

MINUTES
Washington State University Board of Regents
June 5, 2025

The Board of Regents of Washington State University (WSU or University) met pursuant to call in open meeting virtually.

I. OPENING AND ROLL CALL

Chair Lisa Keohokalole Schauer called the meeting of the Board of Regents to order at 8:05 a.m.

Regents present were Chair Lisa Keohokalole Schauer, Enrique Cerna, Marty Dickinson, Judi McDonald, Doug Picha, Lura Powell, Jenette Ramos, Howard Wright, and President Elizabeth Cantwell.

Regent Brett Blankenship joined the meeting at 8:10 a.m. Regent Sam Hunt joined the meeting at 8:15 a.m.

Regent Kassandra Vogel was absent.

II. PUBLIC COMMENT PERIOD

No requests to provide public comment were received.

III. INFORMATION ITEMS

A. FY26 Budget Development

Executive Vice President for Finance and Administration and Chief Financial Officer (CFO) Leslie Brunelli, Vice President for External Affairs and Government Relations Glynda Becker-Fenter, and Vice President for Research Kim Christen provided an update on state and federal changes impacting the fiscal year 2026 budget development.

B. Collegiate Consulting – Athletics Valuation Study

Assistant Vice President for Business and Financial Services and Athletics CFO Jon Haarlow and Athletics Director Anne McCoy presented the results from the athletics valuation study that was completed upon request of the regents. Russell Wright and Bailey Concatto from Collegiate Consulting joined in presenting.

IV. ACTION ITEMS

A. Vancouver Proposed Naming

It was moved and seconded that the Board of Regents approve the proposed naming of the WSU Vancouver Classroom Building to Netzhammer Hall. Carried.

B. Fiscal Year 2026 Supplemental Operating Budget Request

It was moved and seconded that the Board of Regents approve the Fiscal Year 2026 State Supplemental Operating Budget Request and delegate authority to the President or designee to approve the final request and any adjustments that may be needed prior to submission to the Office of Financial Management (OFM), including development of additional decision packages if required to address strategic needs. The delegation of authority would be contingent upon the final request being presented to the full Board of Regents as an information item at the September 2025 meeting (resolution 250605-730). Carried. (Exhibit A)

C. Fiscal Year 2026 Supplemental Capital Budget Request

It was moved and seconded that the Board of Regents approve the WSU systemwide fiscal year 2026 state supplemental capital budget request for total of \$30 million to address a long standing deferred maintenance backlog of \$1.8 billion as well as emergent infrastructure failures across the system and further delegate authority to the President or designee to approve any adjustment that may be needed before submittal to the Office of Financial Management and to enter into any and all contracts necessary to complete the projects within the budgeted amount (resolution 250605-731). Carried.

D. WSU Pullman, College of Agriculture, Human, and Natural Resource Sciences (CAHNRS), Knott Dairy Center Digester, Project Budget Approval

It was moved and seconded that the Board of Regents approve the WSU Pullman, Knott Dairy Center Digester Project, with a total budget not to exceed \$ 10,000,000, authorize the project to proceed to design and construction, using the Design-Build (DB) process pursuant to RCW 39.10, and delegate authority to the President or designee to enter into any and all contracts necessary to complete the project within the budgeted amount (resolution 250605-732). Carried.

E. WSU Pullman, Voiland College of Engineering and Architecture Schweitzer Engineering Hall Increase Project Budget Approval

It was moved and seconded that the Board of Regents increase the WSU Pullman, VCEA Schweitzer Engineering project budget and further delegate authority to the President or designee to enter all contracts necessary for this phase of the project with a total project budget not to exceed \$80,440,000. (resolution 250605-733). Carried.

F. WSU Pullman, Dodgen Hot Cell Facility Design Approval

It was moved and seconded that the Board of Regents approve the schematic design for the WSU Pullman, Dodgen Hot Cell Facility Project. Carried. (Exhibit B)

G. WSU System, 2025-27 State Minor Capital Renewal (MCR) and State Minor Capital Improvement (MCI) Projects Procurement and Contract Execution Approval

It was moved and seconded that the Board of Regents approve the WSU System's 2025-27 State Minor Capital Renewal (MCR) and State Minor Capital Improvement (MCI) projects and delegate to the President or designee authority to group these minor capital projects into contracts that may exceed \$5M for the purpose of procurement and execution efficiency (resolution 250605-734). Carried. (Exhibit C)

H. WSU Pullman, Science Building Project Budget Approval

It was moved and seconded that the Board of Regents approve the WSU Pullman, Sciences Building project with a total budget not to exceed \$25 million, authorize the project to proceed to design and construction using the Design-Build (DB) process pursuant to RCW 39.10, and further delegate authority to the President or designee to enter into any and all contracts necessary to complete the project within the budgeted amount. (resolution 250605-735). Carried.

I. Wenatchee Tree Fruit Research & Extension Center Plant Growth Facility – Project Budget Approval

It was moved and seconded that the Board of Regents approve the Wenatchee Tree Fruit Research & Extension Center Plant Growth Facility, with a total budget not to exceed \$18 million, authorize the project to proceed to design and construction using the Design-Build (DB) process pursuant to RCW 39.10, and further delegate authority to the President or designee to enter into any and all contracts necessary to complete the project within the budgeted amount (resolution 250605-736). Carried.

J. Proposed Revisions to Board of Regents Policy #5 Debt Management Policy

It was moved and seconded that the Board of Regents adopt the proposed revisions to the Board of Regents Policy #5 (BOR5) Debt Management Policy authorizing the issuance of short-term credit facilities, including lines of credit and establishing parameters and reporting requirements for its use. Carried. (Exhibit D)

K. Authorization to Establish a Revolving Bank Line of Credit

It was moved and seconded that the Board of Regents authorize the issuance of a revolving line of credit with the net indebtedness not to exceed \$50 million plus related interest, origination, and maintenance costs; and delegate authority to the President or designee to select one or more banks and/or dealers and execute agreements and other documents in connection with the issuance and delivery of the credit facility (resolution 250605-737). Carried.

L. Proposed Amendments to the WSU Foundation Consolidated Endowment Fund Investment Policy Statement and Spending Policy

Chair Schauer noted for the record that it was decided that this item would be presented as an Action Item rather than a Future Action Item in accordance with the Board of Regents Bylaw II.12.c.

It was moved and seconded that the Board of Regents approve proposed amendments to the WSU Foundation Consolidated Endowment Fund Investment Policy Statement and Spending Policy (Investment Policy Statement) as recommended by the Investment Committee and approved by the WSU Foundation Board of Directors on May 8, 2025. Carried. (Exhibit E)

M. WSU Voluntary Early Retirement Incentive (VERI) Program

Chair Schauer noted for the record that it was decided that this item would be presented as an Action Item rather than a Future Action Item in accordance with the Board of Regents Bylaw II.12.c.

It was moved and seconded that the Board of Regents approve the attached Voluntary Early Retirement Incentive Program (VERI) for employees in the Washington State University Retirement Plan (WSURP) and authorize the President or designee(s) to offer the incentive to any eligible member of the WSURP. Carried. (Exhibit F)

N. Cougar Athletics Multimedia Rights Partnership Contract

Chair Schauer noted for the record that it was decided that this item would be presented as an Action Item rather than a Future Action Item in accordance with the Board of Regents Bylaw II.12.c.

It was moved and seconded that the Board of Regents authorize the University to enter into a multimedia rights contract for WSU Athletics and delegate authority to the President or designee to negotiate and execute the contract with potential total value up to \$40,000,000 (resolution 250605-738). Carried.

O. Fiscal Year 2026 University Operating Budget Approval

It was moved and seconded that the Board of Regents approve the Fiscal Year 2026 University Operating Budget and delegate authority to the President or designee to implement the budget and make adjustments throughout the fiscal year as needed (resolution 250605-739). Carried. (Exhibit G)

P. Fiscal Year 2026 Cougar Athletics Budget Approval

Chair Schauer noted for the record that it was decided that this item would be presented as an Action Item rather than a Future Action Item in accordance with the Board of Regents Bylaw II.12.c.

It was moved and seconded that the Board of Regents approve the fiscal year 2026 Athletics budget. Carried. (Exhibit H)

Q. Fiscal Year 2026 Cougar Athletics Budget Approval

Chair Schauer noted for the record that it was decided that this item would be presented as an Action Item rather than a Future Action Item in accordance with the Board of Regents Bylaw II.12.c.

It was moved and seconded that the Board of Regents approve transfers necessary at Fiscal Year 2025 year-end to cover the deficit balance. Carried. (Exhibit H)

V. ADJOURN

The meeting was adjourned at 12:33 p.m.

Approved by the Board of Regents at its meeting held on September 19, 2025.

Signed Copies Available in the Office of the System President

ACTION ITEM B

Fiscal Year 2026 State Supplemental Operating Budget Request
(Leslie Brunelli/Glynda Becker-Fenter/Chris Jones/
Chris Mulick/Chris Riley-Tillman)

June 5, 2025

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Fiscal Year 2026 State Supplemental Operating Budget Request

PROPOSED: That the Washington State University Board of Regents approve the Fiscal Year 2026 State Supplemental Operating Budget Request and delegate authority to the President or designee to approve the final request and any adjustments that may be needed prior to submission to the Office of Financial Management (OFM), including development of additional decision packages if required to address strategic needs. The delegation of authority would be contingent upon the final request being presented to the full Board of Regents as an information item at the September 2025 meeting.

SUBMITTED BY: Leslie Brunelli, Executive Vice President, Finance & Administration/CFO

SUPPORTING INFORMATION: The proposed request for the Fiscal Year 2026 State Supplemental Operating Budget Request is described below:

- 1. Masters Entry to Professional Nursing Degree Program (MEPN)**
Funding would establish the state's first 14-month-long MEPN program for students already holding a Bachelor's degree to increase the supply of licensed nurses and nurse educators.
Request amount: \$1.4 million annually
- 2. WSU ROAR stabilization and expansion**
Funding would replace an expiring federal grant and expand the College of Education, Sport, and Human Sciences' signature program to promote independent living and job skills for students with intellectual and developmental disabilities in a residential setting on the Pullman campus.
Request amount: \$600,000 annually

BOARD OF REGENTS

Fiscal Year 2026 State Supplemental Operating Budget Request Approval and Delegation of Authority

Resolution #250605-730

WHEREAS, RCW 28B.30.095, RCW 28B.30.100, and RCW 28B.30.150 vest the governance and management of Washington State University (WSU) in the Board of Regents of WSU (Board); and

WHEREAS, the Board, by virtue of RCW 28B.10.528, has the authority to delegate by resolution to the President of WSU, or designee, any of the powers and duties vested in or imposed upon the Board by law; and

WHEREAS, the Board has delegated broad authority to the President or designee to act in matters relating to the general business and financial affairs of WSU;

NOW, THEREFORE, IT IS RESOLVED that the Board approves the WSU fiscal year 2026 state supplemental operating budget request for \$1.4 million annually to fund a Masters Entry to Professional Nursing Degree Program and \$600,000 annually to fund the ROAR program in the College of Education, Sport, and Human Sciences. The Board further delegates authority to the President or designee to approve the final request and any adjustments needed prior to submission to the Office of Financial Management (OFM), including development of additional decision packages if required to address strategic needs. This delegation of authority is contingent upon the final request being presented to the full Board of Regents as an information item at the September 2025 meeting.

Signed the 5th day of June, 2025.

Chair, Board of Regents

Secretary, Board of Regents

Exhibit B



Gensler

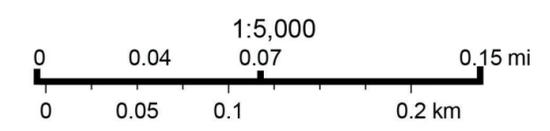
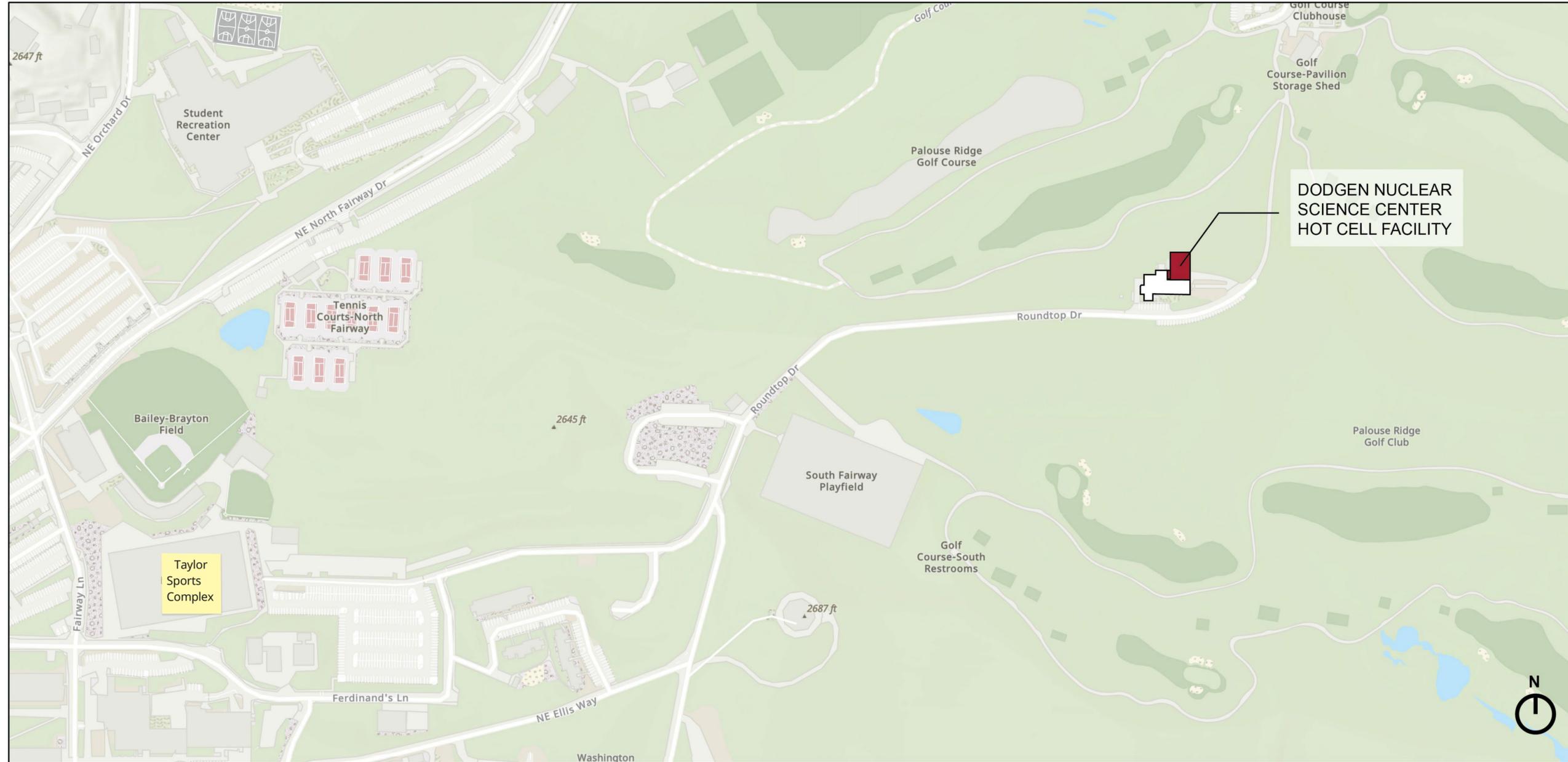
Dodgen Nuclear Science Center Hot Cell Facility

