

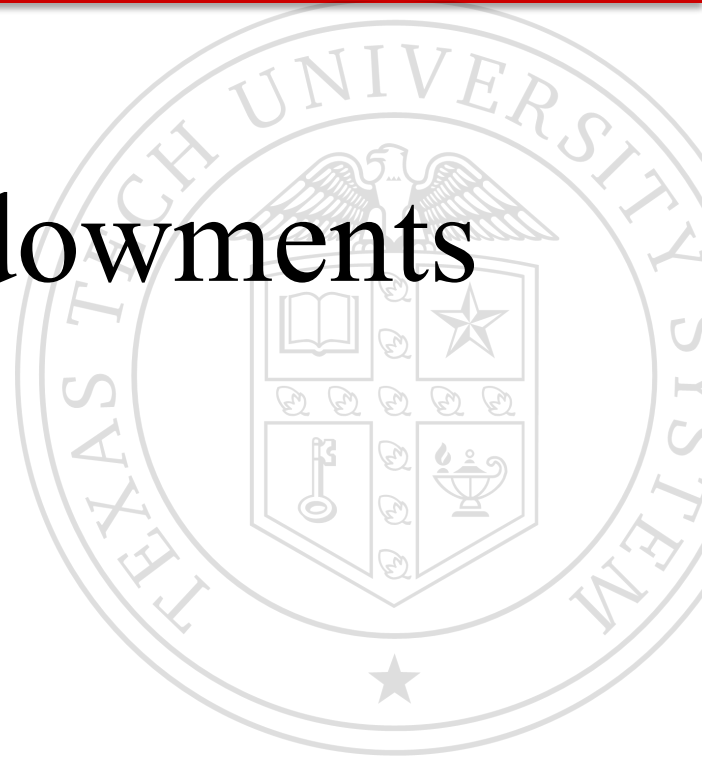


# Report on TTUS Endowments

Gary Barnes

*Vice Chancellor and Chief Financial Officer*

February 27, 2020



# Endowment Funds



## Definition:

- Gifts that are invested for long term growth to produce earnings that will last into perpetuity.

## Purpose:

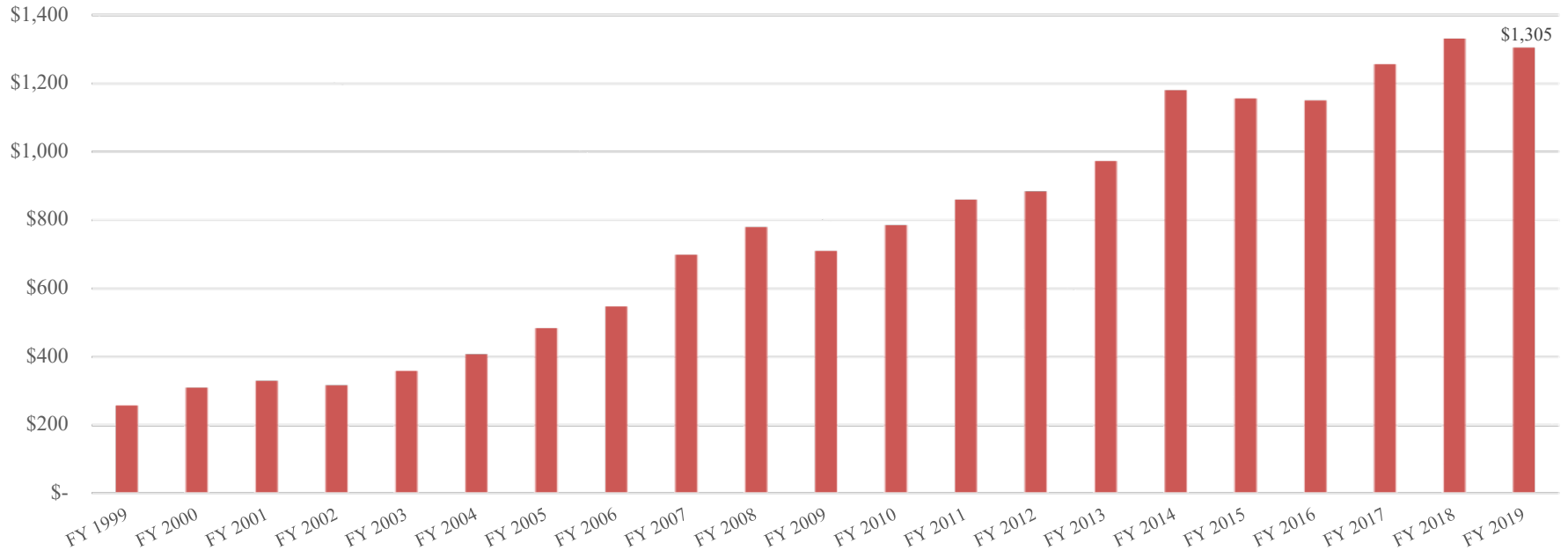
- Support strategic mission and goals of institution while also fulfilling philanthropic goals of individual donors.

