

2020

**SOUTHERN OREGON UNIVERSITY**  
FOUNDATION

ANNUAL REPORT



# LEADERSHIP BEGINS HERE

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 2019-20 for their investment and philanthropic leadership.

**We are inspired.**

During the year, more than 2,000 alumni, friends, foundations, and corporate partners contributed \$2.8 million in private funding to support the university's academic programs, campus infrastructure, service initiatives, and intercollegiate athletics. We are inspired by those who support our students and help them achieve their goals. We are inspired by those who ensure that our academic programs meet the needs of the future. And we are inspired by those who are dedicated to ensuring student success by supporting faculty members. Philanthropic investments will indeed have an impact on the state of Oregon as well as on the lives of our students and their families for years to come.

This report recognizes the leadership of all those who believe in the future of Southern Oregon University. With philanthropic support, SOU will remain a vital and robust organization. All of us associated with SOU are proud of what we accomplished last year, and we are eager to continue building the future together.

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



**Marc Bayliss**

President  
Southern Oregon University Foundation



**Janet Fratella**

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

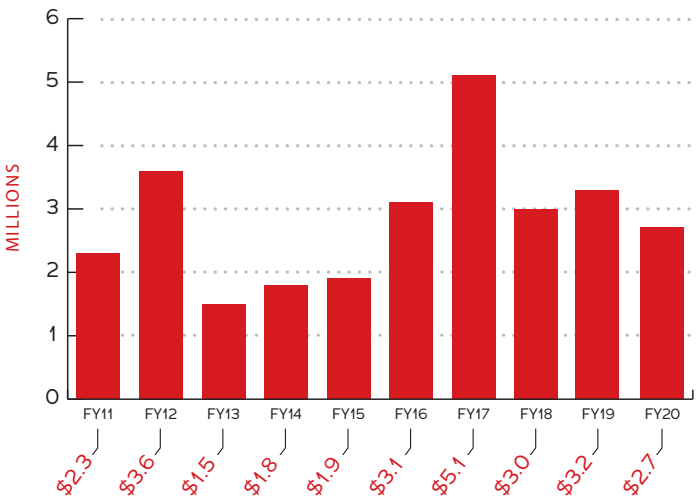


# FISCAL YEAR 2020 OVERVIEW

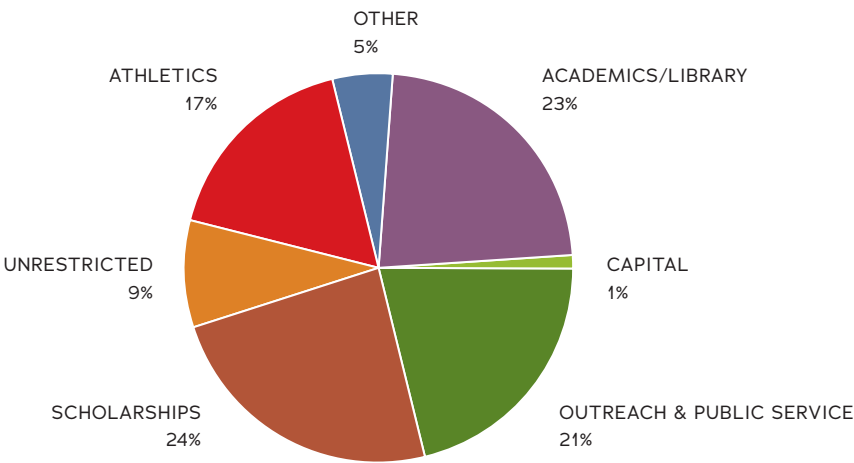
The Southern Oregon University Foundation received \$2.7 million in private gifts, grants, and pledges to support Southern Oregon University during FY 2019-20. More than 2,200 donors contributed toward a range of scholarship funds, academic and athletic programs, and public outreach initiatives.



