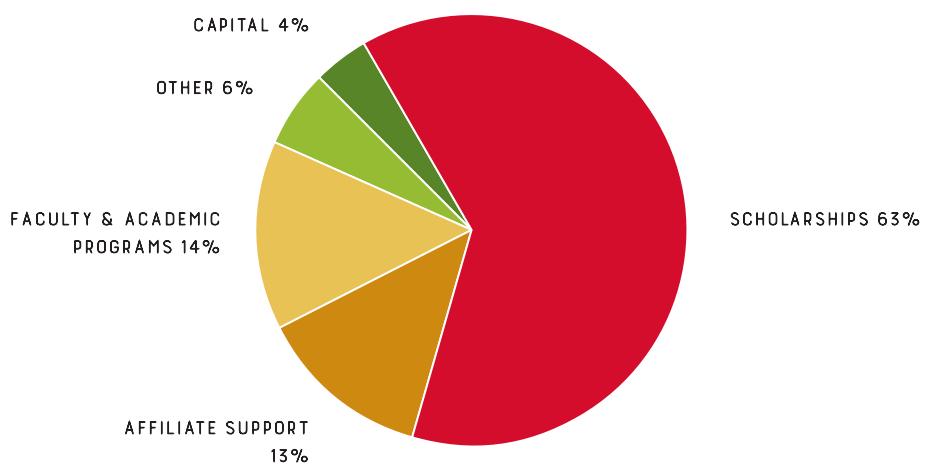
ENDOWMENT PERFORMANCE

The SOU Foundation holds and manages 211 individual endowment funds with the intent of providing financial support in perpetuity to Southern Oregon University. Endowment funds are created when donors make charitable gifts to support the university's mission. The SOU Foundation has endowment and short-term invested funds totaling more than \$28.8 million—\$26.3 million of which are permanently restricted.

ENDOWMENT GROWTH FY 2014-2018 (for fiscal years ended June 30)



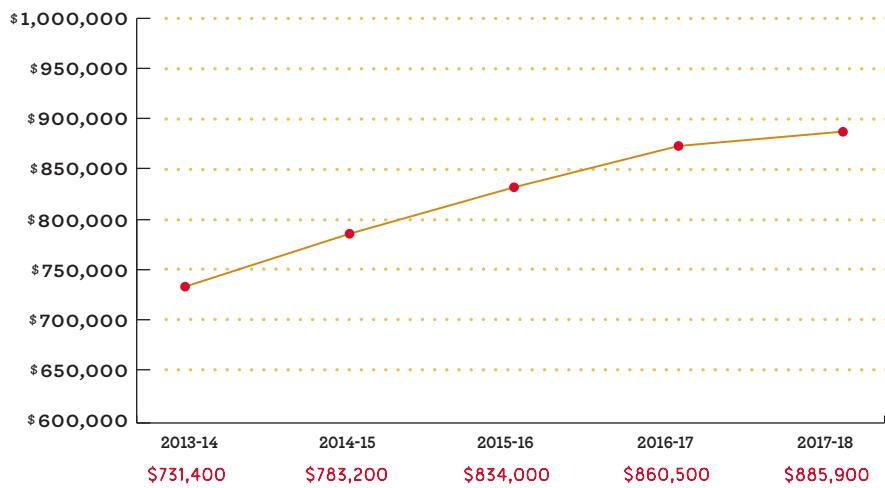
ENDOWMENT FUND BY DESIGNATION (as of June 30, 2018)



ENDOWMENT IMPACT

The foundation distributes 3.5% of each fund's market value to the university annually.

AMOUNT TRANSFERRED TO SOU *(for fiscal years ended June 30)*



ENDOWMENT INVESTMENT STRATEGY

The investment objectives of the SOU Foundation reflect the long-term nature of the endowment fund. A desire to grow endowment gifts and to produce a large, stable, and predictable payout stream is balanced with the foundation's commitment to donors to ensure the longevity of the funds in its care.

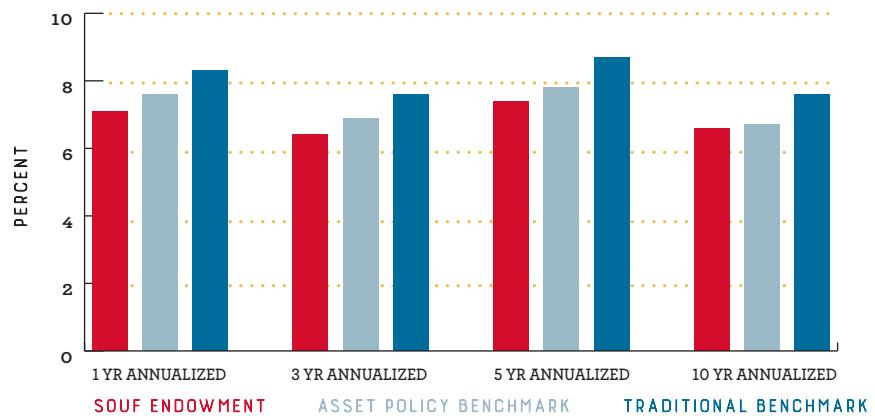
Considerations that shape the SOU Foundation's investment strategy are:

- Produce a relatively predictable and stable payout stream each year.
- Maintain the purchasing power of the assets over the investment horizon.
- Balance the support of present and future generations of students and faculty.