BOR PRESENTATION | MARCH 28, 2025

Vicinity Plan



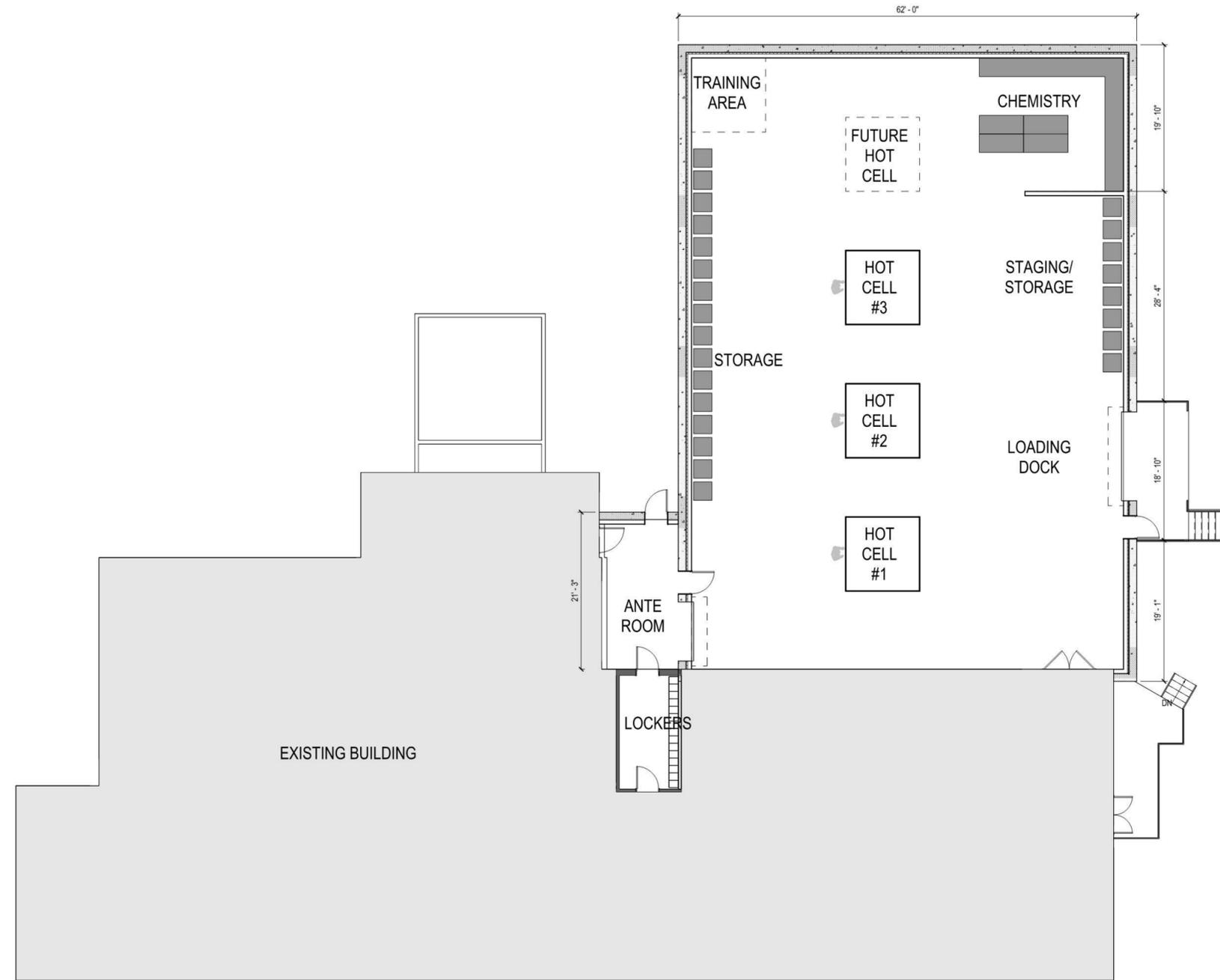
Gensler



Illustrative Site Plan

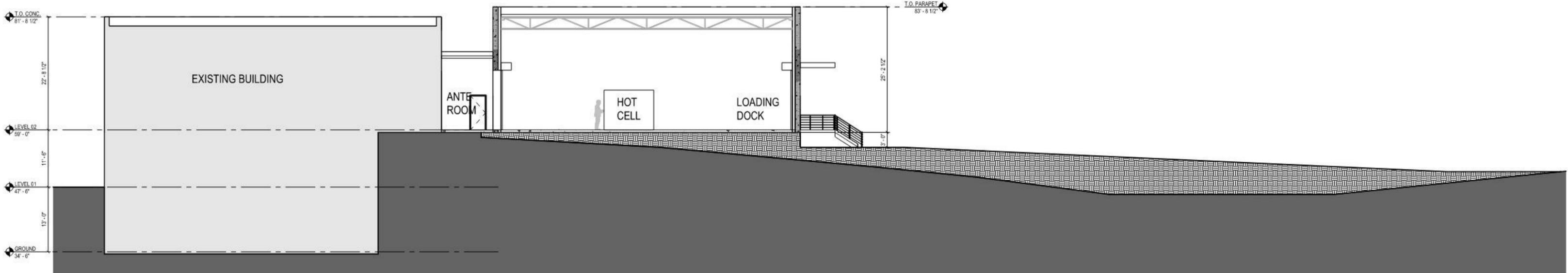


Floor Plan

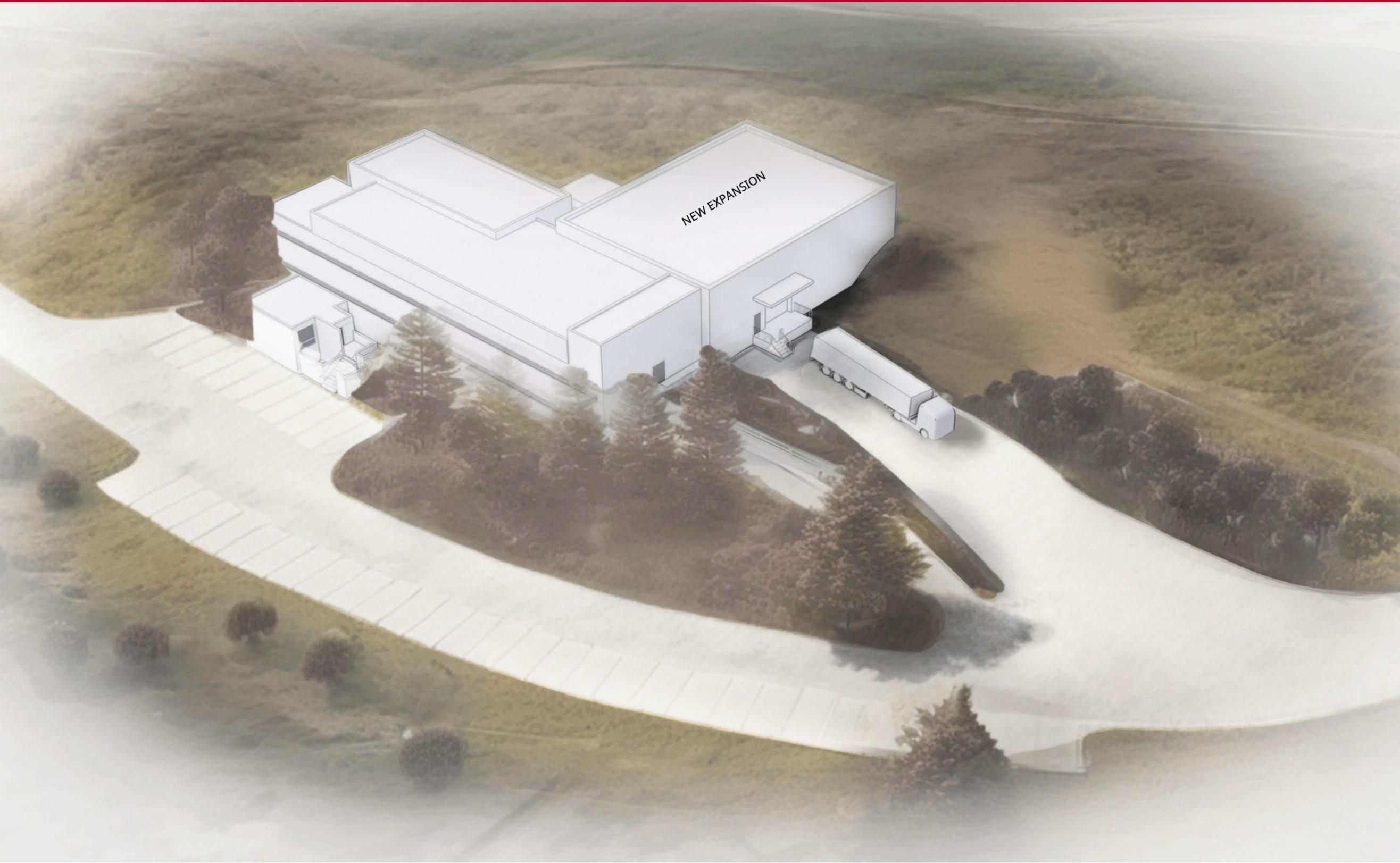


LEVEL 2 PLAN OF EXISTING BUILDING AND HOT CELL FACILITY: NTS

Building + Site Section



EAST-WEST SECTION THROUGH HOT CELL FACILITY: NTS



Existing Conditions:

The existing Nuclear Science Center comprises of white finished cast-in-place concrete walls, white stucco, glass spandrel, and ribbon windows.

Proposed Addition:

The proposed addition to the north will complement the existing material palette, while optimizing service and loading.



Exhibit C

ACTION ITEM G

WSU System, 2025-27 State Minor Capital Renewal (MCR) and State Minor Capital Improvement (MCI) Projects Procurement and Contract Execution Approval
(Leslie Brunelli/Olivia Yang)

June 5, 2025

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU System, 2025-27 State Minor Capital Renewal (MCR) and State Minor Capital Improvement (MCI) Projects Procurement and Contract Execution Approval

PROPOSED: That the Board of Regents approve the WSU System's 2025-27 State Minor Capital Renewal (MCR) and State Minor Capital Improvement (MCI) projects and delegate to the President or designee authority to group these minor capital projects into contracts that may exceed \$5M for the purpose of procurement and execution efficiency.

SUBMITTED BY: Leslie Brunelli, Executive Vice President, Finance & Administration/CFO

SUPPORTING INFORMATION: Washington State University's 2025-27 state capital budget aligns capital investment with the system's priorities in teaching, research and outreach.

There are two general categories of state capital funding: Preservation and Program Improvement for individual projects under \$2M.

The state capital request places a high priority on maintaining and preserving capital investments of university facilities systemwide. Limited funding for capital renewal and ongoing reductions in operating budgets have contributed to a growing deferred maintenance backlog, currently estimated at \$1.8B.

WSU's growing deferred maintenance backlog of renewal and preservation requirements is most often addressed through minor works, which remains WSU's top priority in the capital budget.

Minor works projects typically address deferred maintenance system-

wide in these areas. Pending funding levels, public works contracts will be bundled around these categories. We expect most of these contracts will exceed \$5M each.

- Elevator/conveyances component replacement, repair, and upgrades
- Life safety/code compliance; security; environmental; public and employee liability & safety
- HVAC and Building Automation System controls
- Electricity, sewer, steam, and water distribution systems renewal
- Mechanical systems, compressors and pump replacements and renewals
- Network and communication infrastructure
- Roofs, exterior masonry/painting, restoration, window/door replacement and
- Repairs

ATTACHMENT: 2025-27 State Capital Budget Funding Request

ATTACHMENT
2025-27 State Capital Budget Funding Request

WASHINGTON STATE UNIVERSITY 2025-27 State Capital Budget Funding Request										
2025-27						WSU Requested	Governor	Senate	House	Compromise
Priority	Project	Class	Stage	WSU Total	Prior \$	2025-27	2025-27	2025-27	2025-27	2025-27
1	Minor Capital Preservation (MCR)	Preservation	pool	\$ 40,000,000	\$ -	\$ 40,000,000	\$ 40,000,000	\$ 40,000,000	\$ 40,000,000	\$ 40,000,000
2	Minor Capital Program (MCI & Omnibus Equip.)	Program	pool	\$ 20,000,000	\$ -	\$ 20,000,000	\$ 11,690,000	\$ 10,000,000	\$ 5,000,000	\$ 5,000,000
3	Pullman Sciences Building	Program	D/C	\$ 25,500,000	\$ 500,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000
4	Spokane Team Health Education Building	Program	C	\$ 65,000,000	\$ 7,000,000	\$ 58,000,000	\$ 58,000,000	\$ -	\$ 37,000,000	\$ -
5	System-wide Learning Renovations GUC/Teaching	Preservation	D/C	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
6	System-wide Wireless Enhancement	Preservation	D/C	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
7	Tri-Cities East Building Lab Renovation	Preservation	D/C	\$ 3,000,000	\$ -	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -
8	Vancouver Central Chiller Plant Upgrade	Preservation	D/C	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000
9	Puyallup Washington Animal Disease Diagnostic Lab Facility	Program	PD/D	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	\$ 3,000,000
10	Wenatchee Tree Fruit Research and Extension Center Plant Growth Facility	Program	D/C	\$ 10,000,000	\$ -	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
11	Pullman VCEA Modernization	Program	PD	\$ 500,000	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -
12	Pullman Dairy Modernization	Program	PD	\$ 500,000	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
13	Clean Buildings Performance Standard Energy Efficiency Improvements	Preservation	D/C	\$ 10,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000	\$ -
	<Added by Senate Proposal> Greenhouse Renovations					\$ -	\$ -	\$ 750,000	\$ -	\$ 750,000
	<Added in Compromise> Ensminger Beef					\$ -	\$ -	\$ -	\$ -	\$ 250,000
20	Preventive Maintenance Budget to Capital (Assumes Permanent)					\$ 10,115,000	\$ 10,115,000	\$ 10,115,000	\$ 10,115,000	\$ 10,115,000
				Subtotal		\$ 185,907,000	\$ 167,597,000	\$ 99,365,000	\$ 135,115,000	\$ 97,615,000
21	Cougar Energy Initiative	Preservation	D/C	\$ 200,000,000	\$ -	\$ 200,000,000	\$ 17,293,000	\$ -	\$ -	\$ -
	2025-27 State Capital Budget Request					\$ 385,907,000	\$ 184,890,000	\$ 99,365,000	\$ 135,115,000	\$ 97,615,000

BOARD OF REGENTS

WSU System, 2025-27 State Minor Capital Renewal (MCR) and State Minor Capital Improvement (MCI) Projects Procurement and Contract Execution Approval

Resolution #250605-734

WHEREAS, RCW 28B.30.095, RCW 28B.30.100, and RCW 28B.30.150 vest the governance and management of Washington State University (WSU) in the Board of Regents of WSU (Board); and

WHEREAS, the Board, by virtue of RCW 28B.10.528, has the authority to delegate by resolution to the President of WSU, or designee, any of the powers and duties vested in or imposed upon the Board by law; and

WHEREAS, the Board has delegated broad authority to the President or designee to act in matters relating to the general business and financial affairs of WSU.

NOW, THEREFORE, IT IS RESOLVED: That the Board approves the WSU System's 2025-27 State Minor Capital Renewal (MCR) and State Minor Capital Improvement (MCI) projects and delegates to the President or designee the authority to group these minor capital projects into contracts that may exceed \$5M for the purpose of procurement and execution efficiency.

Signed the 5th day of June, 2025.

Chair, Board of Regents

Secretary, Board of Regents

BOR 05: Debt Management Policy

Revision Approved by the Board of Regents,

Contents

- [1.0 Purpose and Policy](#)
- [2.0 Debt Subject to Policy](#)
- [3.0 Governing Principles](#)
- [4.0 Debt Issuance Principles](#)
- [5.0 Refinancing and Refunding Principles](#)
- [6.0 Responsibilities](#)
- [7.0 General Reporting Requirements](#)

1.0 Purpose and Policy

In accordance with the provisions of [RCW 28B.10.022](#), [28B.10.300-330](#), [28B.30.700-780](#), [28B.140](#) and [39.94](#), the Board of Regents (the “Regents”) of Washington State University (the “University”) has the power and authority to enter into financing contracts secured by the revenues it controls, and not subject to state appropriation, or to borrow money to acquire, construct, and/or equip dormitories, hospitals, clinics, dining halls, facilities for student activities, facilities housing services for students, parking facilities, research facilities, and any buildings or facilities authorized by the legislature. Operating or capital leases are not considered financing contracts for the purposes of this policy.