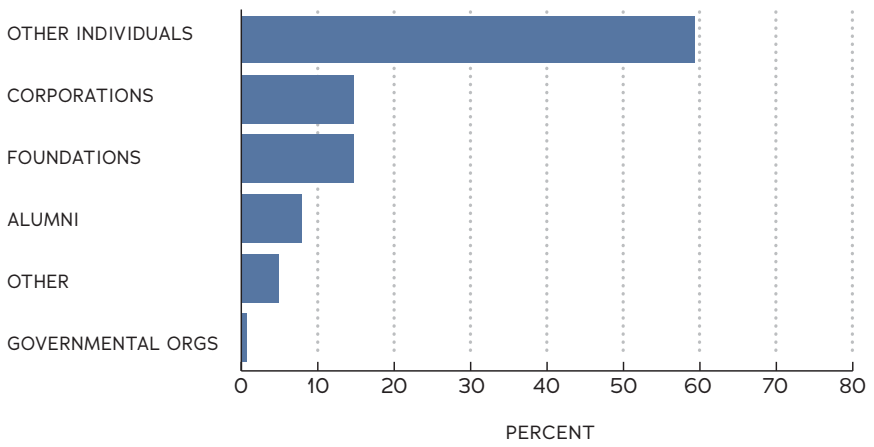
**TOTAL PRIVATE SUPPORT FY 2011-2020**  
(FOR FISCAL YEARS ENDED JUNE 30)



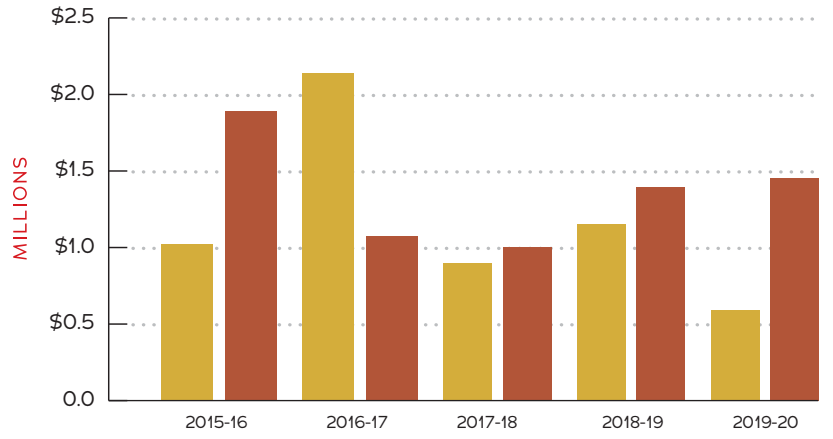
**TOTAL PRIVATE SUPPORT BY DESIGNATION**  
(FY 2020)



**TOTAL PRIVATE SUPPORT BY SOURCE**  
(FY 2020)



**STUDENT SCHOLARSHIPS**



AMOUNT RAISED  
AMOUNT DISTRIBUTED\*  
\*includes annual distribution from endowment funds





## LONGTIME SUPPORTERS CHAMPION LEARNING and LEADERSHIP

**R**ogue Valley philanthropists Debra Lee and Peter Sage are committed supporters of SOU and the Southern Oregon community.

Debra is a civil rights attorney with a long history of advocating for the poor and disenfranchised. As executive director of the Center for Nonprofit Legal Services in Medford, Debra often helps people who are at their most vulnerable. Among her clients at the present time are residents of Phoenix and Talent who have been displaced by the Almeda wildfire. She and her team are helping to coordinate FEMA resources for those in need.

Peter believes that SOU played a transformative role in his parents' lives. "Dad was a farm boy from Table Rock, but SOU was close by and inexpensive enough that he could work his way through and become a teacher and then principal, a career he loved." After a successful career as a financial advisor, Peter is involved as an Honors College mentor and proudly grows "really great melons" on that family farm.

For both Debra and Peter, SOU's Honors College is close to their hearts, which they have helped nurture since its beginning in 2014.

"I was a member of the SOU Foundation when the previous president was at SOU and the big idea of the Honors College was proposed," said Debra. "I shared my excitement with Peter and we agreed to be supporters of this venture. We have committed to the program for the long term."

