



August 25, 2016

Commissioner Clayton Christian
Office of the Commissioner of Higher Education
Montana University System
Helena, MT 59620-3201

Dear Commissioner Christian:

It is with great pleasure that I provide Montana Tech's annual report required by BOR Policy 901.9. This report details where Montana Tech funds are directed at the Foundation and provides a useful summary of our fundraising activity. The document also lists where funds raised by the Foundation are being utilized on the campus. We will provide our audited financials when they become available in October.

The past year was another historic year for the Montana Tech Foundation. The success is attributed to a highly engaged Board of Directors, campus community, and advancement team. This fiscal year was also very challenging for many of our donors, friends and industry partners, but through it all our giving pipelines continued to grow and new donors began to engage.

The Natural Resources Research Center construction is moving along well and we are excited to see the impact the new building will have on our recruiting of students in the areas of STEM. Our campaign continues to advance with a strong push towards more recruitment scholarships. Our final outcomes from the campaign will improve facilities, provide greater scholarship support, and help our university attract and retain the faculty needed to remain significant to Montana and the world.

Please know that your assistance in the past year is truly appreciated. We are honored to partner with Montana Tech and are committed to our outstanding institution. Should you have any questions, please feel free to call anytime.

Respectfully submitted,

Joe McClafferty
President, Montana Tech Foundation
Vice Chancellor for Advancement and University Relations

Montana Tech Foundation
Table I- Foundation Support of University

	FY16	FY15	FY14
Foundation funds to the University[1]			
Scholarships	\$ 1,538,636	\$ 1,701,836.78	\$ 1,376,265
Programmatic	\$ 574,091	\$ 427,181.12	\$ 707,235
Capital	\$ 2,496,379	\$ 530,762.02	\$ 248,068
Professorships	\$ 415,052	\$ 880,213.65	\$ 466,123
Direct College Support	\$ 28,029	\$ 30,942	
Contracted Services[2]		\$ 88,833	\$ 89,745
Total Foundation Funds Directed to the University	\$ 5,052,187	\$ 3,659,768.19	\$ 2,887,436
University Funds to Foundation			
Additional Services requested by Tech[3]	\$ 200,000	0	\$ -
Direct Grant Program	\$ -	\$ -	\$ -
Total University Funds Directed to Foundation	\$ 200,000	\$ -	\$ -
Net Foundation Funds to University	\$ 4,852,187	\$ 3,659,768	\$ 2,887,436

[1] Foundation held funds transferred to or on behalf of the University. Amounts include spending from donor restricted as well as unrestricted gifts and bequests.

[2] Foundation payments for services rendered by the University (VC salary & bonus)

[3] Additional services include costs associated with the capital campaign and marketing

In Lieu of lease payments for office and meeting space in the Frank & Ann Gilmore University Relations Center, the University will provide operations and maintenance including landscaping, snow removal. Janitorial services and utilities for the URC and computer support, network access, use of the University email system, telephone

Montana Tech Foundation
Table II - Investment Management

	FY16	FY15	FY14	FY13	FY12
<u>Long-Term Investment Portfolio Balance</u>					
Foundation Funds	\$ 32,244,820	\$ 32,721,983	\$ 32,900,973	\$ 28,499,671	\$ 25,703,991

	Annualized Return Fy2016			
	1 YR	3YR	5YR	
Long Term Investment Portfolio Balance		-2.48%	4.48%	3.57%
Benchmark[1]		-2.55%	3.46%	2.77%

[1]Benchmark is established by the Montana Tech Foundations' Investment Committee

Montana Tech Foundation
Table III - Selected Performance Metrics

	FY16		FY15		FY14	
Gifts & Pledges						
> \$10,000	140	\$ 8,305,135	38	\$ 7,432,563	60	\$ 3,304,165
\$1,000 - \$10,000	445	\$ 944,131	270	\$ 818,052	421	\$ 1,169,411
< \$1,000	3,606	\$ 374,058	1,545	\$ 334,197	2,848	\$ 336,667
Conditional Pledges [1]			19	\$ 1,551,561		
Total	4191	\$ 9,623,324	1872	\$ 10,136,373	3329	\$ 4,810,243
 Invested						
%Endowed	26%	\$ 2,458,245	12%	\$ 1,029,621	37%	\$ 1,786,046
%Current	74%	\$ 7,165,079	88%	\$ 7,555,191	63%	\$ 3,024,197
Total		\$ 9,623,324		\$ 8,584,812		\$ 4,810,243
 Restriction						
%Restricted	94%	\$ 9,055,809	93%	\$ 7,987,773	91%	\$ 4,384,388
% Non-Restricted	6%	\$ 567,515	7%	\$ 597,039	9%	\$ 425,855
Total		\$ 9,623,324		\$ 8,584,812		\$ 4,810,243
 Purpose						
%Scholarships	19%	\$ 1,601,706	17%	\$ 1,463,118	39%	\$ 1,666,049
%Programmatic	12%	\$ 1,024,726	14%	\$ 1,242,910	38%	\$ 1,623,028
%Capital	75%	\$ 6,455,292	64%	\$ 5,528,114	10%	\$ 409,440
%Professorships	6%	\$ 541,600	4%	\$ 350,670	14%	\$ 578,670
Total		\$ 9,623,324		\$ 8,584,812		\$ 4,277,187
 Other Activities						
Distributions		\$ 5,024,158		\$ 3,570,935		\$ 2,797,691

[1] Conditional pledges, documented bequests, and revocable commitments