Accordingly, the SOU Foundation's primary investment objective is to produce a total return net of fees that equals or exceeds the foundation's spending rate and annual administrative fee.

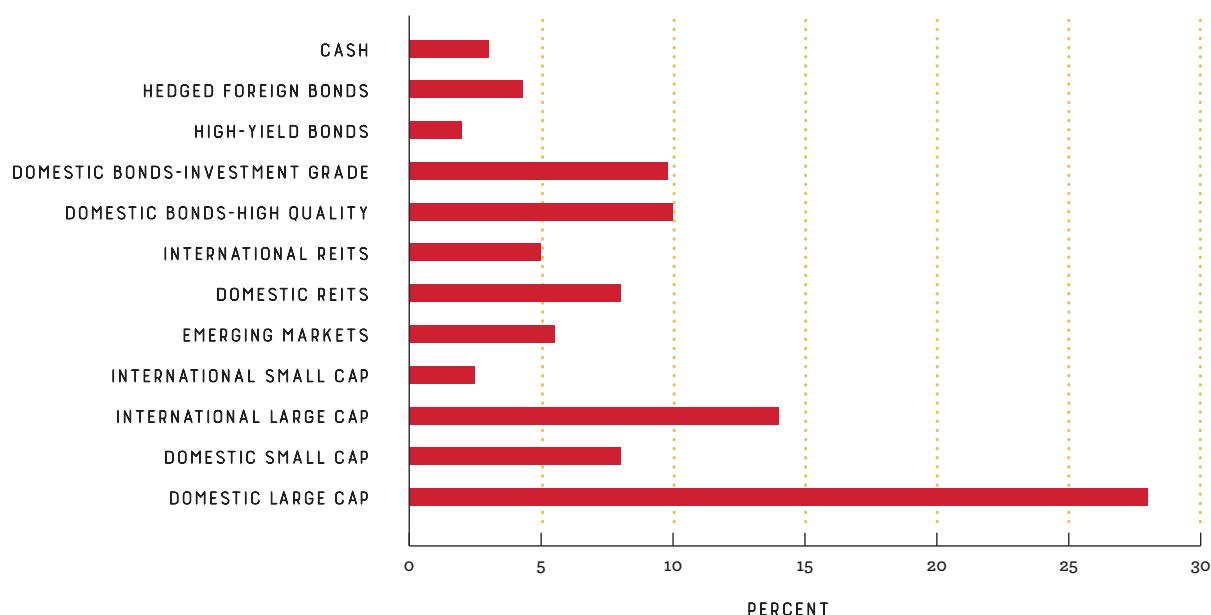
BENCHMARK RETURN COMPARISONS *(for fiscal years ended June 30)*

The SOU Foundation endowment produced a total return of 7.1% for the period of July 1, 2017 to June 30, 2018. Additions to the endowment for this fiscal year totaled \$600,000.



TARGET ASSET ALLOCATION

The SOU Foundation's endowment is managed by TIAA Kaspick. For most of the last three years, the endowment portfolio was invested in approximately 84% stocks and 16% bonds and cash. In March 2018, the Foundation Board of Trustees moved to an endowment portfolio that is composed of 71% stocks and 29% bonds and cash. Both the stock and bond allocations are broadly diversified across different asset classes and managers. The diversification is designed to lower the expected volatility of the portfolio's returns and help protect against negative market environments.



GIFT TO WOMEN'S STUDIES WILL HAVE LASTING IMPACT

The late Oregon native and philanthropist Jean Sewell Donly left a gift to SOU's Gender, Sexuality and Women's Studies (GSWS) Program that will have a strong and lasting impact. GSWS Assistant Professor Carey Jean Sojka says the department is grateful. "I don't believe Jean Donly was an SOU alum, but she cared about Southern Oregon and she wanted the women's studies program taken care of," said Sojka. "People are really excited about having this financial support."

Jean Donly was raised in Portland, and at one point lived in the Rogue River area of Southern Oregon. She is remembered as a talented interior decorator and a compassionate person who was strongly invested in her community. She often gave her time to the Portland Art Museum and supported many charitable organizations. Her sizeable gift to the GSWS program, says Sojka, will help support students and expand course offerings. "We have a lot of ideas as to how to use the endowment," Sojka said. "We are hoping to continue to grow the program over the next few years, and this endowment will really help."

Donly's gift is unrestricted, so the program has flexibility in how to use the funds. "We'd love to be able to offer a retreat for our students, maybe a class off campus in which students in a particular cohort can attend a week-long cohort- or team- building event," said Sojka. "Another idea is to support a scholarship for students entering the program," she added.