SOU's Honors College functions as its own academic entity, with students participating in challenging courses, experiential learning opportunities, and service projects in a close-knit environment tailored to their individual interests. Peter says he and Debra were drawn to the idea of a small cohort of motivated students working together in an academically rigorous environment.

"I loved college, and a huge part of that was talking with and sharing ideas with other students, teachers, and mentors," he said. "SOU's Honors College offers motivated students a community as part of a strong liberal arts education."

**Exemplary students can stay at SOU without feeling like they have to go to a bigger university."**

The Honors College started as a means of attracting and retaining top-notch students. Over the years, it has also helped shine a light on SOU's strong academic programs. Peter has served as a mentor to several students, meeting them on campus and offering academic and career guidance. "I get to have great conversations with young people, and they get my perspective as an old guy," he said.

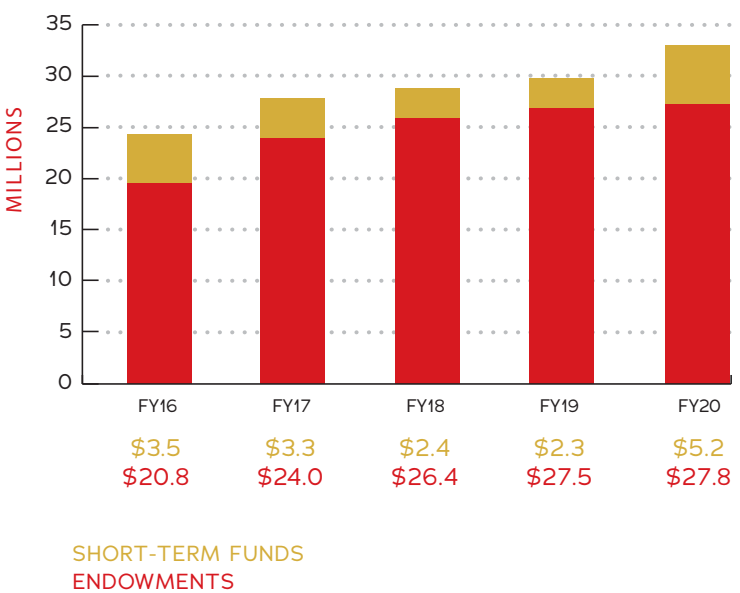
Debra has guided Honors College students through internships at her nonprofit. Currently, she has two Honors College interns volunteering with the organization's Immigration Law Program to assist Lawful Permanent Residents seeking to be naturalized. "I've heard about the transformative nature of the Honors College from students and foundation trustees," she said. "SOU is a great resource in our small community."

The couple remain as excited about the Honors College today as they were when it first began. "It creates an environment in which academic achievement is normative, rather than unusual," said Peter. "We're proud to be a part of it."

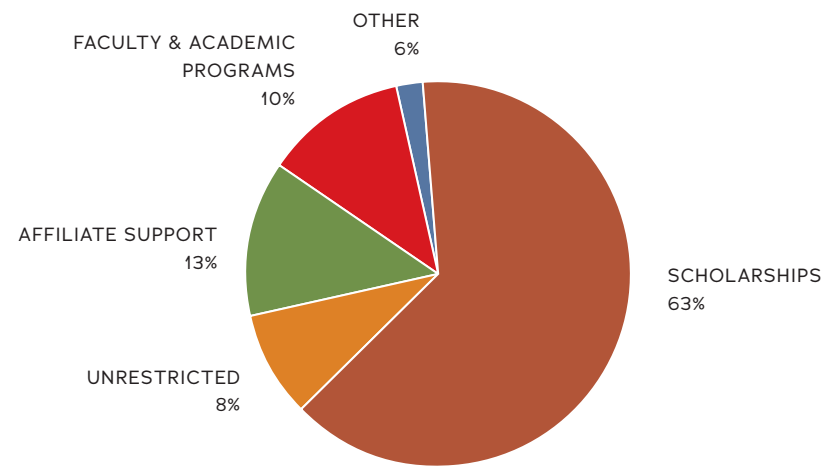
# ENDOWMENT PERFORMANCE

The SOU Foundation holds and manages 222 individual endowment funds with the intent to provide 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 nearly –\$33 million—\$27.8 million of which are permanently restricted.