## Benefits:

- Support that will impact both current and future generations.
- Consistent and stable source of revenue that will last into perpetuity.

# TTU System Total Endowment

FY 1999 – FY 2019 *(in Millions)*

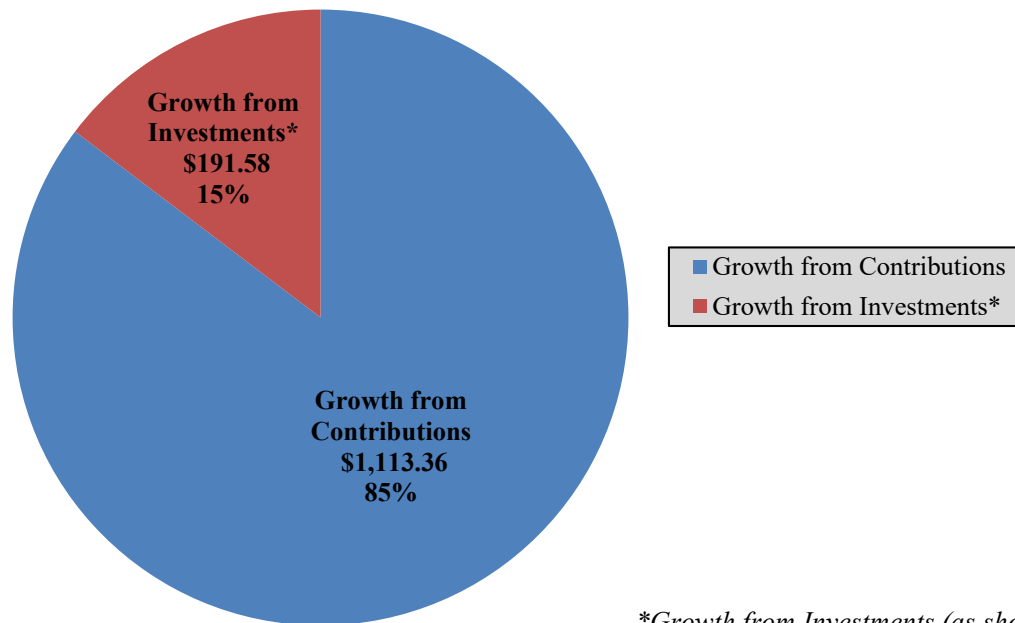


- Over 400% increase in Total Endowment over the past 20 years
- Significant increase attributed to generous support from donors and investment performance



