



2016-2017 ANNUAL REPORT

LETTER FROM KSU FOUNDATION PRESIDENT



Willie E. Peale Jr. '73
President
Kentucky State University Foundation Inc.

The Kentucky State University Foundation is a 501(c) (3) nonprofit organization dedicated to the financial support of KSU. As such, we are in the unique position to assist KSU in its mission and vision as well as donors' desire for an institution of excellence.

We also assist in providing opportunities to engage business leaders, alumni and other successful individuals who are willing to commit their time, resources and talent to support KSU.

By giving to the Foundation, you are assured that your gift will be responsibly invested and distributed. In addition, our commitment is to direct your gift toward an endowment, for example, or designate that your gift be used for a particular present purpose.

You can be the difference between the promise of success and the fulfillment of that promise. You matter considerably as we all endeavor to benefit KSU and its students.

Thank you for your support of Kentucky State University and the Thorobred spirit!

LETTER FROM KSU FOUNDATION EXECUTIVE SECRETARY



Donald W. Lyons '68
Executive Secretary
Kentucky State University Foundation Inc.

Students are the number-one priority at Kentucky State University, and many of them need financial assistance. Public institutions of higher education, like Kentucky State University, receive funding from state legislatures and the federal government in addition to tuition and fees. However, for decades the cost of attending college has steadily increased as government support has declined.

Beyond colleges and universities receiving state appropriations and students receiving federal assistance, there is an increasing need for philanthropic support from individuals and corporations as well as foundations and other organizations.

Convincing evidence proves that earning a college degree helps individuals and their families get ahead in life. But how does it help us as a society? According to the Association of Public and Land-Grant Universities: “Through volunteer work, leadership and philanthropic contributions, public university graduates enrich the civic and economic life of their communities. They also contribute more in taxes and are less reliant on government services than their peers whose highest degree is a high school diploma.”

College graduates contribute to a more vibrant society. So I ask, please consider giving – and giving more – to Kentucky State University. Your generosity will not only benefit students, it will benefit all of us.

With deep appreciation of all our stakeholders . . . Onward and Upward!

12 SURPRISING BENEFITS OF A COLLEGE DEGREE

By: Sarah Goldy-Brown, Content Writer | for PLEXUSS.COM | September 15, 2017

NOTE: This article is aimed at those considering a college education. However, it explains to all of us as a society the benefits of a college degree.

1. Higher Job Satisfaction

Job satisfaction takes into account workers' feelings about the work they are doing, the people they work with, the compensation they receive and all other aspects of day-to-day and long-term work life. Those with college degrees have higher job satisfaction than those that only have a high school education. Their jobs also come with more responsibility and salary-based pay, so employees also have stronger medical, retirement and paid time-off plans. When it comes to getting a raise or a promotion, someone with a college degree will also be more qualified.

2. Build a Social Network

The social benefits of going to college are arguably the most important besides money because they usually help you snag that high-paying job. Your friends in college will go on to work throughout the country in various fields. Not only are these important personal relationships, but they're also essential business/networking relationships. In addition, college alumni often recruit for internships and jobs right on campus. The social network you build in college can jumpstart your career.

3. Increase Your Family's Social Mobility

Social mobility is the possibility to change your class, earnings or social status during your lifetime. Research by Pew Charitable Trusts shows that education has a substantial effect on social mobility. Bachelor's degree holders are significantly less likely to stay at the bottom income level. A college degree also prevents those in the middle or top income level from falling into a lower one. Plus, if you are currently in the lowest income level, you are three times more likely to move to the top with a college degree than without one.

4. Improve Your Kids' Future

Your bachelor's degree does not just affect you. Children of college graduates are more likely

to attend college themselves and pursue their dreams. This will set them up for a better financial future and give them all of the benefits that come with a degree.

5. More Likely to Exercise

When looking at those with a college degree vs. high school diploma, those with college degrees are often healthier. A 2013 study by the National Center for Health Statistics shows that the more educated you are, the more likely you are to exercise. 68 percent of college degree earners aged 25-34 exercise vigorously once per week, but only 40 percent of high school graduates do. As graduates get older, these percentages increase.

6. More Likely to Live Longer

The Center for Disease Control believes that those with a college degree live roughly nine years longer than those without a high school diploma. Bachelor's degree holders typically have access to better medical care and are more likely to make healthier lifestyle choices. Plus, they're less likely to be obese than those with less education.