**ENDOWMENT GROWTH FY 2016-2020**  
(FOR FISCAL YEARS ENDED JUNE 30)



**ENDOWMENT FUND BY DESIGNATION**  
(AS OF JUNE 30, 2020)



# ENDOWMENT INVESTMENT STRATEGY

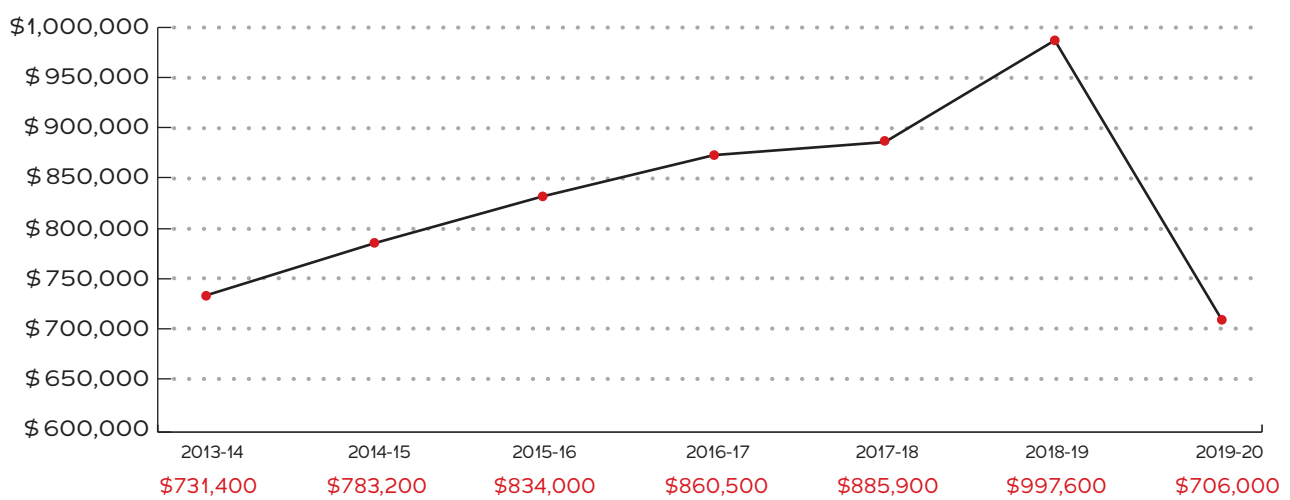
The investment objectives of the SOU Foundation reflect the long-term nature of the endowment fund. A desire to grow endowment gifts and to produce a stable and predictable payout stream is balanced with the foundation’s commitment to donors to ensure the longevity of the funds in its care.

- 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.