## Historical Perspective of Endowment Composition

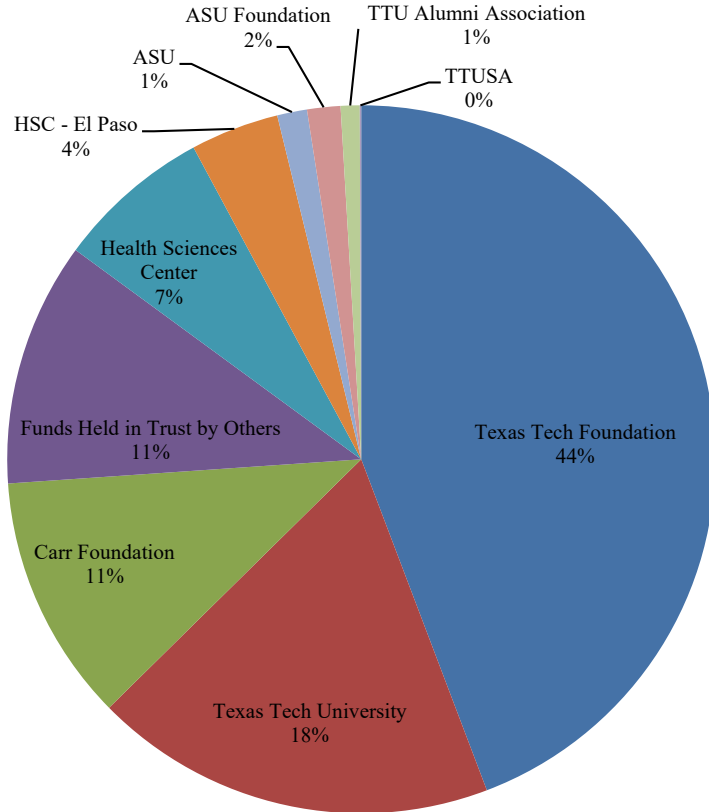
*As of 8/31/2019*



*\*Growth from Investments (as shown) is net of total distributions and management fees*

# TTUS Total Endowment by Agency

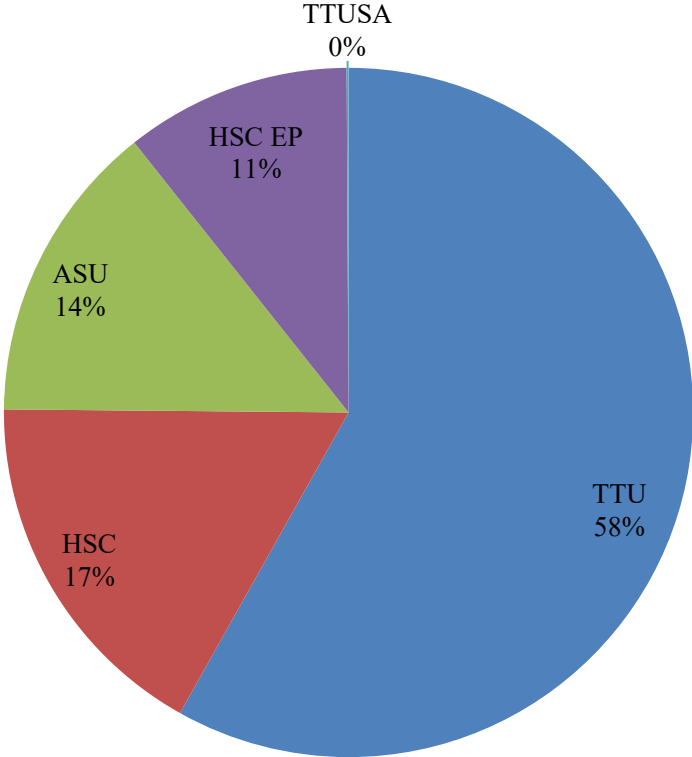
## As of August 31, 2019



■ Texas Tech Foundation	577,116,988	44%
■ Texas Tech University	239,997,195	18%
■ Carr Foundation	147,366,103	11%
■ Funds Held in Trust by Others	145,559,385	11%
■ Health Sciences Center	92,389,402	7%
■ HSC - El Paso	52,719,708	4%
■ ASU	17,789,416	1%
■ ASU Foundation	19,854,838	2%
■ TTU Alumni Association	11,286,869	1%
■ TTUSA	859,777	0%