This policy states the principles that govern the use of debt instruments to finance University capital and infrastructure projects and assigns responsibilities for the implementation and management of the University’s debt.

2.0 Debt Subject to Policy

Debt, as the term pertains to this policy, means University obligations for the repayment of borrowed money incurred to fund the construction or acquisition of capital assets, infrastructure and any other University purpose approved by the Regents. This includes, but is not limited to, University general revenue bonds, revenue bonds for various auxiliaries, bank loans, short-term credit facilities such as notes or lines of credit, and any public-private project that would impact the University’s credit. It does not include state general obligation bonds or state certificates of participation benefitting the University, except when such obligations are reimbursable by the University.

3.0 Governing Principles

- No debt is issued without prior approval of the Regents, except that the Regents have delegated authority to the University President or designee to issue refunding bonds when the threshold provisions in [Section 5.0](#) are met. (See Board of Regents Policy on Delegation of Authority (BOR2), [Appendix 6](#).)

BOR 05: Debt Management Policy

Revision Approved by the Board of Regents,

3.0 Governing Principles (cont.)

- The University complies with all applicable laws, regulations, and bond covenants.
- Debt is a limited resource that is used to fund only capital projects that are consistent with the University's mission and strategic priorities, and its capital plan(s).
- The maturity and term of debt repayment is determined on:
 - The basis of expected availability of resources;
 - Other goals and obligations of the borrowing unit and the University;
 - Useful life of the assets being financed; and
 - Market conditions at the time of financing.
- The University establishes an internal compliance plan and engages in regular debt monitoring under that plan, to ensure compliance with this policy, bond resolutions, and other requirements.
- The University performs sensitivity analysis to evaluate varying cost and revenue drivers and discuss such analysis at the time of requesting additional debt and/or annual debt reporting to the Board of Regents. Such drivers include, but are not limited to, enrollment deviations, tuition and fee variations, state and federal appropriation changes, sponsored research anomalies all as compared to current year budget, while reflecting varying market assumptions.
- The University's overall debt status and outlook is reported to the Regents, at least annually, consistent with the requirements herein.

4.0 Debt Issuance Principles

- In general, new debt is secured by the general revenues of the University; but the University may secure debt by a specified revenue stream when legally and financially feasible for a specific project or purpose.
- The use of short-term credit facilities, such as a line of credit, shall only be used for bridging short-term operating liquidity cash flows. Draws on short-term credit facilities must include an identified source of repayment and follow the general reporting requirements in Section 7.0.
- For each project to be financed, the University identifies a source of repayment, sufficient in security and amount to support debt service over the life of the financing, as well as operating costs.
- The University seeks to maintain national credit ratings for general revenue bonds in the Aa/AA range and employs financial ratios consistent with major credit rating agency criteria to confirm that it is operating within parameters that support the desired credit rating.

BOR 05: Debt Management Policy

Revision Approved by the Board of Regents,

- The University seeks to maintain a debt burden ratio below 7.5 percent, where debt burden is defined as the total annual debt service payment as a percentage of total operating costs.

4.0 Debt Issuance Principles (cont.)

- Financings are coordinated, to the extent practical, to minimize the fixed costs of debt issuance.
- In general, fixed rate debt is utilized, but the University may incur debt bearing interest at variable rates when appropriate for a particular financing plan, and taking into account bond market conditions, the University's liquidity position, and risks associated with variable rate debt (including interest rate risk, remarketing risk, and liquidity renewal risk).
- The University does not enter into any derivative transactions without first adopting a derivatives policy.

5.0 Refinancing and Refunding Principles

Refinancing of obligations may be considered:

- If it relieves the University of covenants, payment obligations, constraints, or reserve requirements that limit flexibility;
- To consolidate debt into a general revenue pledge and/or reduce the cost and administrative burden of managing many small outstanding obligations, after demonstration of the proposed benefits; or
- If the net present value ("NPV") savings to the University exceeds minimum thresholds, when measured as a percentage of the par amount of debt to be refinanced, and the refinancing supports the strategic need of the University.

Refunding Thresholds

If the refunding is being done for debt service savings, current refunding (i.e., refinancing completed up to 90 days prior to the first call date to final maturity for the obligations) may be considered when NPV savings are expected to meet the following thresholds:

- 1% for one to five years
- 3% for more than five years

If the refunding is being done for debt service savings, advance refunding (i.e., refinancing completed more than 90 days prior to the first call date for the obligations) may be considered when NPV savings are expected to meet the following thresholds:

BOR 05: Debt Management Policy

Revision Approved by the Board of Regents,

- 3% for one to five years
- 5% for over five years

Refunding Thresholds (cont.)

The Board of Regents has delegated authority to the President or designee to issue refunding obligations when the refunding threshold provisions above are not met or exceeded. See Board of Regents Policy on Delegation of Authority (BOR2), [Appendix 6](#).

6.0 Responsibilities

The Board of Regents is responsible for:

- Reviewing and approving any capital project to be considered for financing;
- Reviewing and authorizing each individual debt financing transaction, except for the issuance of refunding obligations as stated in [Section 5.0](#), or the renewal of existing short-term credit facilities, so long as the maximum borrowing amount does not exceed what has been previously authorized and any renewals of outstanding short-term credit facilities are in accordance with the authorizing resolution; and
- Approving this policy and any changes to this policy.

The Executive Vice President for Finance and Administration is responsible for:

- Implementing this policy;
- Establishing an internal compliance plan for all debt management and issuance;
- Retaining expert advisors as needed to assist with the issuance and administration of debt;
- Analyzing and presenting recommendations to the President and the Regents in connection with each proposed debt financing transaction, including:
 - Identification of source of repayment for each project, together with pro forma financial statements and assumptions relating thereto, and
 - Internal coverage requirements for each project and/or auxiliary providing repayment;
 - Issuing refunding obligations as set forth in [Section 5.0](#);
- Overseeing management of daily activities relating to debt and debt issuance, including initiating draws from short-term credit facilities in accordance with the

BOR 05: Debt Management Policy

Revision Approved by the Board of Regents,

requirements in Section 7.0, and coordination with legal and financial advisors to prepare and review the documents necessary for bond issuance and rating agency communication;

- Ensuring the University fulfills its continuing disclosure obligations, monitors compliance with bond covenants and IRS regulations, and invests unspent bond funds prudently;
- Fulfilling the reporting requirements of this policy; and
- Renewing expiring short-term credit facilities

6.0 Responsibilities (cont.)

If at any time the Executive Vice President for Finance and Administration becomes aware of and substantiates concerns about project revenue streams or ability of a project or auxiliary to meet debt service or coverage requirements on outstanding or proposed debt, and/or the ability of the University to meet internal compliance targets or service outstanding or proposed debt, they must report such concerns at the next meeting of the Board of Regents, and must periodically report thereafter until the concerns have been fully addressed and resolved.

7.0 General Reporting Requirements

At least annually, the Executive Vice President for Finance and Administration provides a report to the Regents detailing:

- All outstanding debt (by series and auxiliary, where applicable);
- The amount of outstanding principal, interest rates, maturity dates, debt-service requirements, and changes in outstanding debt since the previous year's report;
- Key covenants and ratios as selected by the Executive Vice president for Finance and Administration or requested by the Board, such as:
 - Ratio of cash and investments to debt,
 - Ratio of debt service to operating expenses (University-wide), or
 - Debt service coverage (University-wide and by auxiliary);
- Comparative ratios (same as above) showing University comparison to the rating category medians and to peer institutions with the same or similar ratings;
- For any variable rate debt, including credit facilities, the status and remaining term of any letter of credit or similar liquidity source;
- For any derivatives, an overview of terms and the "mark-to-market" value;

BOR 05: Debt Management Policy

Revision Approved by the Board of Regents,

- Any known or anticipated new debt issuance; and
- Any restructuring or refinancing opportunities, including any completed refunds and related cost savings, if applicable.

Prior to drawing from any short-term credit facility, the Executive Vice President for Finance and Administration will review with the University Financial Advisor and consult with the President regarding the financial plan related to use of the credit facility. The President will then advise the Chair of the Board of Regents and Chair of the Finance and Administration Committee of the Board of Regents, including on the purpose and total amount to be drawn, the cost of borrowing, and source and timeline for repayment.

- On or before the next regular meeting of the Board of Regents, the Executive Vice President for Finance and Administration will provide a written summary via information item of action taken to utilize the credit facility and will continue to provide written reports at each regular meeting until the draw balance is repaid.

Exhibit E

**Washington State University Foundation
Consolidated Endowment Fund**

Investment Policy Statement and Spending Policy

Effective Date: July 1, 2025

*(Approved by WSU Foundation Board of Directors on May 8, 2025 and
WSU Board of Regents on May 21, 2025)*

Contents

1. Purpose and Background	4
2. Allocation of Responsibilities	6
2.1 Governing Boards	6
2.2 WSU Foundation Investment Committee	7
2.3 Chair of the Committee.....	9
2.4 WSU Foundation CFO	10
2.5 Custodian Bank.....	10
2.6 Investment Managers.....	11
2.7 Investment Consultant	11
3. Investment Objectives	12
3.1 Total Fund Return Objectives	12
3.2 Investment Strategy Objectives	13
3.3 Domestic Equities	14
3.4 International Equities	14
3.5 Alternative Assets – Private Equity	14
3.6 Alternative Assets – Hedge Funds.....	14
3.7 Alternative Assets – Real Assets	14
3.8 Inflation Protected Fixed Income	15
3.9 Fixed Income.....	15
4. Policy Guidelines.....	15
4.1 Spending Policy/Rebalancing/Cash Flow Management.....	15
4.2 Spending Policies	15
4.3 Reinvestment Policy.....	17

4.4	Rebalancing/Cash Flow Management	17
4.5	Usage of Derivatives	17
4.6	Proxy Voting.....	18
4.7	Securities Lending	18
4.8	Cougar Investment Fund.....	18
4.9	Conflicts of Interest.....	18
5.	Monitoring of Objectives	19
6.	Communications and Reporting.....	20
6.1	Chair of the Investment Committee	20
6.2	WSU Foundation Staff	20
6.3	Investment Managers.....	20
6.4	Investment Consultant.....	21
7.	Evaluation and Review	21
7.1	Evaluation	21
7.2	Meetings.....	22
7.3	Authorities and Limitations.....	22
Appendix A	24
Appendix B	25
Appendix C	26
Appendix D	31

1. Purpose and Background

PURPOSES/ROLE:

The Investment Committee manages and invests the endowed assets held by the WSU Foundation to maximize the return on those investments within an acceptable risk profile. It is a standing fiduciary committee established under the Restated Bylaws of the WSU Foundation, is responsible for investments, reinvestments, and general management of all property and assets held for investment by the WSU Foundation, excluding planned gift assets held in trust or agreement by the WSU Foundation, and including those University assets entrusted to the WSU Foundation for investment management under contract with the University. This Investment Policy Statement and Spending Policy (**Investment Policy Statement**) applies to the endowed assets of the WSU Foundation and University. The Investment Committee develops investment policies, to be presented to its Board of Directors for approval, for investing capital of the WSU Foundation, along with a consistent monitoring of investment performance and investment management, per its Investment Committee Charter, as amended from time to time. A copy of the Investment Committee Charter in effect on the date of this Investment Policy Statement and Spending Policy is attached as Appendix D.

BACKGROUND:

Washington State University Foundation (**WSU Foundation**) was established as a Washington nonprofit corporation in 1979. It is recognized by the Internal Revenue Service as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The WSU Foundation's mission is to promote, accept, and maximize private support for programs, initiatives, and properties of Washington State University (**University**), and prudently manage, invest, and steward the assets entrusted to it by the University and its alumni, friends, and donors. WSU Foundation is a separate and independent entity from the University and is neither a state agency nor its functional equivalent.

The University has contracted with the WSU Foundation to be the principal entity for promoting, receiving, and managing all private gifts to the University as set forth in the Agreement between Washington State University and Washington State University Foundation (**Agreement**). Pursuant to the Agreement, the WSU Foundation actively solicits alumni and friends of the University on behalf of the University. Some donors' gifts are intended to create endowments. These endowments may be titled in the name of the WSU Foundation or the University depending on the donor's intent.

This Investment Policy Statement applies to WSU Foundation assets held as endowments as well as University endowed assets entrusted to the WSU Foundation for investment management under the Agreement. These endowed assets are managed by the WSU Foundation as part of the Washington State University Foundation Consolidated Endowment Fund (**Fund**). The Fund is an institutional fund (as that term is defined in RCW 24.55.010(4)). There are two components to the Fund, reflecting the sources of the Fund's corpus:

- a. WSU Foundation's endowed assets consist of permanent endowments, quasi-endowments and funds building to target (the endowment is funded over a period of time).

- b. University's endowed assets consist of permanent endowments, quasi-endowments and funds building to target (the endowment is funded over a period of time).

Distributions from the Fund are made quarterly in accordance with the spending policy, set out in Section 4.2 hereof and mutually agreed upon by the Directors and the Regents. Furthermore, the Committee shall report, at least annually, to the Directors, the Regents, and University's administration the investment performance against benchmarks.

The WSU Foundation Board of Directors (**Directors**) are fiduciaries for the WSU Foundation's endowed assets. The Washington State University Board of Regents (**Regents**) are fiduciaries for the University's endowed assets. Pursuant to the Agreement, and subject to this policy, the Directors, the WSU Foundation, and the WSU Foundation Investment Committee (**Investment Committee**), as appropriate, are responsible for the investment and management of the WSU Foundation's endowed assets and the University's endowed assets.

COMPOSITION/APPOINTMENT/REPORTING:

The Investment Committee is comprised of at least nine (9), but not more than thirteen (13) appointed members (voting), plus a select number of ex officio members (non-voting). The Regents appoint two (2) of these voting members, one a member of the Regents, the other a Regent or a volunteer with investment expertise and experience selected upon consultation with the Investment Committee, subject to notice to the Directors. These members serve a one-year (1-year) renewable term upon appointment by the Regents. The other Investment Committee members are appointed jointly by the Chair of the Board of Directors and the Chair of the Investment Committee; selected from Board members or volunteers with investment expertise and experience upon consultation with the Investment Committee, and subject to approval of the Directors and notice to the Regents. These members serve a four (4) year term renewable upon appointment by the Chair of the Board of Directors and the Chair of the Investment Committee. Ex officio (non-voting) seats are designated by the Directors pursuant to the Charter and shall always include at least one (1) University representative and one (1) Audit Committee Member and one (1) Finance Committee Member. As of the date of the adoption of this Investment Policy, the Chief Financial Officer and Vice President for Finance and Administration (CFO/VPFA) of WSU, the CEO of the WSU Foundation, and the Chief Financial Officer of the WSU Foundation or their designee are ex officio members of the Investment Committee. The Investment Committee Chair must be a Director. The Chief Financial Officer of the WSU Foundation or designee serves as secretary to the Investment Committee. Investment policy and guidelines, as well as performance against benchmarks shall be reported by the Investment Committee Chair, at least annually, to the Board of Directors, and the Board of Regents of the University and University administration.

MEETINGS:

The Investment Committee will meet at least four (4) times a year.

2. Allocation of Responsibilities

This section describes and delineates the responsibilities of the key parties to the Fund's investment process. The Directors and the Regents, as the governing boards for the WSU Foundation and the University, respectively, have a responsibility to set investment and spending policy with respect to the endowed assets of each entity in the Fund, and to review and approve any changes thereto. Management and investment of the Fund may be delegated to the extent that the WSU Foundation and the University may prudently delegate under the circumstances. In delegating, the Directors and the Regents shall act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances.

