

LAURIER

Inspiring Lives.



WATERLOO | Brantford | Kitchener | Toronto

mkramer@wlu.ca

14 December 2017

Mrs. Michele Kramer
WLU Faculty Association
202 Regina St N, Unit 114
Waterloo ON
N2L 3C5

Dear Mrs. Kramer,

Thank you for your support of Laurier through the ongoing benefits provided by the endowed funds you generously entrusted to the university. These funds play an essential role in supporting our students and Laurier's mission to inspire lives of leadership and purpose. Please find enclosed the financial statement(s) reporting on activity from May 1, 2016 to April 30, 2017 for these endowed funds.

When reviewing your statement(s), you'll note the return on our endowment pool for this reporting period was 10.29%. A 1.4% inflation adjustment was applied to each fund, equal to the value of the consumer price index in December 2016.

As a means of smoothing out market volatility, over the long term, Laurier continues to prudently build a stabilization (reserve) account during years of stronger returns which can be used to offset years with poor returns. This approach allows Laurier to maintain a constant level of support for students and programs year after year. This year, the funds to be made available for spending will be drawn from this year's strong return with a portion returning to the stabilization reserve.

For more information on how balances and spending allocations are calculated, please see our Endowment Statement of Investment Policies and Procedures posted online at:

<https://downloads.wlu.ca/downloads/governance/laurier-endowment-sipp-board-approved.pdf>

You may also contact me directly at (519) 884-0710 ext. 3866 or by email at dmalcolm@wlu.ca. I would be pleased to hear from you at any time.

Endowed funds provide a stable source of ongoing support for Laurier and our students. On behalf of our students, faculty and staff, thank you very much.

Sincerely,

Duncan Malcolm
Director: Advancement Services

cc: Sandra Palmaro, Interim Vice-President, Development & Alumni Relations; (519) 884-0710 ext. 3189; spalmaro@wlu.ca
June Perry, Manager, Donor Relations and Stewardship; (519) 884-0710 ext. 4869; jperry@wlu.ca



CAS Academic and Community Service Award

Endowed Fund Report
May 1, 2016 to April 30, 2017

This endowment earned: **\$24,576.33 (a)**
 With this addition, the value of the **Stabilization Account** was: **63,152.75**
 Of this amount, this was allocated to **Inflation:** **(2,805.02) (b)**
 and this was allocated to **Spending:** **(11,806.55) (c)**
 The value of the **Stabilization Account** is now: **\$48,541.18 (d)**

	Capital <i>Your donations</i> (613327)	Inflation	Stabilization <i>Income earned over time</i>	Spending <i>Available to be granted</i> (263327)
Opening May 1	\$189,714.17	\$10,644.58	\$38,576.42	\$13,367.27
New contributions				
Internal transfers				
Investment income			24,576.33 (a)	
Transferred to Inflation		2,805.02 (b)	(2,805.02) (b)	
Transferred to Spending			(11,806.55) (c)	11,806.55 (c)
Spent this year				(7,500.00)
Closing April 30	\$189,714.17	\$13,449.60	\$48,541.18 (d)	\$17,673.82
Market Value of Fund	\$251,704.95			

Donations: The value reported in the **Capital** account is the total value of all donations, plus any matching funds that were provided (for example, government or corporate matching programs). This is known as the **Historic Dollar Value** and the university's policy is to preserve this value.

Income earned by this endowment: This endowment is invested by the university and each year the earnings or losses are applied to the **Stabilization** account **(a)**. The rate of return for this period was 10.29% and is applied based on the average monthly **Market Value (\$238,935.17)**.

Protecting the value of your donations over time: This endowment received a 1.4% inflation credit this year **(b)**, transferred from the Stabilization account to maintain the purchasing power of the Historic Dollar Value and previous inflation adjustments.

This endowment at work: The funds to be granted from this endowment (for example, to scholarship recipients or to support academic programs) are transferred from the Stabilization account and are reported in the **Spending** account **(c)**. The Board of Governors determines the **Spending Rate** each year based on the health of the financial markets. For 2016 the rate for this fund was 5.0%. To ensure the spending amount is stable over time, the Spending Rate is multiplied by the average **Market Value** of this endowment over the past **3 years (\$236,131.09)**.

The total value of this endowment: Adding the Capital, Inflation, and Stabilization accounts together gives the **Market Value** of this fund on April 30, 2017. The Market Value is the amount the university invests and which earns investment income.

Lorimer Equal Chance Award

Endowed Fund Report
May 1, 2016 to April 30, 2017

This endowment earned: **\$9,075.47 (a)**
 With this addition, the value of the **Stabilization Account** was: **19,313.10**
 Of this amount, this was allocated to **Inflation:** **(1,091.94) (b)**
 and this was allocated to **Spending:** **(2,631.36) (c)**
 The value of the **Stabilization Account** is now: **\$15,589.80 (d)**

	Capital <i>Your donations</i> (615202)	Inflation	Stabilization <i>Income earned over time</i>	Spending <i>Available to be granted</i> (265202)
Opening May 1	\$73,916.52	\$4,069.87	\$10,237.63	\$2,542.18
New contributions	30.00			
Internal transfers				
Investment income			9,075.47 (a)	
Transferred to Inflation		1,091.94 (b)	(1,091.94) (b)	
Transferred to Spending			(2,631.36) (c)	2,631.36 (c)
Spent this year				(2,542.18)
Closing April 30	\$73,946.52	\$5,161.81	\$15,589.80 (d)	\$2,631.36
Market Value of Fund	\$94,698.13			

Donations: The value reported in the **Capital** account is the total value of all donations, plus any matching funds that were provided (for example, government or corporate matching programs). This is known as the **Historic Dollar Value** and the university's policy is to preserve this value.

Income earned by this endowment: This endowment is invested by the university and each year the earnings or losses are applied to the **Stabilization** account **(a)**. The rate of return for this period was 10.29% and is applied based on the average monthly **Market Value (\$88,233.25)**.

Protecting the value of your donations over time: This endowment received a 1.4% inflation credit this year **(b)**, transferred from the Stabilization account to maintain the purchasing power of the Historic Dollar Value and previous inflation adjustments.

This endowment at work: The funds to be granted from this endowment (for example, to scholarship recipients or to support academic programs) are transferred from the Stabilization account and are reported in the **Spending** account **(c)**. The Board of Governors determines the **Spending Rate** each year based on the health of the financial markets. For 2016 the rate for this fund was 3.0%. To ensure the spending amount is stable over time, the Spending Rate is multiplied by the average **Market Value** of this endowment over the past **3 years (\$87,711.94)**.

The total value of this endowment: Adding the Capital, Inflation, and Stabilization accounts together gives the **Market Value** of this fund on April 30, 2017. The Market Value is the amount the university invests and which earns investment income.