**ENDOWMENT IMPACT**      The foundation distributes 4% of each fund’s market value to the university annually.

**AMOUNT TRANSFERRED TO SOU**  
(FOR FISCAL YEARS ENDED JUNE 30)

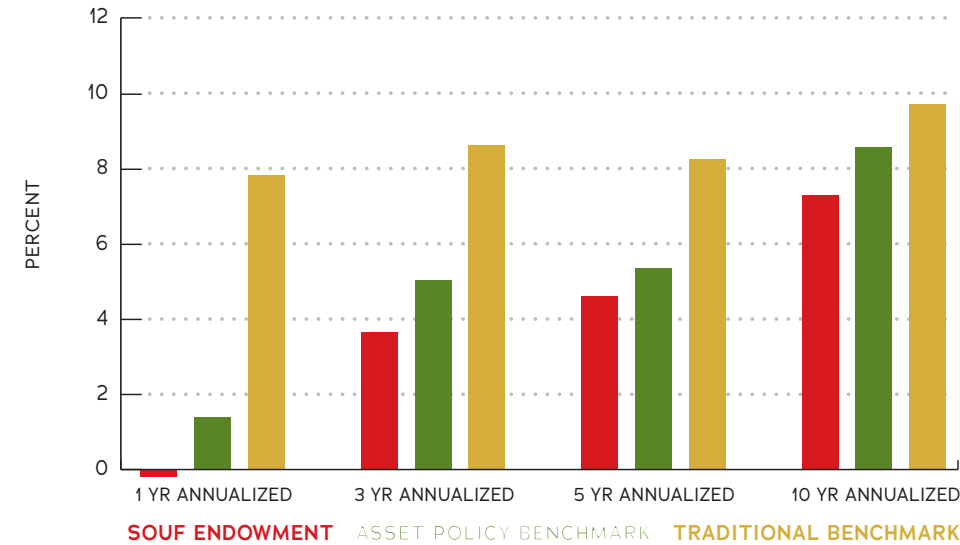




## BENCHMARK RETURN COMPARISONS

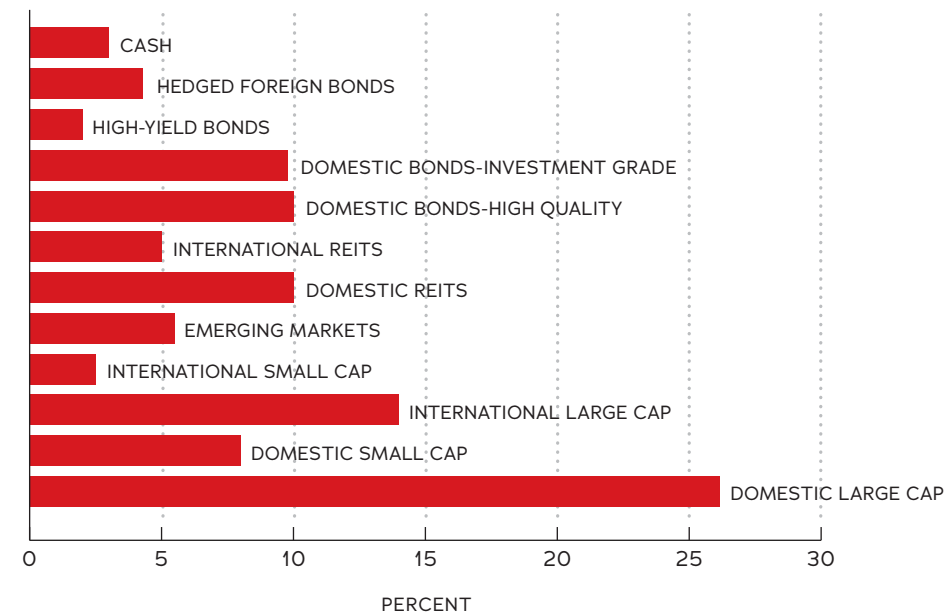
(FOR FISCAL YEARS ENDED JUNE 30)

The SOU Foundation endowment produced a total return of -0.1% for the period of July 1, 2019 to June 30, 2020. Additions to the endowment for this fiscal year totaled \$537,000.



## TARGET ASSET ALLOCATION

The SOU Foundation endowment is managed by TIAA Kaspick and invested in approximately 71% stocks and 29% bonds and cash. Both the stock and bond allocations are broadly diversified across different asset classes and managers. This diversification is designed to lower the expected volatility of the portfolio's returns and help protect against negative market environments.



## MUSIC TEACHER LEAVES BEQUEST TO MUSIC

When Alice Saunders passed away in 2018, she had lived a remarkable 91 years. Concert violinist, music teacher, and avid orchid enthusiast, Alice was also a passionate supporter of education.

Alice combined her love of music and education and left a significant bequest to the SOU Music Program. "The miraculous gift of music is shared with the entire world but an amazing gift to provide for music is even a more precious bestowment," said David Humphrey, Director of the Oregon Center for the Arts at SOU.

"The Alice Saunders bequest has been a glorious benefit to our Music Program. It is providing our students and faculty the means to learn, perform, and create music which is enjoyed by the community and virtually across the globe. We are most grateful for this high level of consideration and the humble desire to see others personally develop from the financial success of one's own exquisite life," concluded Humphrey.