The responsibilities identified in this section and elsewhere in this policy delineate the scope of the respective delegations by the Directors and the Regents, and the authority retained.

2.1 Governing Boards – Board of Directors (WSUF) and Board of Regents (WSU)

2.1.1 Directors of WSU Foundation

The Directors provide performance accountability, membership oversight, and governance evaluation for the Investment Committee. The Directors' responsibilities are to:

- a. Approve the Investment Committee Charter, annually.
- b. Approve the Investment Policy Statement, and changes to the Investment Policy Statement .
- c. Assess Fund performance against annual goals.
- d. Review and approve final Directors-appointed candidates for open positions on the Investment Committee, as recommended by the Investment Committee, including additional *ex officio* members, Committee Chair, and Committee Vice Chair.
- e. Annually review the operational performance of the Investment Committee and its members.
- f. Review member de-selection recommendations as submitted by the Investment Committee Chair, approve de-selection recommendations of Directors-appointed members, and forward de-selection recommendations of Regents-appointed members to Regents for approval. De-selection does not include normal end-of-term roll-off of members.
- g. Maintain “best in class” operations by periodically assessing Investment Committee performance and evaluating changes in: the roles and responsibilities of Committee and staff; the structure and composition of the Investment Committee; the characteristics and qualifications of Committee Chair and members; and the Investment Committee support model.
- h. Address problems with Investment Committee operations as they arise.

- i. Identify a group of higher education institutions where the WSU Foundation can benchmark its results with endowments similar in size.

2.1.2 Regents of WSU

The Regents' responsibilities are to:

- a. Approve the Investment Policy Statement and changes to the Investment Policy Statement .
- b. Review and approve Regents-appointed Investment Committee members.
- c. Annually review the operational performance of the Fund and the actions of the WSU Foundation, its Directors, and the Investment Committee in their role as manager of University endowed assets in order to monitor performance and compliance with the scope of the delegation of management of University's endowed assets.
- d. Review and approve de-selection recommendations from the Investment Committee of Regents-appointed members. De-selection does not include normal end-of-term roll-off of members.

2.2 WSU Foundation Investment Committee

2.2.1 Duties

The Investment Committee is responsible for implementation of this Investment Policy Statement, and for investing capital, monitoring and reviewing investment performance, establishing appropriate benchmarks, and investment management. It may delegate fulfillment of investment and administrative tasks to other qualified professionals. The Investment Committee's responsibilities with respect to the Fund's assets include completing each of the duties below in a prudent manner:

- a. Exercise ordinary business care and prudence under the facts and circumstances prevailing in managing and investing the assets of the endowment. Specific factors guiding the Committee in managing and investing the assets are:
 - 1. General economic conditions;
 - 2. Effects of inflation and deflation;
 - 3. Expected tax consequences of investment decisions;
 - 4. Role of each investment in fund portfolio;
 - 5. Expected total return from income and growth of investments;
 - 6. Other Foundation and University resources;
 - 7. Needs for the fund to make distributions and preserve capital;

8. An asset's special relationship or special value to the University's mission;
 9. To incur only costs that are appropriate and reasonable in relation to the Fund's assets;
 10. Make reasonable effort to verify facts relevant to the management and investment of the Fund; and
 11. Annually review Investment Policy Statement and Spending Policy.
- b. Act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances in delegating management and investment of the Fund to an external agent in:
 1. Selecting the agent;
 2. Establishing the scope and terms of the delegation; and
 3. Reviewing and monitoring the agent's performance.
 - c. Act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances in making decisions to appropriate for expenditure or accumulate Fund assets, taking into consideration:
 1. Duration and preservation of the endowment fund;
 2. Purposes of the University and the endowment fund;
 3. General economic conditions;
 4. Possible effect of inflation or deflation;
 5. The expected total return from income and the appreciation of investments;
 6. Other resources of the University
 7. This Investment Policy Statement.
 - d. Comply with all applicable state and federal laws, regulations, and rulings that relate to the Fund's investment management process.
 - e. Recommend Investment Policy Statement and Spending Policy changes to the Directors and the Regents.
 - f. Operate within the allocation ranges of the Investment Policy Statement.
 - g. Establish and review objectives, asset allocation, and guidelines for the investment of the Funds' assets.
 - h. Establish and comply with policies addressing issues that may result in perceived or actual conflicts of interest (including but not limited to relationships with

investment managers or other firms doing business with the Fund and receipt of gifts or entertainment above a certain dollar value from firms doing business with the Fund) and other governance issues.

- i. Select qualified external investment managers to manage the Fund's assets.
- j. Select other service providers it deems appropriate to carry out its function, including, but not limited to, independent investment consultant(s).
- k. Meet quarterly to evaluate policy compliance, review progress in achieving the Fund's goals, and assess the effectiveness of the investment program.
- l. Evaluate the Fund's performance and the performance of the professionals hired to assist the Committee in managing the Fund's investment program.
- m. Communicate on a regular basis with the investment consultant.
- n. Periodically review and evaluate ongoing understanding and relevance of investment policies of commingled funds in which Fund assets are invested.
- o. Take appropriate action if objectives are not being met or if policy and guidelines are not being followed.
- p. Keep the Audit Committee informed of any laws, regulations, rulings or investment decisions that might affect the annual audit of the WSU Foundation.
- q. Keep the Finance Committee informed of any changes to the spending rate applicable to the endowed Fund.

2.3 Chair of the Committee

The Chair of the Investment Committee shall be a member of the Board of Directors.

The Chair is responsible for the following duties:

- a. Provide leadership in the conduct of Investment Committee responsibilities and preside at Committee meetings.
- b. Report Investment Committee activities and actions and Fund performance at meetings of the Directors and the Regents.
- c. Communicate on behalf of the Investment Committee, as the Committee speaks with one voice through the Chair.
- d. May participate in new member orientation sessions.
- e. Collaborate with the WSU Foundation's CFO or designee on developing meeting agendas and meeting locations.
- f. Other responsibilities as listed in the Investment Committee Charter.

2.4 WSU Foundation CFO

The WSU Foundation CFO or designee is responsible for the following duties:

- a. Assist the Investment Committee in maintaining relevant policies and procedures.
- b. Coordinate contract reviews and execution.
- c. Day-to-day relationship management of investment program service providers.
- d. Act as liaison between the Investment Committee and investment program service providers.
- e. Execute asset allocation and rebalance upon consultation with the investment consultant and Chair, as needed.
- f. Provide letters with direction to the investment managers, bank custodian, and consultant.
- g. Determine liquidity needs and communicate same to appropriate service providers.
- h. Provide reports to internal and external constituencies as required.
- i. Develop meeting agendas and collaborate with Committee Chair and appropriate service providers, as needed.
- j. Provide orientation to new Investment Committee members.

2.5 Custodian Bank

Fund assets will be held by an institution designated as the Custodian Bank to manage, control, and collect the assets of the Fund in accordance with the terms of a separate custodial agreement as well as the terms of this Investment Policy Statement. The custodian bank for the Fund is responsible for:

- a. Fulfilling all the customary fiduciary duties of a custodian in accordance with applicable state and federal laws.
- b. Receiving all contributions and paying all disbursements and Fund expenses as directed by designated and authorized staff.
- c. Safekeeping of assets, timely settlement of securities transactions, and the daily sweep of excess cash from manager accounts into suitable cash management vehicles.
- d. Accurate and timely reporting of the assets to staff by individual manager account(s), investment pool, and total Fund.
- e. Coordinating asset transfers as requested by staff.
- f. Meeting with staff as requested.

2.6 Investment Managers

The manner in which the Fund's investment objectives are to be accomplished and the account ability of the investment managers in seeking to achieve the investment objectives shall be consistent with the fiduciary provisions of RCW 24.03A, Washington Nonprofit Corporation Act, and RCW 24.55, Prudent Management of Institutional Funds Act, and other pertinent state and federal laws, regulations, and rulings that relate to the investment process.

The investment managers are given full discretionary authority to accomplish specific investment objectives of the Fund, subject to the guidelines set forth in this Investment Policy Statement. The investment managers are responsible for the following:

- a. Implementing investment strategy according to the style for which they were hired.
- b. Implementing security selection and timing decisions.
- c. Providing reports and data as requested by the Committee, staff, bank custodian, and investment consultant.
- d. Meeting with the Committee and staff as requested.
- e. Voting proxies.

Investments in pooled funds shall be subject to the Investment Policy guidelines established by the respective fund managers.

2.7 Investment Consultant

The Investment Consultant is responsible for the following:

- a. Assist the Investment Committee and staff in maintaining a relevant investment policy.
- b. Evaluate and report performance of Fund assets on a quarterly basis.
- c. Monitor and report any material changes in personnel, organization, or investment strategy of the Fund's investment managers.
- d. Proactively suggest improvements to the Fund's investment program.
- e. Identify appropriate investment manager candidates.
- f. Provide investment expertise and analyses, as needed by the Committee and staff.
- g. Establish and regularly review manager structure guidelines for the Fund's components.
- h. Keep the Investment Committee informed of current investment trends, issues, and material changes in the regulatory environment.

- i. Evaluate investment opportunities.
- j. Recommend asset allocation and manager allocation targets.
- k. Recommend asset manager finalists.
- l. Annually, provide results of selected benchmark schools for the Investment Committee to track.

3. Investment Objectives

The investment objectives of the Fund reflect its long-term nature and intergenerational equity concerns. It is recognized that the desire to grow corpus and to produce a large, stable, and predictable payout stream involves trade-offs that must be balanced in establishing the investment and spending policies. Operating and philosophical considerations shape the Fund's objectives as outlined below:

- a. Produce a relatively predictable and stable payout stream each year.
- b. Maintain purchasing power of the assets over the investment horizon.
- c. Balance the support of present and future generations of students, faculty, facilities and programs.
- d. Include assets that provide inflation protection and assets that can drive long-term growth.

3.1 Total Fund Return Objectives

The Fund has multiple investment return objectives:

- a. The long-term total rate of return should equal or exceed the endowment spending rate (5.5% as of the date of adoption of this Investment Policy Statement, consisting of 4.0% for donor restricted purposes and 1.5% for WSU Foundation management fee) plus the increase in the Consumer Price Index. It is recognized that in order to achieve this objective over extended periods, endowments have had to exceed the objective substantially during some periods, such as the 1980s, in order to compensate for shortfalls during other periods, such as the 1970s and 2000s.
- b. The Fund is expected to produce a rate of return that at least matches that of the benchmarks, which are set out in Appendix B. Investment policy and benchmarks in Appendix B are subject to change with approval by the Directors upon consultation with the Committee, its Investment Consultant and staff. Risk (as measured by standard deviation of quarterly returns) should not exceed that of the Policy Portfolio without a corresponding increase in performance above the Policy Portfolio.

3.2 Investment Strategy Objectives

Achieving these objectives requires a combination of investment strategies that are categorized by differences in their expected response to economic conditions, specifically price inflation or changes to interest rates, and weighted in the Fund by considering risk-adjusted returns and correlations. Broad categories considered in asset allocation are domestic equities, international equities, alternative investments (private equity, private real assets, hedge funds, managed futures, commodities and derivative contracts), inflation hedge strategies, and fixed income.

The Directors and the Regents recognize that asset allocation decisions are the most important factors determining the long-term performance of the Fund, and the success of the investment management strategy. Asset allocation decisions shall be made by the Directors and the Investment Committee as described herein. The Fund's allocation to equities and fixed income and alternative investments shall be approved by the Directors with input from the Investment Committee, its Investment Consultant, and staff based upon the current spending policy and estimates of the long-term investment performance likely to be achieved by the various asset classes and investment styles.

Appendix A sets out the current target and minimum and maximum investment by percentage for identified asset classes. Appendix A is subject to change with approval by the Directors upon consultation with the Committee, its Investment Consultant, and staff. The Committee Chair shall inform the University of any changes to Appendix A within ten (10) days of approval of the change. Operating and philosophical considerations that shape the Fund's strategies are outlined below:

- a. Seek growth of assets by emphasizing equity investments with a mix of active and passive investment strategies, while avoiding excessive risk levels.
- b. Favor active investment strategies that offer the opportunity for the total portfolio to outperform in very poor markets and some opportunity for the total portfolio to participate in exceptionally strong markets.
- c. The acceptable risk profile for the Foundation should generally be to assume the lowest possible risk for the return goal desired. While negative returns in any single year may be unavoidable, over longer terms, asset allocations should be selected which are expected to achieve overall positive portfolio returns. In order to assess and monitor portfolio risk, the Investment Committee will review its asset allocation policy and asset allocation at least annually. Risk can be construed to include multiple different outcomes including loss of principal, failure to meet an expected return, or volatility of investment returns around an expected mean (standard deviation). The Investment Committee's policy regarding investment risk, consistent with modern portfolio theory, is that risk cannot be eliminated but should be managed. Investment committee members, with the help of the External Investment Manager and investment managers, are responsible for understanding the risks inherent in various investment strategies, ensuring that they are properly compensated for these risks, and measuring and monitoring them. It should be considered in the hiring of new investment managers as well as in the continued monitoring of existing investment managers and the overall portfolio. Risk should also be considered in the selection of individual asset classes and the overall

portfolio asset allocation. Most importantly, the level of overall portfolio risk taken should be consistent with the overall return objectives of the Foundation.

3.3 Domestic Equities

The purpose of holding domestic equity securities is to provide long-term capital growth through participation in the growth of the U.S. economy. The objective of the domestic equity portfolio is to earn, over the long term, an average annual total return, net of fees, that at least matches that of the Dow Jones U.S. Total Stock Market Index.

3.4 International Equities

The purpose of holding international equities is to expand the universe of capital growth opportunities and diversify economic risk. The objective of the international equity portfolio is to earn, over time, an average annual total return, net of fees, that at least matches that of the MSCI All Country World ex-U.S. Index.

3.5 Alternative Assets - Private Equity

The purpose of investing in private equity (including venture capital and leveraged buyouts) is to expand the universe of capital growth opportunities, with the potential to enhance the return of the portfolio, by investing in the non-public sector of the equities market. The objective of the private equity portfolio is to earn, over the long term, an average annual total return, net of fees, that exceeds the Burgiss Global Private Equity Index or such other private equity benchmark, as might be appropriate.

3.6 Alternative Assets - Hedge Funds

The purpose of investing in hedge funds is to enhance diversification by providing returns that are not dependent on the direction of the stock market or interest rates and are less correlated with the U.S. equity and bond markets than conventional stock and bond managers. The objective of the hedge fund portfolio is to earn, over the long term, an average annual total return, net of fees, that exceeds Hedge Fund Research, Inc. Fund of Funds Composite Index.

3.7 Alternative Assets - Real Assets

The purpose of investing in real assets (including real estate and natural resources) is to provide attractive returns, visible current cash flows, portfolio diversification, and a hedge against unanticipated inflation. Real assets are expected to provide relative stability to the Fund during periods of public market turmoil and provide a measure of protection against inflation. The objective of the inflation hedge is to earn, over the long term, an average annual total return, net of fees, that exceeds a custom real assets benchmark (consisting of illiquid real estate, liquid and illiquid natural resources and TIPS).

3.8 Inflation Protected Fixed Income

The purpose of investing in inflation protected fixed income (TIPS) is to provide visible current cash flows, portfolio diversification, and a hedge against unanticipated inflation. TIPS are expected to provide relative stability to the Fund during periods of public market turmoil but tend to impose a drag on performance during bull markets. The objective of

TIPS is to earn, over the long term, an average annual total return, net of fees, that at least matches that of the Bloomberg Barclays Capital U.S. TIPS Index

3.9 Fixed Income

The purposes of the fixed income investments are to provide some protection against financial disruptions and periods of deflation, to provide higher current income than equities to help meet the spending requirements, and to mitigate the volatility of the Fund. The objective of the fixed income portfolio is to earn, over the long term, an average annual total return net of fees that at least matches that of the Bloomberg Barclays Capital Aggregate Bond Index.