# TTUS Total Endowment by Component

As of August 31, 2019



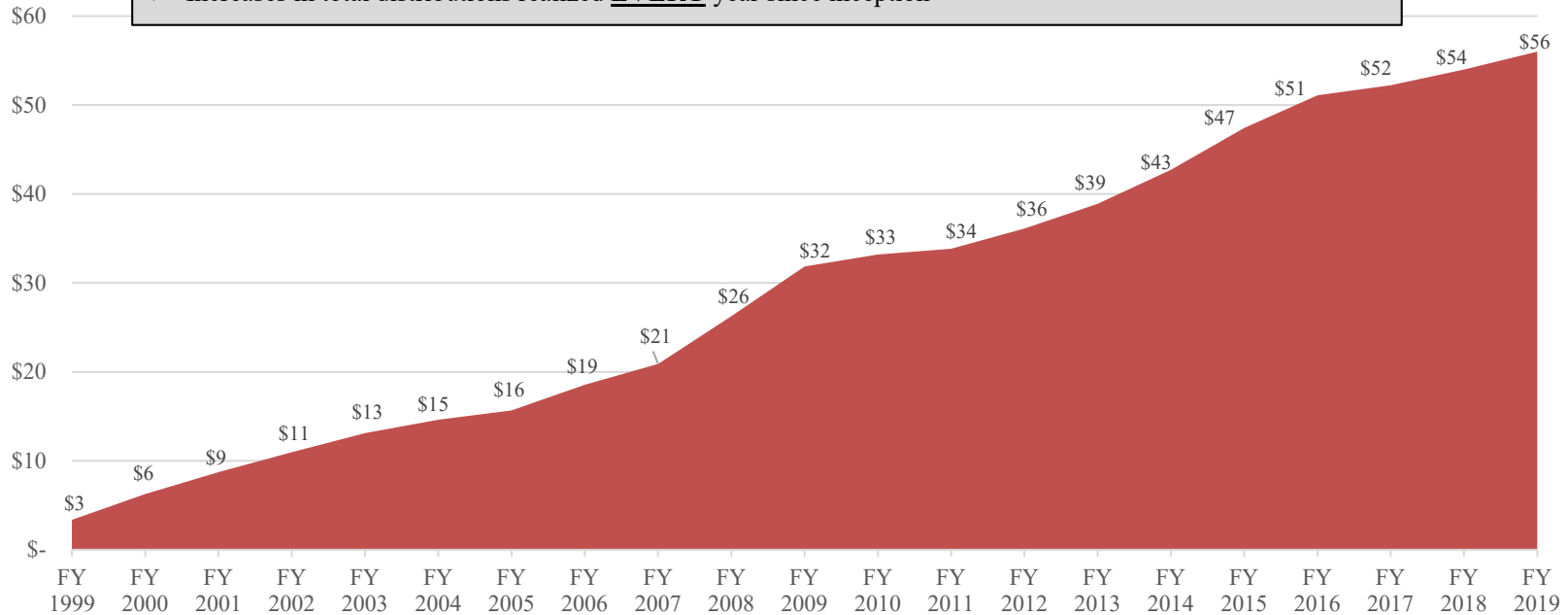
■ TTU	758,658,407	58%
■ HSC	221,899,518	17%
■ ASU	185,010,357	14%
■ HSC EP	138,189,574	11%
■ TTUSA	1,181,826	0%

# Distributions to Component Institutions

FY 1999 – FY 2019 (in Millions)



- Through careful stewardship, the target distribution rate of **4.5%** has been realized every year since inception.
- Over **\$619M in total earnings** paid since inception with \$56M in FY 2019 alone.
- Increases in total distributions realized **EVERY** year since inception