Originally from Sewickley, Pennsylvania, Alice and her family moved to Nebraska when she was a child. She attended Nebraska schools, finished high school in 1941, and applied to the University of Nebraska where she was accepted into the music department.

After graduating with bachelor's and master's degrees in music and music education, Alice began her 26-year



teaching career in a small town in Nebraska. She also taught in Kansas and Iowa before relocating to Medford in 1960 to teach in the instrumental department in various schools throughout the district.

Alice played the violin in the Rogue Valley Symphony for 20 years and was a member of the Rogue Valley Orchid Society for some 30 years. She received a number of blue-ribbon awards from the Rogue Valley Orchid Society and two special awards from the American Orchid Society.

# CREATING OPPORTUNITY

for STUDENTS TO SHINE



**D**an Decena and Morgan Sammons know that education has the power to help members of the LGBTQ community overcome complex social and economic barriers. The couple also understands the struggles of immigrant and minority students, as Dan was born and raised in Manila, Philippines.

Morgan grew up in Ashland, and he and Dan were frequent visitors. It made choosing a place to retire easy, as Ashland felt like returning home. Also, it gave Morgan a chance to reconnect with SOU. “I am an Ashlander and have a long association with SOU,” he said. “I completed my senior year (in high school) by attending classes at SOU. It’s always been an important part of the community.”

Morgan is a retired Captain in the U.S. Navy and leads the National Register of Health Service Psychologists in Washington, D.C. His long history of leadership and advocacy in the psychology profession includes serving as the Specialty Leader for Navy Clinical Psychology and the Navy Surgeon General’s special assistant for psychological health and traumatic brain injury. Dan worked as a portfolio administrator and investment banker in New York for 15 years before moving to Washington, D.C., where he served as a senior advisor at the Bureau of Fiscal Service for the U.S. Department of the Treasury for 25 years. Together, they have created scholarships across the country that provide opportunities and access to education for often-ignored segments of the population.

The two connected with SOU with a strong desire to support students who may have a challenging time paying for education or feeling supported as they pursue their goals. “We think it is important for us to support LGBTQ students and Asian and Pacific Islander and First Nations students,” said Morgan.

“This current political environment isn’t easy for foreign students, immigrants or minorities right now, but I want students to know that people care about them, and I want to tell them to keep on pushing,” added Dan.

Dan says he knows what it is like for students coming from another country. “I came to California, UCLA to be exact, for graduate school in my early twenties,” he said. “I have a lot of empathy for foreign students. We would love to meet the students who receive the scholarships and encourage them in their future endeavors,” he said.

Reflecting on his and Dan’s 32-year partnership and marriage, Morgan notes there have been some positive changes for the LGBTQ community, but struggles continue and education is a path to success. “We both realize that coming to school as an immigrant or sexual minority creates a distinct set of challenges, but we want to demonstrate that you can meet those challenges wherever your future takes you and not let them define or limit you,” said Morgan.

For Dan, supporting university students has a far-reaching impact.

**“Education is the path to individual, economic, and personal fulfillment. Finances shouldn’t be an obstacle to achieving that goal,”** he said.

“Everyone deserves an opportunity to learn. Everyone deserves a chance to shine.”





## TRIBAL ELDER ENCOURAGES YOUNG ARTISTS

**G**rand Ronde Tribal Elder and artist Steve Bobb, Sr., is supporting the youth of his close-knit Willamina, Oregon, community with a gift that offers more than financial assistance. He and his wife Connie established a scholarship at SOU for students from Willamina High School who are interested in art.

“People often associate pursuing a career in the arts with the old ‘starving artist’ stereotype, but that’s not true,” said Steve. “I want to show kids who are interested in art that they have support, that a career in the arts is possible, and that people believe in them.”

Steve’s lifelong career as an artist is colorful proof that one can make a living in the art world. “I’ve always been an artist. I did my first job for money as an artist when I was ten years old, and I’ve been working as an artist ever since. I have worked on everything from signs to cars to sculptures,” he said.