4. Policy Guidelines

4.1 Spending Policy/Rebalancing/Cash Flow Management

In rebalancing, investing, or withdrawing cash in accordance with these provisions, the percentages specified shall be determined with reference to the market values set forth in the most recent bank custodian balances when available and taking into account the cash to be invested or withdrawn.

4.2 Spending Policy

Funds flow from the Fund to the University for the purposes specified in the donor agreements or governing gift instruments and to the WSU Foundation for operating support (**Spending Policy**). The Spending Policy is intended to balance the competing goals of providing a stable payout stream each year while maintaining the purchasing power of the Fund . The Spending Policy takes into consideration the following factors:

- Duration and preservation of the Fund;
 - Purposes of the University and the Fund;
 - Possible effect of inflation or deflation;
 - Expected return from income and appreciation of investments;
 - Other University resources; and
 - This Investment Policy Statement.
- a. Withdrawals shall be made from the Fund only pursuant to the Spending Policy and in consideration of the factors listed in Section 4.2 of the Spending Policy regarding appropriation of Fund assets for expenditure or accumulation of Fund assets.
 - b. The Spending Policy is for the Fund to distribute 5.5% per year. Individual accounts shall receive 4.0% pursuant to the terms in the gift use agreement or gift instrument, with 1.5% for Management and Advancement fees from all funds in the pool.

- c. Distributions are computed quarterly based on the average market value for the thirty-six (36) months preceding and including the quarter ended prior to the distribution date, adjusted for new gifts on the first day of the distribution quarter, hereinafter referred to as the “**Distribution Calculation.**”
- d. Distribution Calculations shall begin when the fund reaches the established minimum endowment level or target balance specified in the gift instrument.
- e. Distributions from the Fund will be computed quarterly based on the average market value for the thirty-six (36) months preceding and including the quarter ended prior to the distribution date. (For example, the September 30, 2009, distribution was based on monthly market values for the period July 31, 2006, through June 30, 2009).
- f. No distributions will be made from an individual endowment fund to a program, until it has reached the established minimum endowment level or the target balance specified in the gift instrument and at least one (1) full quarter investment history after reaching that threshold balance. The Investment Committee may grant an exception to the requirement that a fund remain invested for a full quarter before distributions commence.
- g. Distribution of the 1.5% management and advancement fee for administration cost shall only be waived pursuant to the terms in the gift use agreement or at the discretion of the University President and WSU Foundation CEO.
- h. Fund distributions will include cash-basis expenses for scholarships, instructions, professorships, capital, operating, and administrative costs of the WSU Foundation and University. Investment-related expenses (e.g., investment manager and investment consultant fees, custody charges, etc.) will be charged against the Fund’s investment return and are not considered a part of the 5.5% annual distribution.
- i. In addition to annual reviews, if the Fund’s real return (nominal return minus CPI) falls below 5.5% over the previous three-year (3-year) rolling time period, the Investment Committee should review and make a recommendation to the Directors and Regents in the next reporting cycle for purposes of determining whether to revise the rate.
- j. Market downturns present a particular challenge in balancing the goals of a stable payout stream and maintaining purchasing power. In a market downturn, individual endowment funds may have a market value that is less than the corpus (principal) of the fund; such a fund is defined to be “underwater” for purposes of this policy. A distribution from an underwater fund results in a reduction of principal. The decision to distribute or not distribute from an underwater fund depends initially on the donor’s expressed written instructions. If the donor specifies that the principal (corpus) may not be invaded, or places other restrictions on spending, then distributions from that fund shall be made in accordance with the donor’s restrictions. For all other funds, distributions shall be made consistent with the prudence principles herein and as stated in RCW 24.55 (UPMIFA), with an emphasis on the duration of the fund. All determinations herein shall be made

based on fund values on the end date of the distribution calculation period, e.g., the value of the given fund on the quarter ended prior to the distribution date.

No Distributions shall be made from any individual endowment fund having a market value of 30% or more below the total amounts contributed to the fund.

4.3 Reinvestment Policy

If funds distributed to the University pursuant to the Spending Policy have accumulated unused in University accounts for a period of 24 months or longer, the University may request that the funds be returned to the Consolidated Endowment Fund for reinvestment. For endowment fund accounting purposes, the returned funds will be attributed to the funds from which the distributions originated and subject to applicable donor agreements or governing gift instruments. The reinvested funds will be managed consistent with the Investment Policy Statement. It is the University's intent for the reinvested funds to remain indefinitely as part of the Consolidated Endowment Fund, subject to its investment objectives and spending policy.

4.4 Rebalancing/Cash Flow Management

Rebalancing and cash flow management will be made in amounts and proportions intended to preserve the asset allocation targets set forth in attached Appendix A.

Rebalancing will be undertaken when the allocations fall outside of the ranges specified in Appendix A. The Investment Consultant should recommend to the staff, Chair of the Committee or Committee any portfolio changes, as appropriate. The staff will execute the rebalancing process through written instruction to the Fund's custodian and investment managers.

4.5 Usage of Derivatives

The Investment Committee recognizes that investment managers have come to use various derivative instruments and that the prudent use of such instruments can be advantageous for controlling portfolio risk, increasing returns, implementing strategies quickly and reducing costs. Accordingly, the Investment Committee permits the use of derivative securities only in a manner consistent with the overall investment objectives and policies described herein.

4.5.1 Derivatives may be used by the WSU Foundation's investment managers to hedge existing portfolio investments (e.g., to hedge the currency risk of a foreign stock or bond position) or to create un-leveraged investment positions as a more efficient and cheaper alternative to investments that would otherwise be made in the cash market (e.g., purchasing Treasury bond futures contracts). Derivatives may not be used by marketable securities managers to leverage a portfolio or significantly increase its risk above that of an account with similar objectives that is managed without derivatives. Use of derivatives by a manager, other than as described in this paragraph, is permitted only if authorized by the Investment Committee. This provision does not apply to investments with absolute return or hedge fund managers.

4.5.2 The Investment Committee expects that its investment managers utilizing derivatives will have in place processes and procedures to control and measure risk.

4.6 Proxy Voting

The Investment Committee acknowledges its responsibility for seeing that the proxy voting rights for securities held by the Fund are exercised in a prudent manner and in the best interests of the Fund beneficiaries. The Investment Committee may delegate its proxy voting rights to the investment managers of the Fund, or to another qualified agent that acknowledges that it will function as a fiduciary with respect to exercising proxy voting rights. Any such third party shall provide a complete listing, no less frequently than annually, of the issues for which proxies were voted and how the votes were cast. Proxy voting responsibilities have been delegated by the Investment Committee to the investment managers.

4.7 Securities Lending

The Investment Committee may allow for the lending of Fund securities, to earn additional income for the Fund, pursuant to a securities lending policy that is consistent with the investment objectives of the Fund. The Investment Committee may delegate securities lending activities (including the management of collateral received for the borrowed securities) to a qualified securities lending manager that acknowledges that it will function as a fiduciary with respect to the lending of Fund securities (and the management of collateral received) to the extent that the securities lending manager exercises discretionary authority under the securities lending agreement. Any such third party shall provide a complete accounting, no less frequently than annually, of the lending activities and income earned by the Fund.

4.8 Cougar Investment Fund

The Directors and Regents deemed it prudent to allocate a one-time amount of one million dollars (\$1,000,000) from the Fund to the Cougar Investment Fund (CIF). The CIF is managed by students as the central component of a special section of an approved professor of Investments and Portfolio Theory and Risk Management classes. The portfolio is subject to risk controls, oversight, and reporting guidelines specified in a separate Memorandum of Understanding. In addition to providing the Fund with organizational diversification within the large cap core U.S. equity portfolio, the CIF provides valuable experience to the students in applied securities analysis and portfolio management and enhances the University's ability to attract and retain quality, high-achieving students.

4.9 Conflicts of Interest

No Committee member should be placed in a conflict of interest position. All persons responsible for investment decisions, including Investment Committee members, or who are involved in the management of the WSU Foundation or who are consulting to, or providing any service whatsoever to the Investment Committee, shall adhere to the WSU Foundation Conflicts of Interest Policy, attached as Appendix C.

This provision shall not preclude the payment of ordinary fees and expenses to the WSU Foundation's custodian(s), investment managers, or Investment Consultant in the course of their services on behalf of the WSU Foundation.

Further, this provision does not replace obligations under the Washington State Ethics Act, which applies to all state officers and state employees.

5. Monitoring of Objectives

5.1 The Investment Committee will normally review the Fund's asset allocation, manager team, and performance at least quarterly in order to evaluate diversification and progress toward long-term objectives, and will direct the CFO of the WSU Foundation or their designee to make such review, or have such review made by a consultant with appropriate expertise, each quarter. While short-term results will be monitored, it is understood that the objectives for the Fund are long-term in nature and that progress toward these objectives will be evaluated from a long-term perspective (i.e., 20 years or longer).

5.2 Each manager's performance will be evaluated against an appropriate passive index and the median return of an appropriate universe of institutional quality managers or funds as determined by the Investment Committee. The Investment Committee will evaluate each manager periodically in order to establish that the factors that initially led to performance expectations remain in place and that each manager's philosophy is appropriate for the Fund's overall objectives.

5.3 At its sole discretion, the Investment Committee may terminate any manager at any time if it determines for whatever reason that the manager is no longer appropriate for the Fund.

5.4 The Investment Consultant acting on behalf of the Investment Committee shall provide each manager of a separately managed account with a set of mutually agreed-upon guidelines.

5.5 The Investment Committee may invest in a commingled fund (e.g., a mutual fund or limited partnership agreement), provided that the policies of such fund are consistent with this Investment Policy Statement. The Investment Committee will periodically review the policies of any commingled fund investment in order to determine if they remain appropriate for the Fund.

5.6 The Investment Committee shall have prepared and shall review, on a quarterly basis, an investment performance report setting forth the asset allocation of the Fund and the investment returns by asset class, manager, and for the total Fund. The returns shall be calculated on a time-weighted basis, net of manager fees, for the most recent quarter for which data are available and any other periods that the Committee may select and shall include fiscal-year returns when such data are available. The Investment Committee will use the short-term performance data to monitor the Fund and the managers for consistency of investment philosophy, returns relative to performance benchmarks, and volatility of returns.

5.7 The Investment Committee, through the Investment Consultant and staff, shall have regular communication with the managers of actively managed accounts concerning investment strategy and outlook.

5.8 The Chair of the Investment Committee shall notify the Chair of the Directors and the Chair of the Regents immediately upon becoming aware of the occurrence of any event that might preclude the Fund from achieving its long-term investment objective.

6. Communications and Reporting

6.1 Chair of the Investment Committee

Annually, the Chair will:

- a. Summarize and report overall Investment Committee performance to Directors and Regents with recommendations for changes in Investment Committee membership (de-selection) as needed.
- b. Present a report to Directors and Regents summarizing the Fund's asset allocation as of the end of each fiscal year, performance for the fiscal year and other periods then ended, and any significant actions taken by the Investment Committee during the fiscal year.
- c. Meet with Directors and Regents, or duly authorized subcommittees thereof, to review and discuss Fund performance, investment strategy and strategy changes, and Committee member performance. Additional meetings may be held as needed.

6.2 WSU Foundation Staff

Promptly after adoption or approval, staff will:

- a. Provide copies of Investment Committee meeting minutes to the members.
- b. Provide copies of recommended amendments, additions, or deletions to this Investment Policy Statement and Spending Policy to Directors and Regents.

6.3 Investment Managers

Immediately, each investment manager will report, in writing:

- a. Any and all material changes in the firm's ownership, management, investment personnel, and investment style and approach.
- b. Any occurrences of material litigation or regulatory investigation.

Quarterly, each investment manager will:

- a. Provide a report to the CFO of the WSU Foundation on Fund assets and performance. The report is to show a list of current holdings at cost and market, transactions occurring during the quarter, capital gains and losses, a summary of the investment performance of the account (on a time-weighted basis, both gross and net of fees) and the use of derivatives. Separate account managers will include a reconciliation of the Fund's custodian statements to the manager's records.

Annually, each *equity* investment manager will provide the Investment Consultant and CFO of the WSU Foundation:

- a. A report on the various transaction charges incurred on behalf of the Fund. The report shall indicate the number of shares traded, brokerage firms used, total trading costs, and cost per share.
- b. Present a copy of proxy voting policies and report on the manner in which proxies were voted.

6.4 Investment Consultant

On a quarterly basis:

- a. Provide the Investment Committee with performance reports detailing the performance of individual managers, asset classes, and the total Fund, including relevant performance standards and assessment of managers' continued appropriateness for inclusion in the Fund's investment program.

On an annual basis:

- b. Provide the Investment Committee with any recommended changes needed to this Investment Policy Statement.
- c. Participate in the Investment Committee's annual planning process.
- d. Provide an appropriate peer group fee analysis.

7. Evaluation and Review

7.1 Evaluation

Investment management of the Fund will be evaluated against the Fund's investment objectives and investment performance standards. Performance and investment policy compliance will be measured and evaluated no less than quarterly by the Investment Committee and annually by the Directors and the Regents. Performance will be evaluated on a long-term basis, in light of the investment environment and investment style of each manager. Evaluation will take into consideration both rates of return and volatility of returns, as well as the consistency and discipline with which each manager or limited partnership applies its investment strategy.

This Investment Policy Statement will be evaluated at least annually by the Investment Committee, with input from the investment managers, Investment Consultant, and staff, to ensure its continuing relevance. The Chair of the Committee, through coordination with staff, will forward recommendations for change to this Investment Policy Statement to the Directors and the Regents.

If at any time in review of this Investment Policy Statement the Directors and the Regents elect to have differing investment or spending policies, each entity shall separately adopt a new policy and the Consolidated Endowment Fund shall be divided into two funds, one holding University endowed assets and another holding WSU Foundation endowed assets. Each entity will diligently pursue such division and ensure that it occurs in a timely, reasonable, and prudent manner. Upon completion of the division, each fund shall be managed in accordance with the new investment and spending policy for that fund by the entity (ties) so designated in the new policies.

7.2 Meetings

Investment management fees will be compared to an appropriate universe, supplied by the investment consultant, on an annual basis.

Each investment manager will meet at least annually with the Investment Consultant to review the investment performance of the Funds' assets allocated to that investment manager, discuss current and expected changes in investment strategy, discuss any changes in personnel and investment philosophy, and discuss the firm's business plan and any litigation or regulatory issues.

The Investment Consultant will meet with the Investment Committee quarterly to review performance and discuss investment program issues.

The Investment Policy Statement and Spending Policy will be reviewed annually and updated as necessary by the Investment Committee.

7.3 Authorities & Limitations

05-25-25: Board of Regents Approval of Amended and Revised Investment Policy Statement and Spending Policy, effective July 1, 2025.

05-08-25: Board of Directors Amends the Revised Investment Policy Statement and Spending Policy approved on 02-12-2025 and Approves the Amended and Revised Investment Policy Statement and Spending Policy, effective July 1, 2025.

02-12-25: Board of Directors Approval of Revised Investment Policy Statement and Spending Policy.

12-11-24: Committee Approval of Revised Investment Policy Statement and Spending Policy.

10-13-23: Board of Directors Approval of Revised Investment Policy Statement and Spending Policy.

9-30-22: Resolution 9-30-2022-03 Updates to the Committee Charter.

10-21-21: Resolution 10-21-2021-03, Approval of Revised Investment Policy Statement.

9-26-13: Resolution 9-26-13-03 Updates the Committee Charter.

10-20-11: Resolution 10-20-11-03 Updates the Committee Charter.

10-08-04: Resolution 10-8-04-5 authorizes creation of the Investment Committee

10-6-04: Creating of an Investment Committee is contemplated by the Restated Bylaws of Washington State University Foundation (Bylaws effective 10/06/04.)