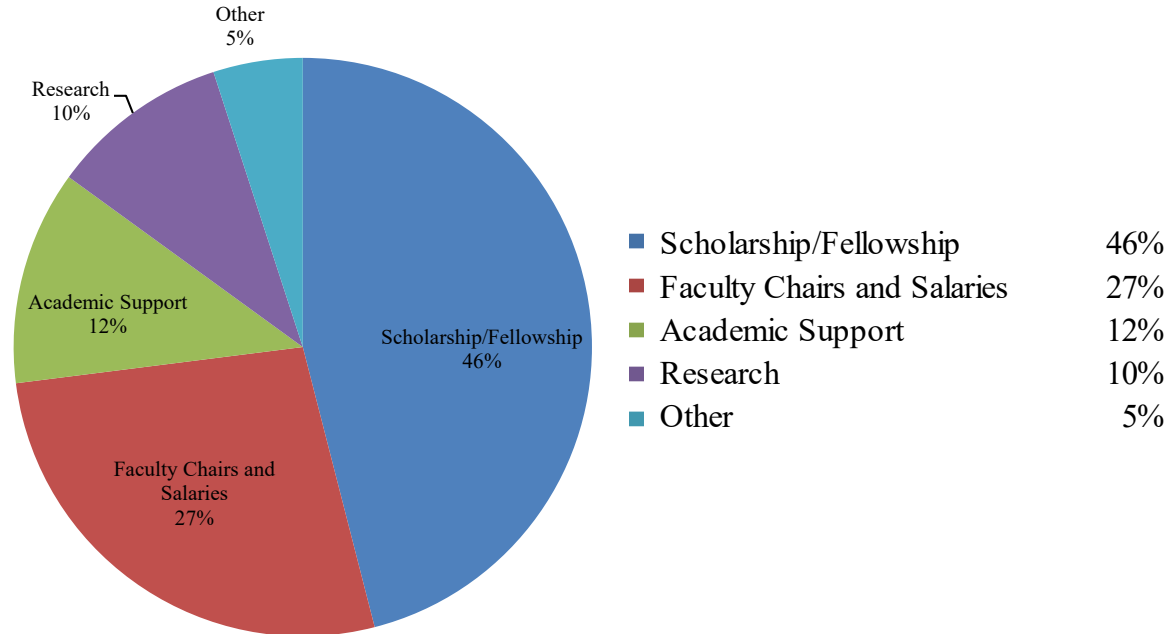


# Endowment Distribution by Type

As of August 31, 2019



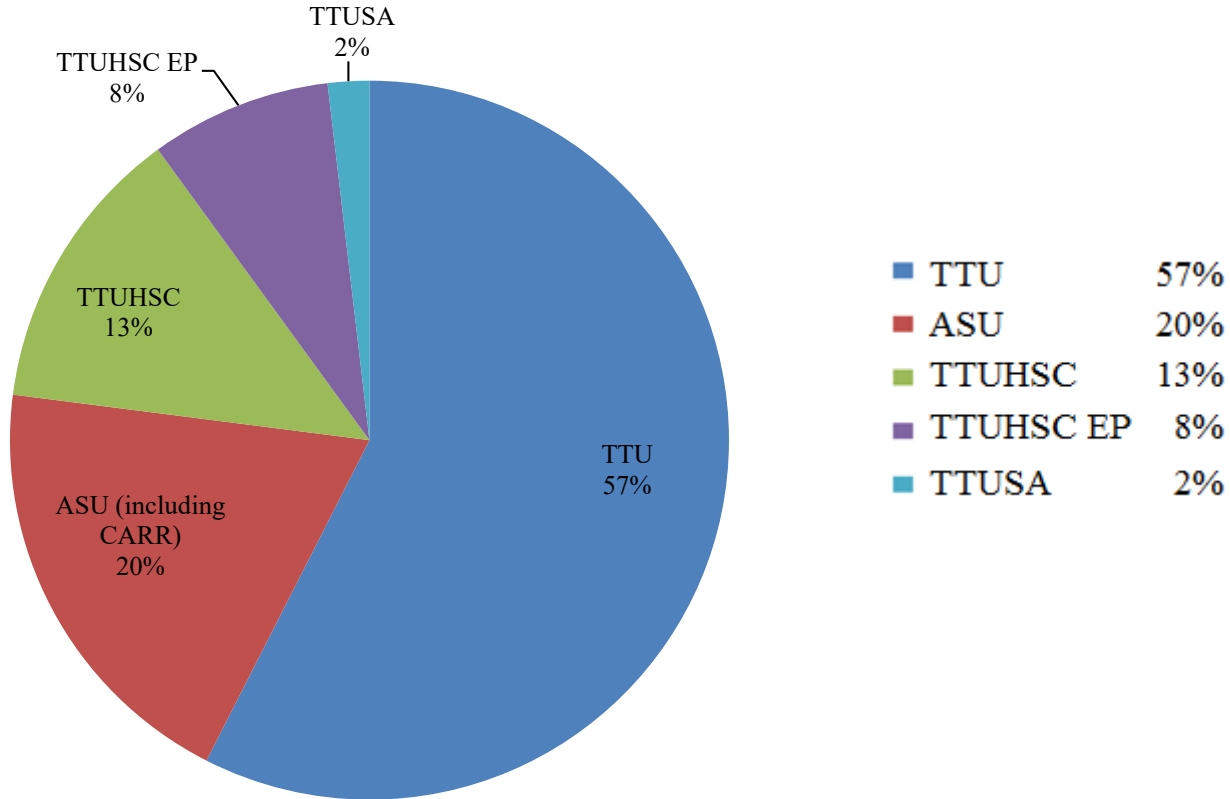
➤ In FY 2019, earnings of \$56 million were distributed to all 4 universities to support their academic, research and community engagement missions, as directed by donors.