7. Less Likely to Be a Smoker

Another surprising statistic relates to the link between education and likelihood of smoking. A 2015 study showed that higher levels of education are associated with a drop in the smoking rate. 24.2 percent of people without a high school diploma smoke, 19.8 percent of high school graduates smoke, 16.6 percent of those with an associate degree smoke and just 7.4 percent of bachelor's degree earners smoke. One explanation for this is that those in college have more chances to learn about health and are less likely to go into a blue collar job where smoking is more common.

8. Have Healthier Kids

Parents who are educated beyond a high school diploma are more likely to have healthier kids. The National Center for Health Statistics did a study that found links between childhood



obesity and adult education. This research found that in homes where the head of household has a bachelor's degree or higher, only 11 percent of boys and 7 percent of girls are obese. When the education level is less than high school for the head of household, 24 percent of boys and 22 percent of girls are obese.

9. Become a Better Communicator

Interacting with peers and highly educated professors on a daily basis will improve your communication skills. Improved communication abilities will make it easier for you to nail job interviews, make new friends, develop intimate relationships and professionally network.

10. Inspired to Give Back to Your Community

Bachelor's degree holders are more than twice as likely to volunteer over a year's time as those with just a high school diploma. In 2015, 27,629 thousand bachelor's degree holders volunteered

and only 9,576 thousand people with just high school diplomas did. College degree holders also donate 3.5 times more money to charity than those without a college degree. Income inequality likely plays a huge role in this statistic.

11. More Likely to Vote

Bachelor's degree holders aged 25-44 were 1.7 times more likely to vote than high school graduates of the same age during the 2012 presidential election. Those who earned a college degree tend to become more civically involved and more likely to vote in elections. Also, college graduates are more likely to register to vote.

12. Become More Confident

Earning a college degree is an accomplishment many look forward to earning when they are in elementary school. Achieving that goal will give you confidence and prove to yourself that you can successfully complete anything you work hard for.

HISTORY OF KENTUCKY STATE UNIVERSITY

From its modest beginnings as a small normal school for the training of black teachers for the black schools of Kentucky, Kentucky State University has grown and evolved into a land-grant and liberal arts institution that prepares a diverse student population to compete in a multifaceted, ever-changing global society.

The university was chartered in May 1886 as the State Normal School for Colored Persons, only the second state-supported institution of higher learning in Kentucky. During the euphoria of Frankfort's 1886 centennial celebration, when vivid recollections of

the Civil War remained, the city's 4,000 residents were keenly interested in having the new institution located in Frankfort. Toward that end, the city donated \$1,500, a considerable amount in 1886 dollars, and a site on a scenic bluff overlooking the town. This united display of community enthusiasm and commitment won the day. The new college was located in Frankfort in spite of competition from several other cities.

Recitation Hall (now Jackson Hall), the college's first building, was erected in 1887. The new school opened on October 11, 1887, with three teachers, 55 students and John H. Jackson as president.



KSU became a land-grant college in 1890, and the departments of home economics, agriculture and mechanics were added to the school's curriculum. The school produced its first graduating class of five students in the spring of that year. A high school was organized in 1893. This expansion continued into the 20th century in both name and program. In 1902, the name was changed to Kentucky Normal and Industrial Institute for Colored Persons. The name was changed again in 1926 to Kentucky State Industrial College for Colored Persons. In the early 1930s, the high school was discontinued, and in 1938 the school was named the Kentucky State College for Negroes. The term

"for Negroes" was dropped in 1952. Kentucky State College became a university in 1972, and in 1973 the first graduate students enrolled in its School of Public Affairs.

Over the past 30 years, more than 43 new structures or major building expansions have enhanced Kentucky State University's 882-acre campus, which includes a 311-acre agricultural research farm and a 306-acre environmental education center.

Kentucky State University is a public institution with an enrollment of approximately 2,200 students and 135 full-time faculty members.