APPENDIX A

ASSET CLASS	MINIMUM	TARGET	MAXIMUM
Growth Assets	40%	50%	60%
U.S. Equity	12%	15%???	18%
International Equity	16%	20%???	24%
Private Equity	12%	15%	18%
Risk Reduction Assets	24%	30%	36%
U.S. / Global Fixed Income	8%	10%	12%
Hedge Funds	16%	20%	24%
Inflation Protected Assets	16%	20%	24%
U.S. TIPS	4%	5%	6%
Real Assets	12%	15%	18%
Total		100%	

APPENDIX B

ASSET CLASS

BENCHMARK

Growth Assets

U.S. Equity	Dow Jones U.S. Total Stock Market
International Equity	MSCI ACWI ex U.S.
Private Equity	Burgiss Global Private Equity Index

Risk Reduction Assets

U.S. / Global Fixed Income	Bloomberg Barclays Capital Aggregate Bond
Hedge Funds	Hedge Fund Research, Inc. Fund of Funds Composite Index

Inflation Protected Assets

U.S. TIPS	Bloomberg Barclays Capital U.S. TIPS
Real Assets	Custom Real Assets Benchmark

Conflicts of Interest Policy
Statement & Certification

Introduction

This policy is designed to help members of the Board of Directors (“Directors”) and members of standing committees (Audit, Operations, Investment, Gift Acceptance and Management, and Nominating) of the Washington State University Foundation (“Committee Members”) identify situations that present potential conflicts of interest and to emphasize the importance of adhering to high standards of responsibility, accountability, and public scrutiny. This policy is applicable to all Directors and Committee Members of Washington State University Foundation (“WSU Foundation”).

It is important to note that a conflict of interest involving a Director or Committee Member does not necessarily result in a prohibited transaction or arrangement. The Board of Directors may determine that despite the existence of a conflict of interest, the transaction or arrangement is in the best interests of the WSU Foundation.

This policy is intended to supplement, not supersede, the WSU Foundation’s governing documents or any other federal or state laws governing conflicts of interest applicable to nonprofit corporations. Article 6 of the Restated Bylaws of the WSU Foundation pertaining to conflicts of interest, is included in Appendix 1.

On February 14, 2008 the Internal Revenue Service (IRS) promulgated a revised Form 990, the annual reporting form applicable to tax-exempt entities such as the WSU Foundation. Two of the guiding principles behind the form redesign were to enhance transparency and promote tax compliance. The new form significantly increased disclosure requirements related to the exempt organizations governance and management. This Conflict of Interest Statement & Certification serves as a mechanism for collecting the information necessary to properly complete the new Form 990. The IRS requires that each exempt organization undertake a “reasonable effort” to collect the following information.

Duty to the WSU Foundation

Directors and Committee Members have a clear fiduciary duty to the WSU Foundation in connection with their service as a Director or Committee Member. At all times Directors and Committee Members must act in a manner consistent with this fiduciary obligation and must exercise particular care that no detriment to the interests of the WSU Foundation (or appearance of such detriment) may result from a conflict between those interests and any personal interest of a Director or Committee Member.

Identifying a Conflict of Interest

A conflict of interest may arise whenever a Director or Committee Member or a member of his/her family: (1) has an existing or potential interest which impairs or might appear to impair his/her independent judgment in the discharge of responsibilities to the WSU Foundation; (2) may receive a material benefit from knowledge of information which is confidential to the WSU Foundation; (3) knowingly misrepresents, withholds, or falsifies relevant information used for decision-making purposes or to derive personal benefits; or (4) solicits benefits in exchange for using influence as a Director or Committee Member.

Potential Conflicts of Interest

Each Director and each Committee Member will file an annual conflict of interest questionnaire, with the Secretary of the Board of Directors setting forth any conflicts of interest that might be expected to occur within the coming year. The questionnaire shall disclose as fully as possible the nature of the potential conflicts and the nature of the Directors or Committee Member's interest in the potential transactions. All responses that anticipate conflicts of interest will be circulated to the Directors.

In the interim, if any Directors or Committee Member or member of his/her family has or is about to assume an interest or other relationship which might result in a conflict of interest, it is the Directors or Committee Member's responsibility immediately to disclose all material facts to the Chair of the Board of Directors or the Chair of the Audit Committee.

Each Directors and Committee Member must be willing and available to answer any questions about potential conflicts.

Confidentiality Policy

All information concerning actual or potential conflicts of interest on the part of Directors or Committee Members, as well as all other information provided on this Statement & Certification, will be held in confidence. Any disclosure beyond the members of the Board of Directors will take place only upon majority vote of the Board of Directors.

Definitions

Interested Person: Any director, principal officer, or member of a committee with governing board delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.

Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which the WSU Foundation has a transaction or arrangement.

APPENDIX C

- A compensation arrangement with the WSU Foundation or with any entity or individual with which the WSU Foundation has a transaction or arrangement, or
- A potential ownership or investment interest in, or compensation arrangement with any entity or individual with which the WSU Foundation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board of Directors decides that a conflict of interest exists.

Business Transactions: A business transaction includes, but is not limited to, contracts of sale, leases, licenses, arrangements for the performance of services, and joint ventures in which the interests of the organization and the interested person each exceeds 10%. Membership dues, grants and loans are not considered to be business transactions.

Business Relationship: A business relationship between two persons includes (but presumably is not limited to) the following types of relationships:

- One person is employed by a sole proprietorship owned by the other person or by an organization of which the other person is a director, trustee, officer, key employee or greater-than-35% owner.
- One person is transacting business with the other, directly or indirectly, in one or more contracts of sale, leases, licenses, loans, service arrangements or other transactions involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the year. An indirect transaction is a transaction by one person with an organization of which the other person is a director, trustee, officer, key employee or greater-than-35% owner.
- ion by one person with an organization of which the other person is a director, trustee, officer, key employee or greater-than-35% owner.
- The two persons are each a director, trustee, officer or greater-than-10% owner in the same business or investment entity.

A "business relationship" does not, however, include the following:

- "ordinary course of business exception": a transaction between the two persons in the ordinary course of either party's business and on the same terms as are generally offered to the public; and
- "Privileged relationship exception": a relationship between attorney and client, medical professional and patient, or priest/clergy and penitent/communicant.

Family Member: Family members include an interested person's spouse, ancestors, siblings (whether of the whole or half-blood), children (natural or adopted), grandchildren, great grandchildren, and spouses of siblings, children, grandchildren and great grandchildren.

APPENDIX C

Appendix 1 – Article 6 of the WSU Foundation Bylaws – Conflicts of Interest

Definitions

A conflict of interest arises when any “Responsible Person” or any “Party Related to a Responsible Person” has an “Interest Adverse to the WSU Foundation.” A Responsible Person is any individual in a position to exercise substantial influence over the affairs of the WSU Foundation, and specifically includes, without limitation, Members, Directors and Officers of the WSU Foundation and the chairperson and members of any committee making decisions on behalf of the WSU Foundation. A Party Related to a Responsible Person includes his or her extended family (including spouse, ancestors, descendants and sibling, and their respective spouses and descendants), an estate or trust in which the Responsible Person or any member of his or her extended family has a beneficial interest or a fiduciary responsibility, or an entity in which the Responsible Person or any member of his or her extended family is a director, trustee or officer or has a financial interest. An “Interest Adverse to the WSU Foundation” includes any interest in any contract, transaction or other financial relationship with the WSU Foundation, and any interest in an entity whose best interests may be impaired by the best interests of the WSU Foundation including, without limitation, an entity providing any goods or services to or receiving any goods or services from the WSU Foundation, an entity in which the WSU Foundation has any business or financial interest, and an entity providing goods or services or performing activities similar to the goods or services or activities of the WSU Foundation.

he goods or services or activities of the WSU Foundation.

services or activities of the WSU Foundation.

Disclosure

If a Responsible Person is aware that the WSU Foundation is about to enter into any transaction or make any decision involving a conflict of interest (a “Conflicting Interest Transaction”) such person shall: (i) immediately inform those charged with approving the Conflicting Interest Transaction on behalf of the WSU Foundation of the interest or position of such person or any party related to such person; (ii) aid the persons charged with making the decision by disclosing any material facts within the Responsible Person’s knowledge that bear on the advisability of the WSU Foundation entering into the Conflicting Interest Transaction; and (iii) not be entitled to vote on the decision to enter into such transaction.

n the Responsible Person’s knowledge that bear on the advisability of the WSU Foundation entering into the Conflicting Interest Transaction; and (iii) not be entitled to vote on the decision to enter into such transaction.

nsible Person’s knowledge that bear on the advisability of the WSU Foundation entering into the Conflicting Interest Transaction; and (iii) not be entitled to vote on the decision to enter into such transaction.

Approval of Conflicting Interest Transactions

The WSU Foundation may enter into a Conflicting Interest Transaction provided the material facts as to the Responsible Person’s relationship or interest and as to the Conflicting Interest Transaction are disclosed or are known to the Board of Directors or to a committee of the WSU Foundation that

APPENDIX C

authorizes, approves or ratifies the Conflicting Interest Transaction, and the Board of Directors in good faith authorizes, approves or ratifies the Conflicting Interest Transaction by the affirmative vote of a majority of the disinterested Directors on the Board, even though the disinterested Directors are less than a quorum.



**WASHINGTON STATE UNIVERSITY
FOUNDATION
INVESTMENT COMMITTEE CHARTER**
Last Revision Date: October 24, 2024

PURPOSE:

The Investment Committee manages and invests the endowed assets held by the WSU Foundation to maximize the return on those investments within an acceptable risk profile. It is a standing committee established under the Restated Bylaws of the WSU Foundation, shall have the limited authority to act on behalf of the Board of Directors in the investment and management of all property and assets held for investment by the WSU Foundation and those University assets entrusted to the WSU Foundation for investment management under contract (collectively, “Institutional Funds”). The Investment Committee shall prepare, oversee, and maintain investment policies and asset allocation strategies for investing capital of, or managed by, the WSU Foundation, along with a consistent monitoring of investment performance and investment management.

ESTABLISHMENT:

The WSU Foundation exists for the sole and exclusive benefit of the University and under agreement with the University, the WSU Foundation shall:

“Accept, hold, administer, invest, and disburse gifted funds of any kind or character, in accordance with the terms of such gifts, and distribute all current use funds to the University, and distribute the spending rate from endowed funds in accordance with the then applicable Washington State University Foundation Consolidated Endowment Fund - Investment Policy Statement and Spending Policy (Investment Policy Statement).”

The Board of Directors of the WSU Foundation delegates management and investment of its Institutional Funds, pursuant to RCW 24.55.035, to the Investment Committee. The Amended and Restated Bylaws of the WSU Foundation establishes the Investment Committee in stating the following:

“The Investment Committee shall be responsible for investments, reinvestments, and general management of all property and assets held for investment by the WSU Foundation and those University assets entrusted to the WSU Foundation for investment management under contract with the University. The Investment Committee shall develop investment policies and asset allocation strategies for presentation to the Board of Directors for approval and for investment of capital of the WSU Foundation, along with a consistent monitoring of investment performance and investment management. Investment policy and guidelines, as well as performance against benchmarks shall be reported, at least quarterly, to the Board of Directors, and the Board of Regents of the University and University administration.”

**COMPOSITION:**

1. The voting members of the Committee may consist of director members, Regent members, and volunteer members. Committee composition will consist of appointed directors, appointed Regent/representatives, and volunteers qualified and willing to serve the best interests of the WSU Foundation.
2. The Committee shall be comprised of at least nine (9) but not more than thirteen (13) appointed members (voting) and select ex-officio members (non-voting). The University VP and CFO for Finance and Administration or designee, the WSU Foundation Chief Executive Officer and the WSU Foundation Chief Financial Officer shall serve the Committee as ex-officio, nonvoting members. The term of office or appointment for ex-officio members shall be concurrent with occupancy of office or term of appointment qualifying the individual to serve as a Committee member. A member of the Audit Committee designated by the Audit Committee Chair, and a member of the Finance Committee designated by the Finance Committee Chair shall serve as ex-officio, non-voting members of the Committee and their term will be for a single calendar year, without limitations on serving successive terms.
3. The Regents shall appoint two (2) voting members, one of whom must be a member of the Regents, the other a Regent or a volunteer with investment expertise and experience, selected upon consultation with the Committee, subject to notice to the Board of Directors. These members serve a one-year (1-year) renewable term upon appointment by the Regents.
4. The Chair of the Board of Directors and the Committee Chair shall jointly nominate the members of the Committee, in consultation with the CEO of the WSU Foundation, with all nominated candidates having investment and financial backgrounds and some having investment management expertise, subject to approval by the Board of Directors or the Executive Committee, with notice given to the Regents. All Committee members serve a four-year (4-year) term, renewable upon appointment by the Chair of the Board of Directors and Committee Chair, unless designated otherwise by the Committee Chair

COMMITTEE CHAIR:

The Chair of the WSU Foundation shall appoint the Investment Committee Chair, in consultation with the CEO of the WSU Foundation, and subject to approval of the Board of Directors or the Executive Committee and subject to notice to the Board of Regents.

1. The Committee Chair will be a member of the Board of Directors and serve on the Executive Committee.
2. The Committee Chair will provide leadership for and preside at the meetings of the Investment Committee.



3. The Committee Chair will appoint a Vice-Chair who also serves on the Board of Directors to preside over meetings in the Chair's absence.
4. The Committee Chair may invite other appropriate Foundation and University financial management staff and other outside advisors to participate in an Investment Committee meeting.
5. The Committee Chair shall designate an ex-officio, non-voting member of the Audit Committee and the Finance Committee.
6. See Section 2.3 and 6.1 of Investment Policy Statement for additional responsibilities of the Chair.

STAFF:

1. Staff support for the Investment Committee shall be provided by or through the WSU Foundation offices of the Chief Executive Officer, Chief Financial Officer, and General Counsel, or their designees.
2. Meeting materials may be compiled by staff of the WSU Foundation and delivered in a complete and timely manner to the Committee at the direction of the Committee Chair.

QUORUM/VOTING:

1. The presence of a simple majority of the voting members of the Investment Committee shall constitute a quorum for the purpose of transacting committee business. Any action that may be taken by the Committee at a meeting may be taken without a meeting if all the voting members consent thereto in writing prior to the action being taken.
2. In all voting matters, motions will be passed by a simple majority of the voting members in attendance and constituting a quorum.
3. For voting members who cannot attend meetings in person, they may attend by remote communications as long as all voting members participating in the meeting can hear each other at the same time. Participation by such means constitutes presence in person. A member may not vote by proxy.

MEETINGS:

1. The Investment Committee shall meet at least four (4) times a year, once each calendar quarter.
2. Other meetings may be called by the Committee Chair, as needed, to fully carry out the purposes of the Investment Committee.
3. The minutes of all meetings of the Investment Committee, and all actions taken therein,



shall be available for inspection at the registered office of the WSU Foundation for all members of the Board of Directors, following any Investment Committee Meeting and reported to the Board of Directors at its next regularly scheduled meeting.

EXECUTIVE SESSION:

Executive session dedicated for voting members only will be part of each meeting. The President of WSU, CEO of WSU Foundation, CFO of WSU Foundation and other staff, consultants or advisors at discretion of Committee Chair, may be invited to participate in the executive session. Otherwise, the executive session will be for voting members only.

CONSULTANTS:

1. The Investment Committee will select qualified external investment managers to manage the Institutional Funds.
2. The Investment Committee will establish and regularly review manager structure guidelines for the Institutional Funds.
3. The Investment Committee will select other service providers it deems appropriate to carry out its function, including, but not limited to, independent investment consultants.
4. The Investment Committee may communicate directly with the investment managers and Investment consultants, at its discretion.

RESPONSIBILITIES:**Investment Management and Investment Policy Oversight:**

1. The Investment Committee is delegated authority to act on behalf of the Board of Directors in the investment and management of Institutional Funds on behalf of the WSU Foundation.
2. The Investment Committee will develop objectives, policies, and guidelines for the investment of Institutional Funds for presentation to the governing boards of the WSU Foundation and University for approval.
3. The Investment Committee will develop and maintain an investment policy statement that establishes the role of the Investment Committee, identifies responsibilities, addresses investment objectives, asset allocation, spending policies, rebalancing, cash flow management, manager performance standards, manager evaluation processes, communications, and reporting.