Currently, the GSWS program at SOU is offered as a minor. The coursework examines how gender and sexuality intersect with a variety of social forces to shape the human experience. In addition to classroom learning, the program also emphasizes real-world applications and community involvement.

Donly's gift will also help shine a light on GSWS at SOU. "Our program is unique in how interdisciplinary it is," said Sojka. "We intersect with so many courses and programs across the university—biology, English, Native American studies, psychology, and anthropology to name a few," she said.

"WE HAVE PEOPLE ALL
OVER CAMPUS WORKING
TOGETHER TO HELP
STUDENTS DEVELOP SKILLS
THAT WILL ALLOW THEM TO
MAKE A DIFFERENCE IN THE
WORLD." — CAREY JEAN SOJKA

NEW AND RENOVATED SPACES TRANSFORM CAMPUS

The university unveiled four new facilities during the 2017-18 academic year, marking the first time in recent memory that the campus celebrated such openings. These new and renovated spaces add life to the campus and will help shape the future of learning and recreation in ways that support students throughout their journey at Southern Oregon University.

LITHIA MOTORS PAVILION

Medford-based Lithia Motors, Inc., and its founding DeBoer family celebrated the completion of the new Lithia Motors Pavilion with university and community leaders in June. Home to the university's indoor athletic teams, the new pavilion replaced the 60-year-old McNeal Pavilion.

Built with \$22 million in state funding and private gifts totaling nearly \$2 million, the pavilion and adjacent student-funded recreation center culminated a two-year construction project that added 100,000 square feet to the university's footprint. Lithia Motors Pavilion features a 1,400-seat gymnasium for basketball,

wrestling, and volleyball. It also houses state-of-the-art locker and training rooms, classrooms, and offices and conference rooms for academic and athletic programming.

"Much like SOU, Lithia Motors promotes an environment of excellence and continuous improvement for our people," said Lithia CEO Bryan DeBoer. "We join with all members of this community in recognizing Southern Oregon University as the educational provider of choice for learners throughout our region and celebrate this significant development to the Ashland campus."





THALDEN PAVILION

In April, a crowd of nearly 350 joined SOU President Linda Schott and philanthropists Kathryn and Barry Thalden at a dedication ceremony for Thalden Pavilion, an outdoor teaching and performance space located adjacent to The Farm at SOU. The pavilion also hosts a World Peace Flame, one of just thirteen in the world and the only one located on a university campus.

This award-winning pavilion will serve as a hub for the university's commitment to sustainability. Panels carved by local artist Russell Beebe convey the need to respect and understand the interconnectedness of all species. Thalden Pavilion is dedicated to "outrageous innovation," and according to Kathryn Thalden this means "reaching deep in yourself to find all the passion, joy, and love and bring it out to share with the world, because the world is waiting for us to show up," she said during the dedication ceremony.

THEATER BUILDING

The recent completion of an \$11 million remodel and expansion of the university's Theater Building ensures that SOU's acclaimed Theatre Arts Program continues to operate in a world-class teaching, learning, and performance center. An addition to the building also added a \$2.7 million new home for Jefferson Public Radio.

The existing Theater Building opened in 1981 and was built to accommodate 30 majors. Today, the Theatre Arts Program attracts several hundred applicants each year and accommodates more than 300 theatre majors. The renovation project added significant square footage to house four new studio spaces dedicated to the specialties of acting, design, voice and speech, as well as movement and dance. These spaces are complemented by an expanded costume shop, larger box office, and renovated lobby area. In addition, the renovation added new lighting and sound equipment, including a special lighting design lab.



GOVERNANCE

BOARD OF TRUSTEES

The SOU Foundation is governed by a volunteer Board of Trustees. By volunteering their time to serve on foundation committees and to build relationships with university donors, trustees play a critical role in securing the long-term financial health of Southern Oregon University. The Board of Trustees serves as the governing board for the SOU Foundation and has fiduciary responsibility for the general business functions of the foundation, including the oversight of the SOU Foundation's property, assets, and policies.

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General Counsel & Corporate Secretary
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Medford, OR

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Executive Director (retired)
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Medford, OR

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and RE/MAX PLATINUM
Medford, OR

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President
Southern Oregon University
Ashland, OR

Janet Fratella
Vice President of Development
Southern Oregon University
Executive Director
SOU Foundation
Ashland, OR

ABOUT THE SOU FOUNDATION

The mission of the Southern Oregon University Foundation is to secure private philanthropic support to advance SOU and to invest and manage gifts responsibly to honor donors' wishes.

Established in 1959, the SOU Foundation is the primary organization through which private support is managed for the benefit of Southern Oregon University. Private gifts and grants to the SOU Foundation are designated to the SOU program or fund of the donor's choosing. Contributions can be made by contacting the SOU Foundation office at (541) 552-6127 or by making a gift online at giving.sou.edu.

SOU Foundation

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A large crowd of people with their hands raised in the air, cheering.

HIGH FIVE



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