STATEMENT OF FINANCIAL POSITION

Kentucky State University Foundation Inc.
June 30, 2017 and June 30, 2016

	2017	2016
ASSETS		
Current Assets:		
Cash and cash equivalents	1,610,138	2,153,581
Total current assets	\$1,610,138	\$2,153,581
Investments, at fair value	\$9,082,083	\$8,446,484
Property and equipment:		
Equipment	140,400	140,400
Buildings & improvements	65,526	65,526
	205,926	205,926
Accumulated depreciation	(181,009)	(178,134)
Property and equipment, net	24,917	27,792
Other assets	31,640	32,472
Total assets	\$10,748,778	\$10,660,329
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable		3,572
Accrued liabilities	2,081	281
Total liabilities	\$2,081	\$3,853
Net assets:		
Unrestricted	253,323	261,113
Temporarily restricted	6,781,650	6,786,750
Permanently restricted	3,711,724	3,608,613
Total net assets	10,746,697	10,656,476
Total liabilities and net assets	\$10,748,778	\$10,660,329

SCHEDULE OF FUNCTIONAL EXPENSES

Year Ended June 30, 2017 and June 30, 2016

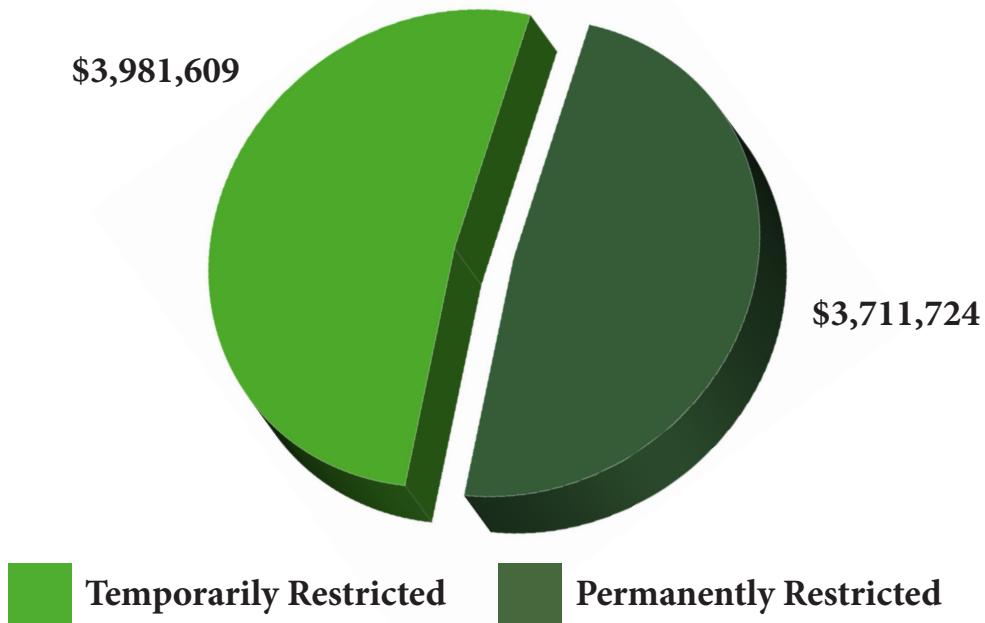
	Student Support	University Support	Total Program Service Expenses	Management and General Expenses	Total Expenses 6/30/17	Total Expenses 6/30/16
Scholarships	346,602		346,602		346,602	180,791
University Support		487,225	487,225		487,225	1,101,774
Homecoming		43,553	43,553		43,553	27,714
Student Support	84,476		84,476		84,476	63,601
Travel		51,998	51,998		51,998	26,553
Professional Fees				38,010	38,010	110,724
Salaries				102,861	102,861	99,262
Investment Management Fees				64,952	64,952	70,085
Operating				70,749	70,749	29,365
Office Expenses		29	29	14,728	14,757	19,763
Contract Services		420,500	420,500		420,500	220,900
Insurance		3,932	3,932		3,932	3,523
Payroll Taxes				7,869	7,869	7,594
Miscellaneous		571	571		571	1,504
Occupancy				3,430	3,430	3,268
Donor Cultivation		7,442	7,442		7,442	2,695
Depreciation				2,875	2,875	2,875
Total Expenses	\$431,078	\$1,015,250	\$1,446,328	\$305,474	\$1,751,802	\$1,971,991

ENDOWMENT ASSETS

Endowment net asset composition by type of fund as of June 30, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Net Endowment Assets
Donor-restricted endowment funds	\$ -----	3,981,609	\$3,711,724	\$7,693,333