Steve joined the U.S. Marine Corp in 1968. After his return he pursued art as a career, designing logos for sign companies and building and painting custom cars and hot rods. Among his most striking works is the West Valley Veterans Memorial. The bronze sculpture features a man and woman dressed in traditional Native attire reaching toward the sky. They are surrounded by four black pillars representing the Marines, Army, Navy, and Air Force.

“Some people find it strange that so many Natives fight in the military given our history with this country, but we are descendants of warriors, and we still see this land as ours,” said Steve. “The creator placed us in this beautiful nation, and we still defend it because it was given to us. We will not stand on the sidelines.”

Steve’s love of his community is evident in much of his work and activities. “My family has lived in the Grand Ronde community for 120 years. I also attended Willamina High, and I try to help wherever I can,” he said.

Remembering the limited opportunities for art students when he attended Willamina High school in the 1960s, Steve decided he wanted to do something to encourage high school artists. It was around this same time that SOU President Linda Schott visited the Grande Ronde tribe as part of the university’s outreach effort to Oregon’s Native tribes. “It all fell into place. We were supposed to meet,” he said. Steve shared with her his desire to support the students of Willamina, and the scholarship idea was born.

**“SOU is a very art-focused school. It has theater, dance, music, and visual arts,” said Steve. “It’s a place where young artists can thrive.”**

Steve says he hopes that the students who receive the scholarship see it as one more piece of encouragement. “I don’t want students to get discouraged about an arts career,” he said. “If you have a little bit of knack and some motivation, there are tons of different ways to apply those skills. Art opens all kinds of doors, and each and every student can make things happen.”



# SOU FACULTY MEMBER

## HONORS FATHER'S LEGACY



**J**im Hatton, retired mathematics instructor at SOU, continues his commitment to the university and to academic excellence with philanthropic gifts to the university. The creation of an endowment fund for the Chemistry Program honors the legacy of his father, Roger E. Hatton.

In 2018, Jim dedicated the endowment to his father during a special ceremony honoring the creation of the new fund. Jim shared details about his father's work and commitment to the discipline. "I'm glad I got to affirm my dad publicly, and I wanted to make sure people knew the person whose name was on the endowment," he said. "These small connections are meaningful and give students a sense of continuity."

For Chemistry Program Chair Hala Schepmann, the creation of the Hatton endowment has made possible the establishment of the SOU Chemistry Summer Research Program.

**"For the first time in our program's history, we will be able to offer stipends to both students and faculty in support of their research efforts,"** said Schepmann.

Roger E. Hatton was born in 1918 to a poor family. He worked his way through the University of Omaha as a night watchman, and later earned a doctorate in organic chemistry from Purdue University in 1944. Dr. Hatton worked on the Manhattan Project until the end of World War II and transitioned to Monsanto, where

he co-authored patents on synthetic functional fluids, including one which became SkyDrol, a flame-resistant hydraulic fluid that is used in the airline industry.

Despite his father's busy professional life, Jim recalls a dedicated father and husband who worked hard and treated people with kindness his entire life. "I attempt to honor him every day by my actions," Jim said.

A love of chemistry runs deep in the Hatton family. In addition to his father, Jim's wife Ruth Woudenberg studied chemistry at SOU before they were married. "I have seen over the years that it is a rigorous, high-quality program," said Jim. "Besides, chemistry departments can always use extra money. They can use this endowment for whatever they need it for. No strings attached."

Jim retired from SOU earlier this year after more than a decade at the university. During that time, he met many chemistry instructors and students and has always been impressed with the caliber of the faculty and the achievements of the students while at SOU and after graduation.

For Schepmann, the endowment came at a critical moment for the program. "At a time when hands-on opportunities are harder to come by, we are able to expand our offerings because of Jim Hatton's generous contributions in honor of his father," she said.

He said SOU is a great university to support overall, not just the Chemistry Program. "The small classes and individual mentoring make it special," he said. "You can walk through campus, say hello to your students and colleagues and help one another. I like that."



# 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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David Wright  
Principal  
CPM Real Estate Services, Inc. and  
RE/MAX PLATINUM  
Medford, OR

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Southern Oregon University  
Ashland, OR

Janet Fratella  
Vice President of University Advancement  
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](http://giving.sou.edu).