# Endowment Distribution by Component

As of August 31, 2019





# Investment Update

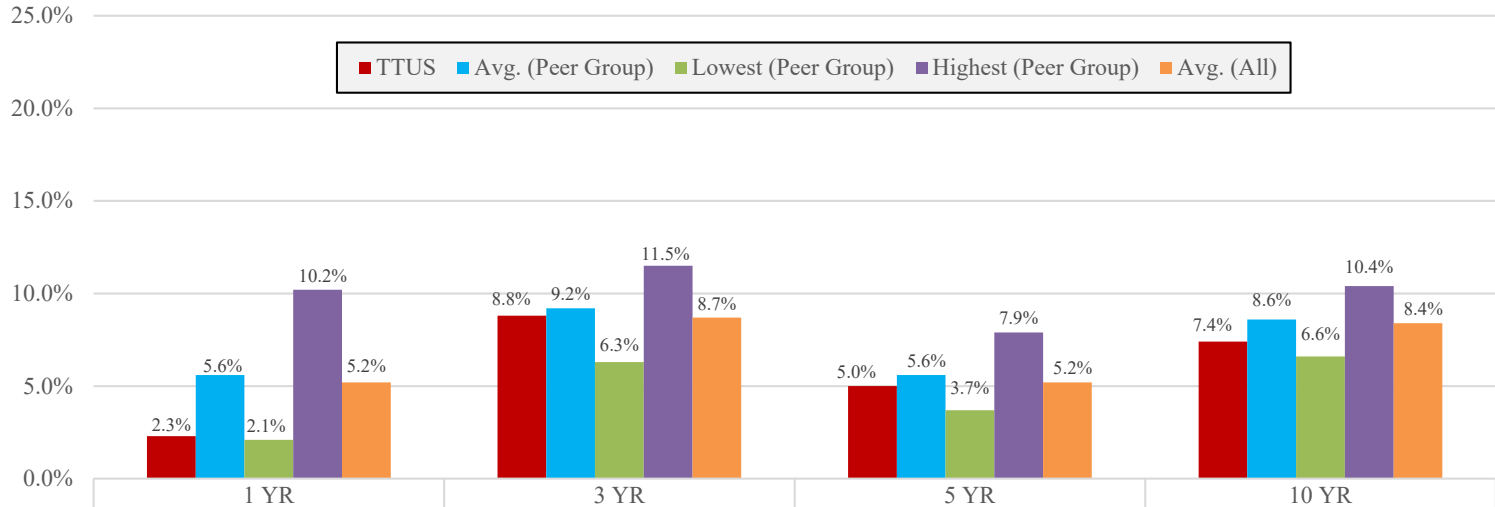


# NACUBO Annual Study of Endowments

As of June 30, 2019



## TTUS 1/3/5/10 YR RETURNS VS. TOTAL & PEER GROUP (750M-1.5B)



■ TTUS	2.3%	8.8%	5.0%	7.4%
■ Avg. (Peer Group)	5.6%	9.2%	5.6%	8.6%
■ Lowest (Peer Group)	2.1%	6.3%	3.7%	6.6%
■ Highest (Peer Group)	10.2%	11.5%	7.9%	10.4%
■ Avg. (All)	5.2%	8.7%	5.2%	8.4%

# LTIF Returns / Performance Update



	<b>1 YEAR</b>	<b>3 YEAR</b>	<b>5 YEAR</b>	<b>10 YEAR</b>
As of 6/30/19	2.31%	8.80%	5.01%	7.41%
As of 8/31/19	0.18%	7.31%	4.87%	6.90%
As of 12/31/19	10.92%	7.08%	5.93%	6.36%



TEXAS TECH UNIVERSITY SYSTEM™