4. The Investment Committee will evaluate policy compliance, review progress in achieving the goals and assess the effectiveness of the investment program on a quarterly basis. The Investment Committee will periodically review and evaluate ongoing understanding and relevance of investment policies of commingled funds and the components of the Institutional Funds.
5. The Investment Committee will take appropriate action if objectives are not being met or if policy and guidelines are not being followed.
6. The Investment Committee will establish and periodically review the Institutional Funds asset allocation and, in concert with the Finance Committee, will recommend a current spending policy for endowment funds.

Reporting:

1. The Committee Chair will report on Committee activities and actions, to include Institutional Funds' performances, to the Board of Directors at its next regularly scheduled meeting.
2. The Committee will forward a report at the end of each quarter to the WSU Board of Regents and the WSU Foundation Board of Directors which will include portfolio activity, value, endowment performance vs. benchmarks, and asset allocation (target and actual).

Risk Management:

1. The Investment Committee will exercise reasonable care and prudence in complying with applicable state and federal laws, regulations, and rulings that relate to the investment of assets under management of the WSU Foundation, including, but not limited to, the Washington Nonprofit Corporation Act, Chapter 24.03A and the Uniform Prudent Management of Institutional Funds Act, Chapter 24.55 RCW).
2. The Investment Committee will establish and comply with policies addressing issues that may result in perceived or actual conflicts of interest (including but not limited to relationships with investment managers or other firms involved with the Institutional Funds and receipt by committee members of gifts or entertainment..3.The Investment Committee will keep the Audit Committee informed of any laws, regulations, rulings, or investment decisions that might affect the annual audit of the WSU Foundation, and all matters involving a potential or actual conflict-of-interest.

Charter and Policy Review:

1. The Investment Committee will review the Investment Committee Charter annually and recommend revisions to the Board of Directors as necessary.



2. The Investment Committee will review the Investment Policy Statement annually and recommend revisions as necessary. Proposed changes will be sent to the Board of Directors and the Board of Regents for approval.

AUTHORITIES & LIMITATIONS:

10-24-2024: Resolution 10-24-2024-08 updates the Investment Committee Charter

9-30-2022: Resolution 9-30-2022-03 updates the committee charter

10-01-2021: Resolution 10-21-2021-02 updates the committee charter.

10-01-2020: Resolution 10-01-20-5 updates the committee charter.

9-26-2013: Resolution 9-26-13-03 updates the committee charter.

10-20-2011: Resolution 10-20-11-03 updates the committee charter.

10-08-2004: Resolution 10-8-04-5 authorizes creation of the Investment Committee.

10-06-2004: Creation of an Investment Committee is contemplated by the Restated Bylaws of Washington State University Foundation (Bylaws effective 10/6/04).

Exhibit F

ACTION ITEM M

**WSURP Voluntary Early Retirement Incentive Program
(Leslie Brunelli/Jennifer Klein)**

June 5, 2025

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Voluntary early retirement incentive program for eligible employees in the Washington State University Retirement Plan.

PROPOSED: That the Board of Regents approve the attached Voluntary Early Retirement Incentive Program (VERI) for employees in the Washington State University Retirement Plan (WSURP), and authorize the President or designee(s) to offer the incentive to any eligible member of the WSURP.

SUBMITTED BY: Leslie Brunelli, Executive Vice President, Finance & Administration/CFO

SUPPORTING INFORMATION: The Board of Regents has authority pursuant to RCW 28B.30.095 and RCW 28B.30.150 to govern the affairs of the university, including the financial terms of employment of members of the WSURP. Due to continued budgetary uncertainty and projected loss of funding, adoption of such an incentive may assist the University in managing the budget. The details of the plan are set forth in the attachment to this item.

Basic provisions of the Voluntary Retirement Incentive Program:

1. To be eligible for the incentive payment, the employee must be a current member of the WSURP, must have been a member of the WSURP for at least 10 years, must be 55 or older before the effective date of retirement.
2. Eligible employees who wish to receive the incentive payment must submit their application for retirement to WSU Human Resource Services and apply for the incentive no later than July 3, 2025 and officially retire no later than August 31, 2025.
3. WSU will make a one-time payment of equal to one week of the employee's annual base salary, for each year of retirement eligible service, not to exceed 20 weeks total, less deductions required by law.

Actual after-tax benefit will vary based on individual tax status of the retiring employee. Participating employees may consult with their tax advisor to determine their individual after tax effect.

4. The incentive payment is not to be considered income for purposes of calculating retirement benefits, and an employee who accepts this incentive payment is not eligible for unemployment compensation.
5. Employees who prior to the adoption of this Plan had already submitted their notice of retirement or who had signed an agreement that identifies a retirement date are not eligible for the incentive unless they receive approval from the Provost and Executive Vice President to change their retirement date, and the cost savings to WSU of accelerating their retirement date exceeds the amount of the incentive.
6. An employee who applies for VERI is not automatically approved and understands that the application will be reviewed prior to approval/denial. Denial can be issued if the cost savings to WSU is less than the incentive payment. If the application is approved, separation from service is mandatory.
7. An employee who receives this incentive payment may not return to service at WSU within five years of the date of retirement. However, employees who retire under this program may be eligible for temporary employment not to exceed .4 FTE, if such temporary employment is approved in advance by the Provost and Executive Vice President.
8. An employee's decision to participate in this program is entirely voluntary. Any employee accepting an incentive payment under this program must sign a form that states their decision to participate in this program is entirely voluntary and they fully understand the re-employment and other restrictions applicable to participation in the program.



Exhibit G
WASHINGTON STATE
UNIVERSITY

FY26 Budget Development



Board of Regents
Finance & Administration Committee
Thursday, June 5, 2025

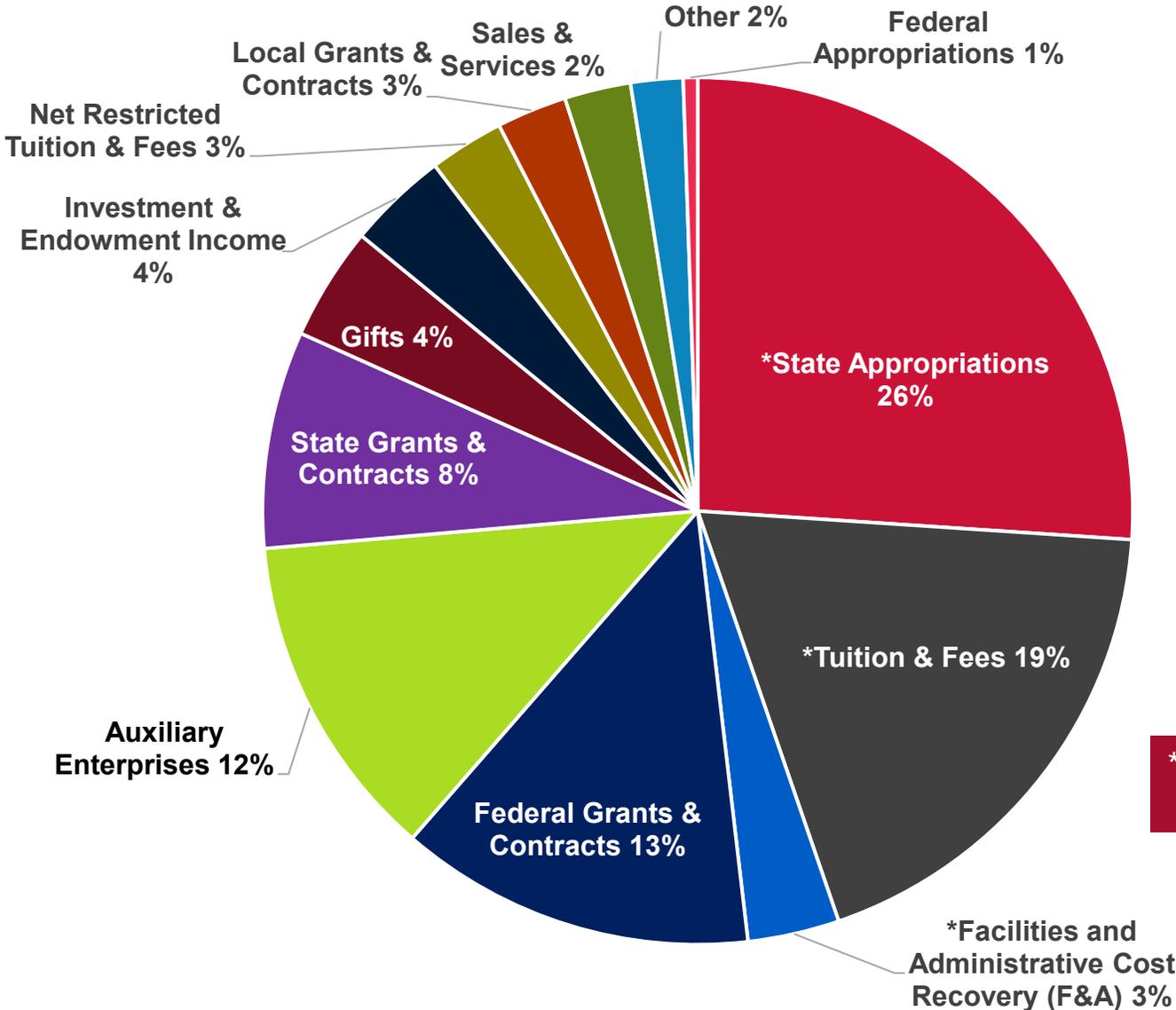
WSU Strategic Pillar Framework

- ❑ Access and Student Success
- ❑ Academic Excellence and Modernization
- ❑ Innovation and Use-Inspired Research
- ❑ Systemwide Integration and Institutional Agility
- ❑ Human and Community Wellbeing
- ❑ Elevate the Cougar Identity and Brand



FY26 WSU Estimated All Funds Budget

\$1.3 Billion

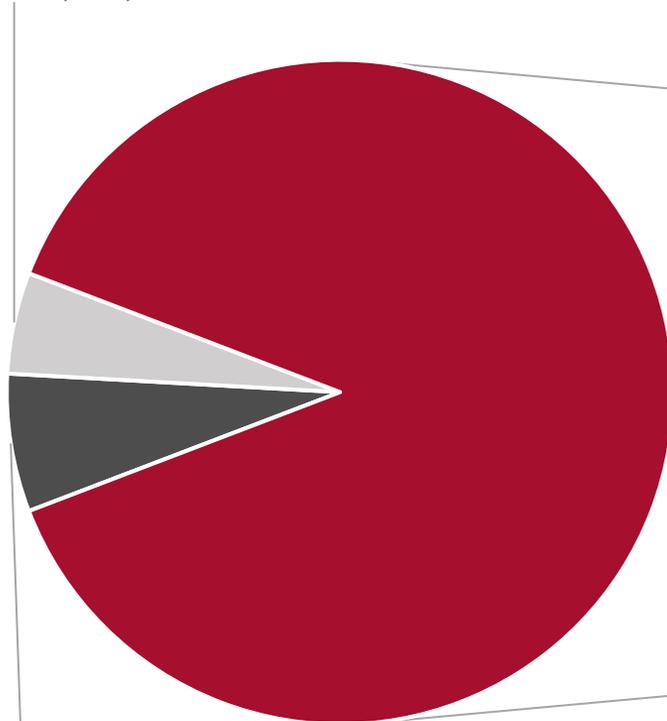


*Available for allocation in the Core Funds budget



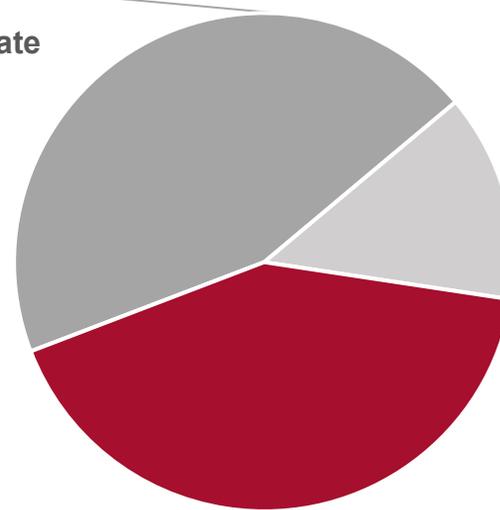
FY26 Core Funds Budget - \$661,330,500

Administrative Fees &
Interest \$32,624,500



General Fund State
Appropriation
\$261,208,000

Proviso and Other State
Funds \$78,944,000



Tuition
\$244,104,000

Indirect Cost Recoveries
(F&A) \$44,450,000



**Washington State University
FY26 Budget Development Planning
RECURRING Core Funds Only**

Estimated Net Tuition Funds	\$0
State Appropriations Funding Reduction (%)	(\$4,924,000)
FY26 State Compensation Funding	\$6,365,000
Indirect Cost Recovery (F&A)	\$0
Interest Income Reduction	(\$746,000)
Subtotal Revenue Changes	\$695,000

Reallocation from Strategic Budget Reductions	\$17,132,682	Reduction Scenarios for Hearings	
		-1%	(4,101,110)
		-3%	(12,303,331)
		-5%	(20,505,551)
		-10%	(41,011,102)
Total Estimated Recurring Sources Change	\$17,827,682		

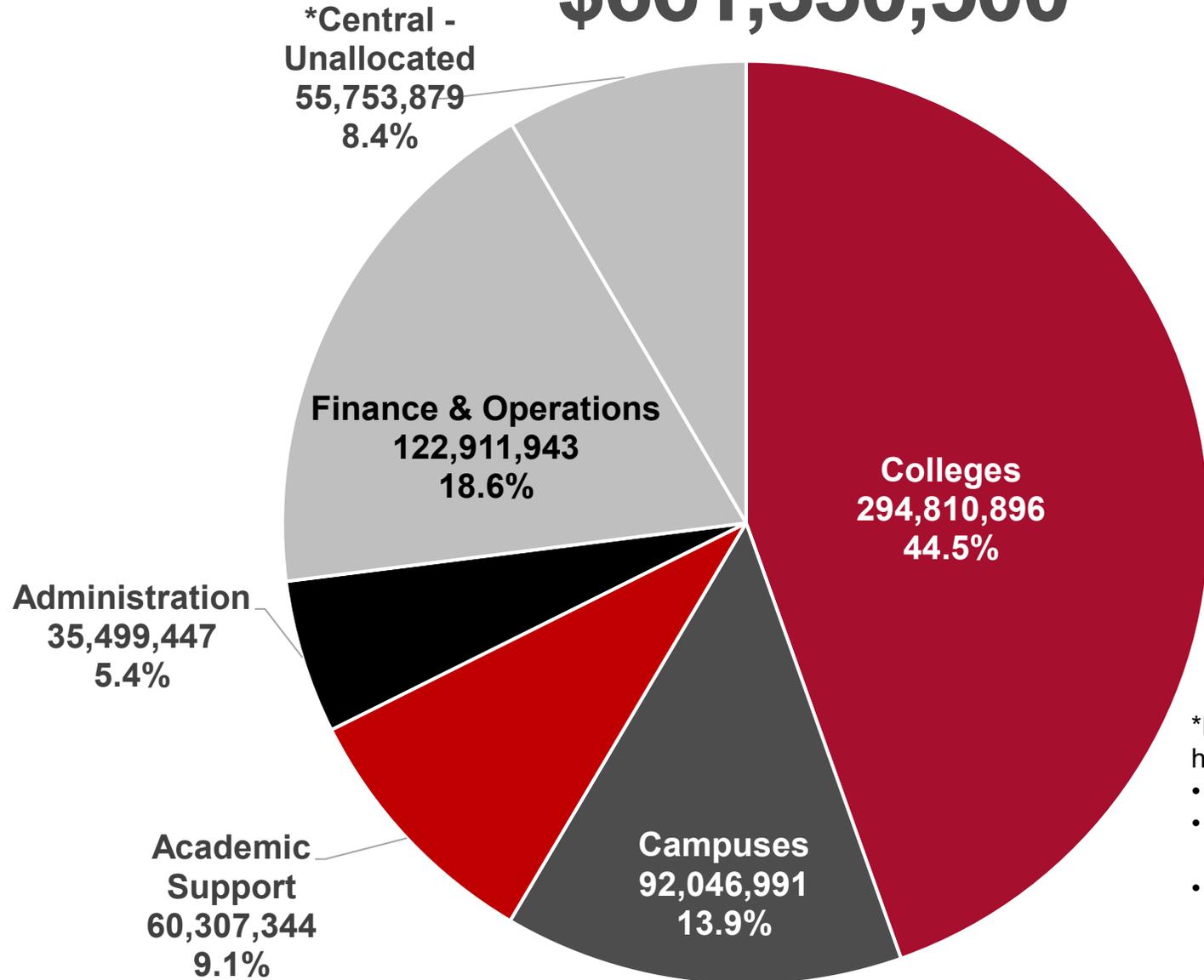
Recurring Requests Approved from FY25	\$0
FY26 Recurring Requests Approved	
FY26 State Compensation Funding	6,365,000
Graduate Student Contract and Health Insurance	2,789,600
Utilities - Pullman	2,550,000
Core Funded Benefits/Central Services - Fund Split on Tuition	1,435,000
Insurance - Pullman and Spokane	1,375,000
Faculty Tenure and Promotion	775,000
Utilities - Spokane	686,000
Risk and Compliance Initiatives	649,702
Presidential Faculty Excellence Fund	500,000
Contingency - 5% of Recurring Budget Change	702,380
Recurring Requests Approved	\$17,827,682
Balance	\$0