### SOU Foundation

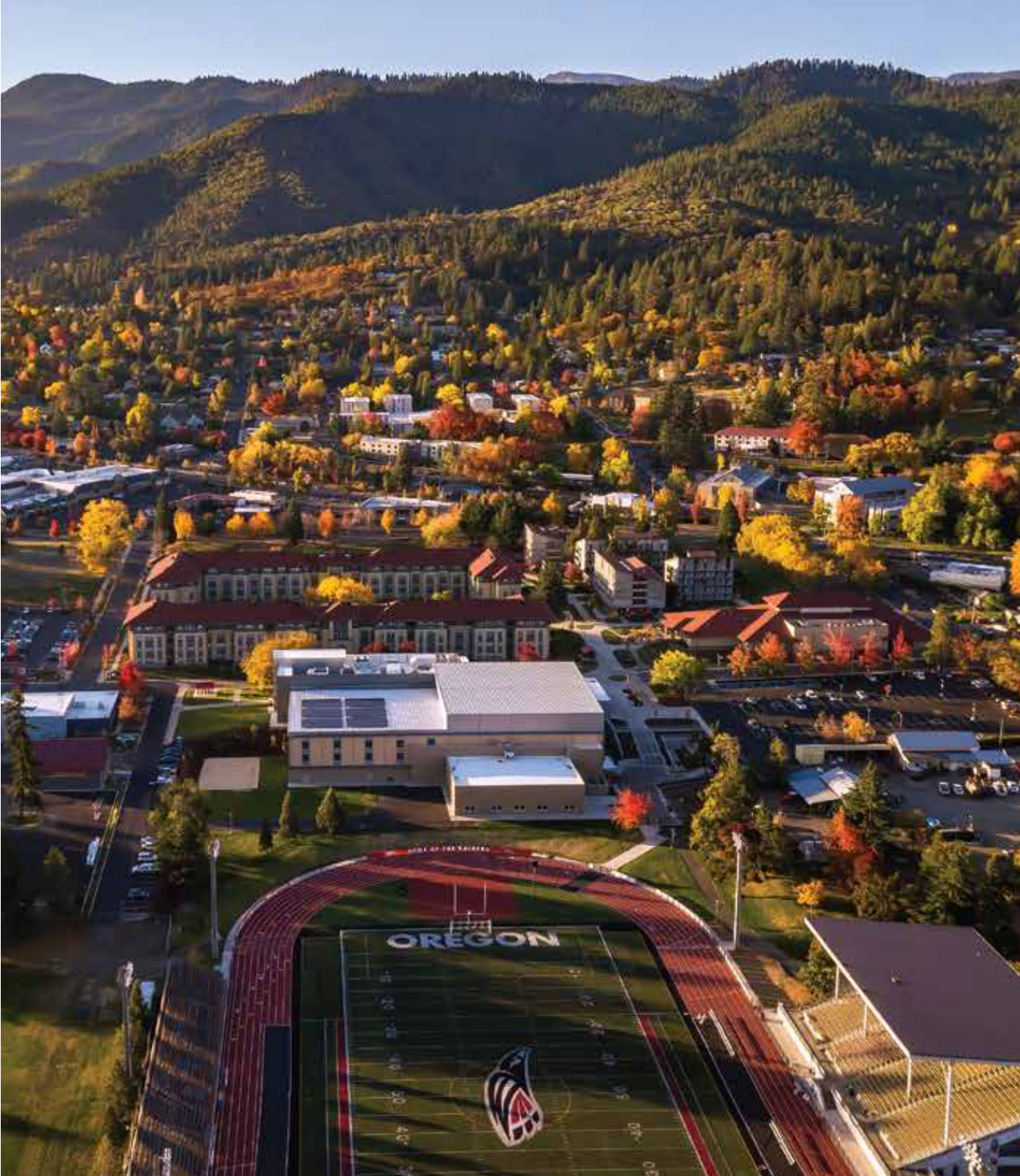
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