DONOR RESTRICTED ENDOWMENT FUNDS



Endowment net asset composition by type of fund as of June 30, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Net Endowment Assets
Donor-restricted endowment funds	\$ -----	\$4,030,448	\$3,608,613	\$7,639,061

Endowment Composition

Changes in endowment net assets as of June 30, 2017, are as follows:

	Total Net Endowment Assets
Endowment net assets, beginning of year	\$8,663,689
Contributions	72,553
Reclassifications	78,061
Endowment net assets, end of year	\$7,639,061

KSU FOUNDATION COMMITTEE STRUCTURE

EXECUTIVE COMMITTEE

Willie E. Peale Jr., *Chair*
Cuttie Bacon IV
Tava T. Clay
Dr. Lee Charles Harris
Donald W. Lyons
Patricia Wilkes-Stone

INVESTMENT AND FINANCE COMMITTEE

Donald W. Lyons, *Chair*
Dr. Clifford Claiborne
Lytle T. Davis
Willie E. Peale Jr.

ANNUAL FUND DRIVE COMMITTEE

Patricia Wilkes-Stone, *Chair*
Naomi P. Barkley
Kevin Cooke
A. Frazier Curry
Ann B. Garvin
Dr. Lee Charles Harris
Dr. Johnny Sheppard

AUDIT COMMITTEE

Dr. Herbert Watkins, *Chair*
A. Frazier Curry
Latonya Dawson
Ann B. Garvin
M. Loretta Stewart

AD HOC COMMITTEE ON STRATEGIC PLANNING

Lytle T. Davis, *Chair*
Tava T. Clay
Ann B. Garvin
Kathleen Sloan
Patricia Wilkes-Stone

AD HOC NOMINATING COMMITTEE

Patricia Wilkes-Stone, *Chair*
Tava T. Clay
Kevin Cooke
A. Frazier Curry

GRANTS COMMITTEE

Patricia Wilkes-Stone, *Chair*
Lytle T. Davis
Dr. Lee Charles Harris
Jeffrey B. McDonald
Willie E. Peale Jr.
Kathleen Sloan
Dr. Johnny Sheppard
M. Loretta Stewart

KENTUCKY STATE UNIVERSITY FOUNDATION INC.

Donald W. Lyons, *Executive Secretary*

P.O. Box 4210

Frankfort, KY 40601

PH: (502) 875-0187

FAX: (502) 875-0188

Email: ksufndt@aol.com

Website: www.kysufoundation.org

KENTUCKY STATE UNIVERSITY FOUNDATION INC.

Board Members 2016-2017

Mr. Cuttie W. Bacon IV
Upper Marlboro, MD

Mrs. Ann B. Garvin
Topeka, KS

Ms. Lea Robertson
Cincinnati, OH

Mrs. Naomi Barkley
Cincinnati, OH

Ms. Kendra Hamilton
McKinney, TX

Dr. Johnny Sheppard
Frankfort, KY

Dr. Clifford Claiborne
Chicago, IL

Dr. Lee Charles Harris
Frankfort, KY

Ms. Kathleen Sloan
Cincinnati, OH

Mrs. Tava T. Clay
Lexington, KY

Ms. Venita Hawkins
Falls Church, VA

Mrs. M. Loretta Stewart
Louisville, KY

Mr. Kevin Cooke
Washington, DC

Mr. Donald W. Lyons
Lexington, KY

Dr. Herbert Watkins
Louisville, KY

Mr. A. Frazier Curry
Louisville, KY

Mr. Jeffrey McDonald
Chesterfield, OH

Mrs. Patricia W. Stone
Cincinnati, OH

Mr. Lytle T. Davis
Cleveland, OH

Dr. George Moore
Mason, OH

Mr. Charles Whitehead
Villa Hills, KY

Ms. LaTonya Dawson
Cincinnati, OH

Mr. Willie E. Peale Jr.
Frankfort, KY

KENTUCKY STATE UNIVERSITY FOUNDATION INC.

Mission Statement

The purpose of the Kentucky State University Foundation shall be to receive contributions, gifts, grants, devises, or bequests, or real or personal property or both from individuals, foundations, partnerships, associations, governmental bodies, and public or private corporations, and to maintain, use, and apply such property and inform therefrom for the benefit of Kentucky State University or for any student, faculty, or staff member, or any line of work, teaching, or investigation of Kentucky State University.