FY26 Core Funds Budget

\$661,330,500



*Finance & Operations budget includes funds that are held for future allocation to units, including:

- Funding for state-funded compensation changes
- F&A funds allocated per Executive Policy 2 – only 50% are allocated in the initial budget
- Annual true up funding for net tuition and enrollment models

Core Funds Reductions: Percentage of the Reduction Base

Division	FY25 Ending Core Funds Baseline Subject to Reduction	Division % of Baseline Subject to Reduction	Recurring Reduction	% of Baseline Reduced
Colleges	201,339,270	49%	(5,744,335)	-2.9%
Campuses	82,192,464	20%	(6,800,014)	-8.3%
Academic Support	45,806,565	11%	(1,616,023)	-3.5%
Administration	26,264,447	6%	(1,191,000)	-4.5%
Finance & Operations*	58,000,368	14%	(1,781,310)	-3.1%
	413,603,114	100%	(17,132,682)	-4.1%

*Baseline subject to reduction does not include General Expense budget in Finance & Operations, which includes Pullman utilities



FY26 Core Funds Budget

Division	FY25 Ending Core Funds Baseline	Recurring Reduction	Recurring GA - Central Funds	Recurring - State Budget & Other Central Allocations	Allocations Including Benefits and F&A	Estimated FY26 Initial Budget
Colleges	201,339,270	(5,744,335)	2,294,600	17,276,361	79,645,000	294,810,896
Campuses	82,192,464	(6,800,014)	170,000	8,544,541	7,940,000	92,046,991
Academic Support	45,806,565	(1,616,023)	95,000	4,367,802	11,654,000	60,307,344
Administration	26,264,447	(1,191,000)	7,000	264,000	10,155,000	35,499,447
Finance & Operations	85,133,757	(1,781,310)	3,000	19,123,259	76,187,115	178,665,822
	440,736,503	(17,132,682)	2,569,600	49,575,963	185,581,115	661,330,500



FY26 Budget Development - Compensation

- Classified & Civil Service Employees
 - Effective on July 1, 2025
 - 3% Increase

- Graduate Student – ASE Contract
 - Effective on October 1, 2025
 - 3% increase

- Faculty and Administrative Professional
 - Effective on October 1, 2025
 - No increase for employees hired on or after January 1, 2025
 - No increase for employees earning \$250,000 or above in base salary

 - Faculty
 - Increases will follow the allocation process in the Faculty Manual
 - Pool available is 1.4%

 - Administrative Professional
 - 1.4% Increase



FY26 Budget Implementation

- ❑ Notification to units by Friday, June 6
- ❑ Complete 30-Day Plan with submission by Friday, July 11
- ❑ Voluntary Early Retirement Incentive planning begins on Monday, June 9
- ❑ Emphasis on Executive Policy #1 – Budget Responsibility
- ❑ Review and update to Executive Policy #2 – Allocating Facilities & Administrative Cost Recovery (IDC) Funds
- ❑ Introduce Core Fund Carryforward Surtax in August
- ❑ Continuous modeling and scenario planning for changes in tuition collection, interest income, and additional state & federal impacts



Continuous Budget Timeline

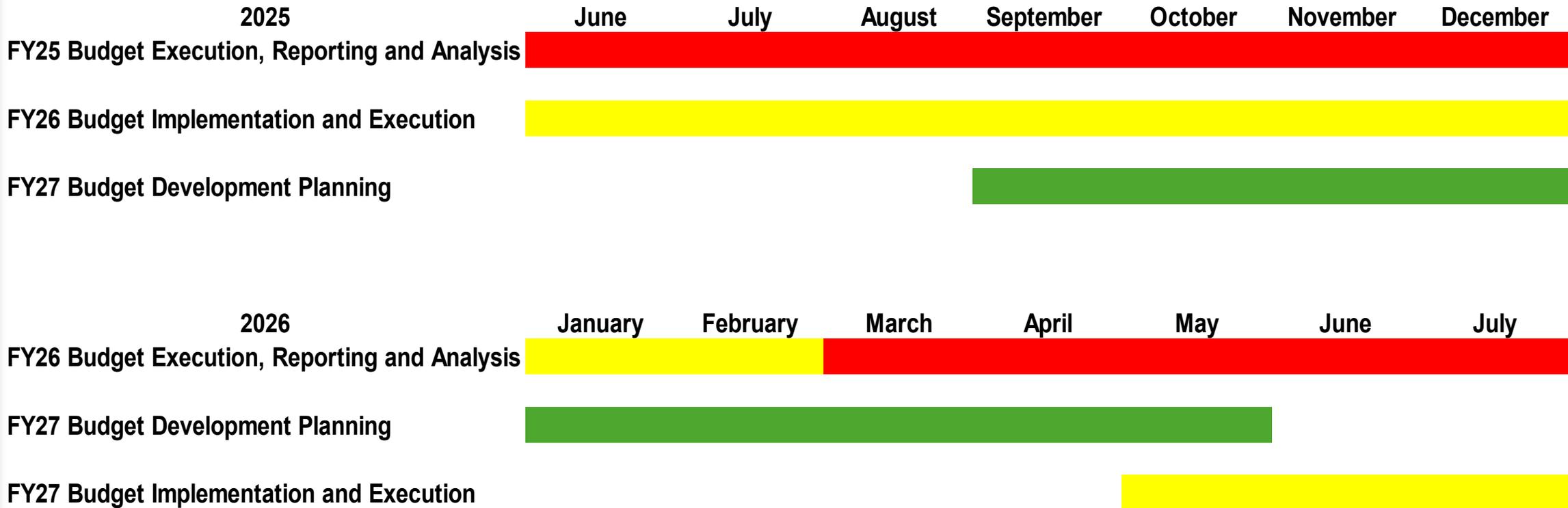


Exhibit H



WASHINGTON STATE
UNIVERSITY

Cougar Athletics



June 2025



FY2026 Revenues

ATHLETIC REVENUE	FY25 May	FY26	Variance	Notes
Conference Distribution	37.7	37.4	(0.3)	Based on Conference projections - includes \$10M from institution
REVENUE ITEMS CONFERENCE/SETTLEMENT	37.7	37.4	(0.3)	
Ticket Sales	5.4	6.0	0.6	
Student Sports Pass	2.0	2.4	0.4	Sports pass price held flat to FY25
Apple Cup	1.7	-	(1.7)	
Donation Support	8.0	9.5	1.5	Annual Fund, Sports/Project Specific, Foundation Support
Program/Concessions	0.4	0.7	0.3	
Other Revenue	3.5	2.0	(1.5)	Facility and Processing Fees, Parking, Pouring Rights, Merchandising
REVENUE ITEMS WITH PROJECTED CHANGE	21.0	20.6	(0.4)	
Endowments	1.0	1.0	-	
NCAA Distribution	1.6	1.6	-	
Royalties/Advertising	4.5	3.8	(0.7)	
Student Fees - Debt Service	0.6	0.7	0.1	
Direct Institutional Support - \$\$\$	4.5	4.5	-	Institutional Support Investment
REVENUE ITEMS WITH MINIMAL CHANGE	12.2	11.6	(0.6)	
REVENUE BEFORE OFFSETS	70.9	69.6	(1.3)	
Sports Camp Revenue	0.4	0.4	-	
Direct Institutional Support - GE Waivers	3.4	3.4	-	
Indirect Institutional Support	0.5	0.5	-	
In Kind Contributions	1.6	0.5	(1.1)	
Bowl Revenue	0.7	-	(0.7)	
REVENUE ITEMS = EXPENSE	6.6	4.8	(1.8)	
TOTAL REVENUE	77.5	74.4	(3.1)	



FY2026 Expenses

ATHLETIC EXPENSE	FY25 May	FY26	Variance	Notes
Scholarships	9.3	10.0	(0.7)	Tuition increase and house settlement changes for increased scholarships
Compensation	25.5	25.0	0.5	Opportunities for change as internal model pivots, invest in revenue generation
Debt	11.1	10.4	0.7	Removal of Baseball payment
TOTAL ADMINISTRATION	45.9	45.4	0.5	
Recruiting	1.6	1.6	-	
Team Travel	4.6	4.4	0.2	
Equipment	1.1	1.2	(0.1)	
Game Expenses	2.6	2.5	0.1	
Medical Costs	1.7	1.7	-	2nd year of PRH agreement
Student Athlete Meals	0.6	0.9	(0.3)	Area needed for reinvestment
TOTAL SPORTS PROGRAMS	12.2	12.3	(0.1)	
Direct Admin Expense	2.1	2.1	-	IT, Relocation, Insurance, WD, Band Support, Olympic post season
DIRECT ADMIN EXPENSE	2.1	2.1	-	
Guarantee Expense	2.1	2.0	0.1	Independent Football Schedule
Fund Raising/Marketing	1.2	1.3	(0.1)	Increase to support increased engagement activity towards Fall 2025
Spirit Expense	0.2	0.2	-	
Other Expense	6.0	6.4	(0.4)	Ticketing Fees, Parking expenses, Facilities and Maintenance, Taxes
TOTAL OTHER EXPENSE	9.5	9.9	(0.4)	
EXPENSE BEFORE OFFSETS	69.7	69.7	-	
Sports Camp Expense	0.4	0.4	-	
Scholarships - GE Waivers	3.4	3.4	-	
Indirect Institutional Support	0.5	0.5	-	
In Kind Contributions	1.6	0.5	1.1	
Bowl Bonus	0.4	-	0.4	
Bowl Expense	1.5	-	1.5	
EXPENSE ITEMS = REVENUE	7.8	4.8	3.0	
TOTAL EXPENSE	77.5	74.4	3.1	



FY2025 Revenues

	Budget	May BOR	Variance	Notes
Conference Distribution	38.4	37.7	(0.7)	March distribution true-up
REVENUE ITEMS CONFERENCE/SETTLEMENT	38.4	37.7	(0.7)	
Ticket Sales - Admissions Net of Tax	5.0	5.4	0.4	Increased ticket sales from MBB mini plans
Student Sports Pass	2.0	2.0	-	
Apple Cup	1.2	1.7	0.5	Exceeded expectation for football game at Lumen Field
Donation Support	8.0	8.0	-	
Program/Concessions	0.4	0.4	-	
Other Revenue	1.7	3.5	1.8	Buyout revenues to be used for coaching transition expenses and ticketing fee surplus
REVENUE ITEMS WITH PROJECTED CHANGE	18.3	21.0	2.7	
Endowments	1.0	1.0	-	
NCAA Distribution	1.6	1.6	-	
Royalties/Advertising	4.3	4.5	0.2	Increased royalties due to performance of EA Sports NCAA Football
Student Fees - Debt Service	0.6	0.6	-	
Direct Institutional Support - \$\$\$	2.5	4.5	2.0	Institutional Support investment
REVENUE ITEMS WITH MINIMAL CHANGE	10.0	12.2	2.2	
REVENUE BEFORE OFFSETS	66.7	70.9	4.2	
Sports Camp Revenue	0.4	0.4	-	
Direct Institutional Support - GE Waivers	3.4	3.4	-	
Indirect Institutional Support	0.5	0.5	-	
In Kind Contributions	1.6	1.6	-	
Bowl Revenue	1.6	0.7	(0.9)	Bowl revenue shortfall
REVENUE ITEMS = EXPENSE	7.5	6.6	(0.9)	
TOTAL REVENUE	74.0	77.5	3.5	



FY2025 Expenses

	Budget	May BOR	Variance	
Scholarships	8.7	9.3	(0.6)	Increased use of aid towards degree completion and medical degree completion
Compensation	25.3	25.5	(0.2)	Leave payout and additional benefits
Debt	11.1	11.1	-	
TOTAL ADMINISTRATION	45.1	45.9	(0.8)	
Recruiting	1.6	1.5	0.1	
Team Travel	3.7	4.4	(0.7)	Increases with mid-year investment and post-season travel expenses
Equipment	0.8	1.2	(0.4)	
Game Expenses	2.6	3.1	(0.5)	
Medical Costs	1.7	1.7	-	
Student Athlete Meals	0.6	0.7	(0.1)	
TOTAL SPORTS PROGRAMS	11.0	12.6	(1.6)	
Direct Admin Expense	2.1	1.7	0.4	
Dues and Memberships	-	0.2	(0.2)	Due to/due from shared conference expenses
DIRECT ADMIN EXPENSE	2.1	1.9	0.2	
Guarantee Expense	2.1	2.1	-	
Fund Raising/Marketing	1.1	1.2	(0.1)	Increase to support increased engagement activity towards Fall 2025
Spirit Expense	0.2	0.2	-	
Other Expense	5.1	6.0	(0.9)	Coaching transition costs, increased ticketing fees and maintenance costs
TOTAL OTHER EXPENSE	8.5	9.5	(1.0)	
EXPENSE BEFORE OFFSETS	66.7	69.9	(3.2)	
Sports Camp Expense	0.4	0.4	-	
Scholarships - GE Waivers	3.4	3.4	-	
Indirect Institutional Support	0.5	0.5	-	
In Kind Contributions	1.6	1.6	-	
Bowl Bonus	0.4	0.4	-	
Bowl Expense	1.2	1.3	(0.1)	Increased Holiday Bowl expenses and consignment ticket shortfall
EXPENSE ITEMS = REVENUE	7.5	7.6	(0.1)	
TOTAL EXPENSE	74.0	77.5	(3.5)	



FY2025 Year End Transfer

Projected Cumulative Athletics Deficit for FY25*	(99.8)
--	--------

Projected Cash Transfer (based on April 30, 2025 cash balances)	
Housing, Dining and Other Self-Sustaining auxiliaries	65.0
Parking and Transportation	10.0
Central, Non-Core Reserves	24.8
Total Available	99.8

	FY23 Actuals	FY24 Actuals	FY25 (Proj.)
Plant and Operations Cash Balance at 6/30	(102.0)	(102.0)	(102.0)
Conference Resources Investment			(10.0)
Capital Donation Balance at 6/30	42.3	34.1	23.2
Buffer for timing in payments at year end			(10.0)
Transfer at 6/30	(59.7)	(67.9)	(99.8)

