



UNIVERSITY OF WYOMING
FOUNDATION

HOW FUNDS AT THE UNIVERSITY OF WYOMING FOUNDATION WORK

Thank you for your interest in creating a fund to support the University of Wyoming. Undoubtedly, your financial support will make an impact, potentially for generations to come. We offer the following types of named funds.

EXPENDABLE FUND

Gifts of \$5,000 or more can be used to create a named and designated expendable fund to support the college or department of your choice. An expendable fund is expended by the college or department of your choice in a manner you choose (i.e., scholarship or discretionary support) over a time period of your choice. For example, a gift of \$10,000 may be named by you and designated to support scholarships for math majors who are also Wyoming residents with \$1,000 awarded for each of the next ten years. These funds can be created with a one-time payment or may be pledged over a period of up to five years.

ENDOWMENT FUND

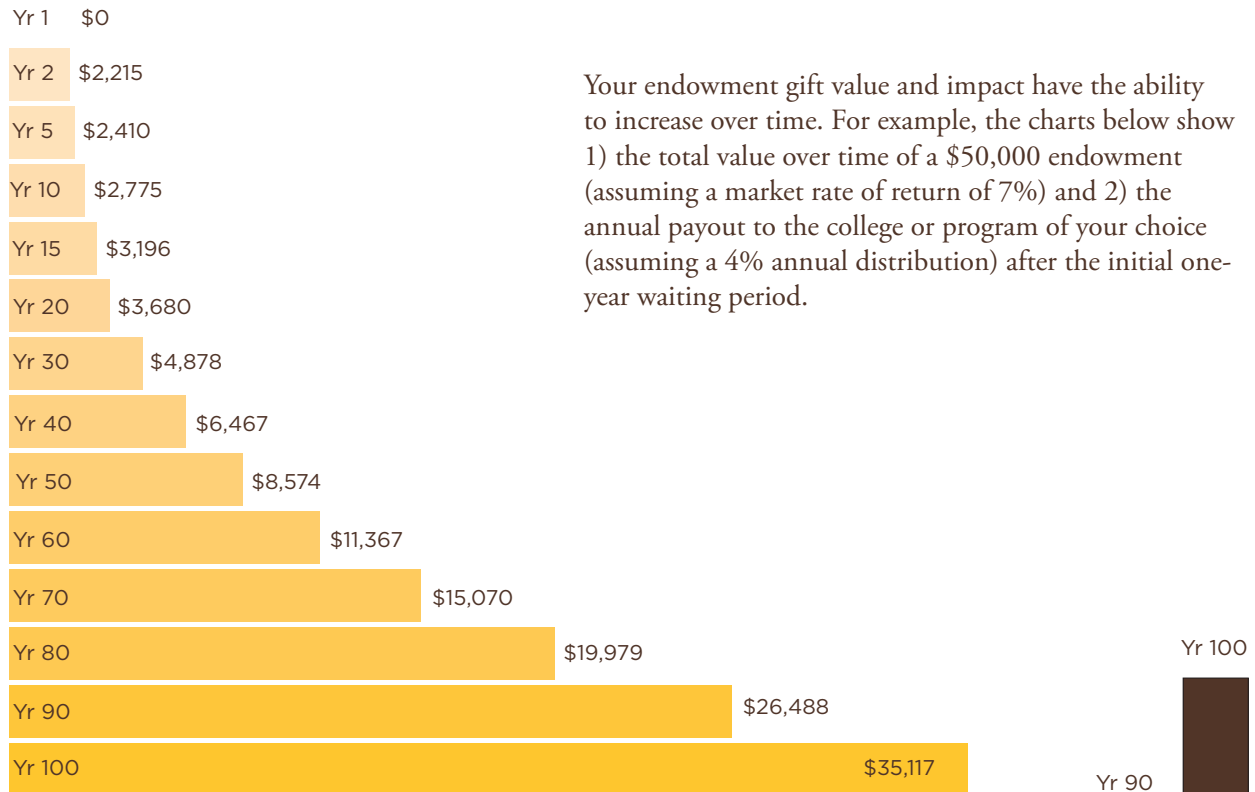
Gifts of \$25,000 or more can be used to create a named and designated endowment fund that will produce an annual payout to benefit the university for generations to come. These funds can be created with a one-time payment or may be pledged over a period of up to five years. When a gift is endowed—or made permanent—the principal gift amount is invested along with other endowed funds according to the UW Foundation's investment strategy. These types of gifts have an annual distribution that is transferred from the UW Foundation to the University of Wyoming for the benefit of the department or college of your choice to be used in a manner that you decide. The annual distribution is approximately 4%. Therefore, an endowment of \$25,000 yields an annual payout of approximately \$1,000. The lifetime investment strategy of an endowment is to maintain the time-value of the original distribution amount to keep pace with inflation. Thus, the impact of your gift will stay the same, if not grow, in perpetuity.

Each endowed fund has a permanent account and an expendable account. The permanent account is as it sounds—the principal that is invested in perpetuity. The expendable account is what is managed by the department or college that you choose to receive the annual distribution from the permanent account. When a gift is pledged over a period of five years, no distribution is made until the gift reaches the endowment level of \$25,000 plus the mandatory one-year waiting period. During those five years, or at any time, contributions can be made directly to the expendable account of your fund for immediate use.

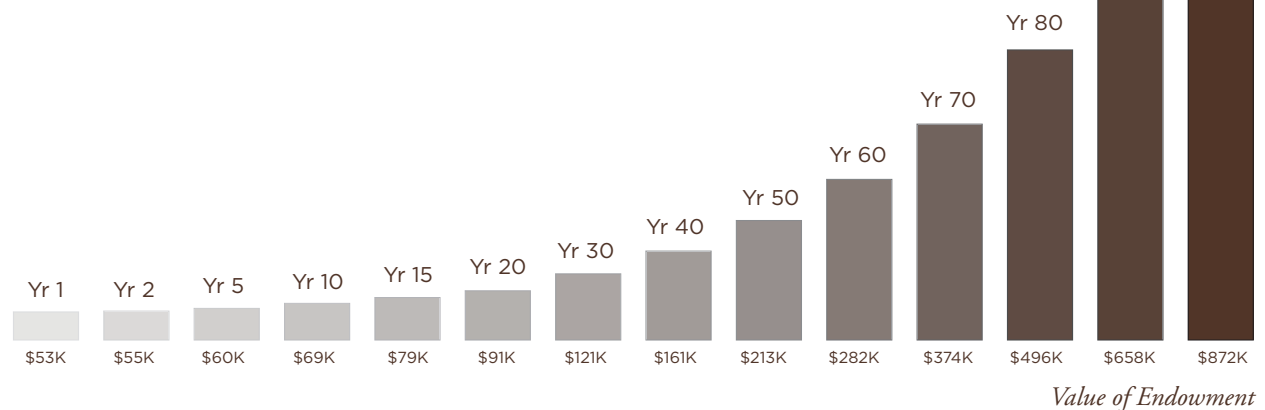
For example, a gift of \$50,000 can be named and designated to support scholarships in the Math department in the College of Arts and Sciences for math majors who are also Wyoming residents. In the year after the fund is endowed, a distribution will be made from the permanent endowment account to the expendable endowment account of approximately 4% (\$2,000) for scholarship awards. This 4% annual distribution will grow over time so that the fund has the same impact as the original \$2,000 for generations to come.

Please see graphic on the back of this page.

THE LIFE OF AN ENDOWMENT



Annual Endowment Payout



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