# 2024 Consolidated Endowment Fund (CEF) Report

At the University of Washington our mission promises to enhance lives everywhere – a goal that simply could not be achieved without endowed support. As lasting legacies, endowed gifts provide perpetual resources for students, faculty members, and university programs and services. They serve as the foundation upon which we build our success. While we can measure the endowment's annual fiscal performance in this report, the impact that your gift will make in perpetuity is immeasurable.

Explore all report sections below

Endowment

Impact

Investment

Contact

# The University of Washington Endowment

## Generous donors have created a lasting legacy

TOTAL ENDOWMENTS IN CEF
**5,803**

NEW ENDOWMENTS ADDED IN FISCAL YEAR 2024
**112**

FISCAL YEAR 2024 ENDOWMENT DISTRIBUTIONS
**$173 million**

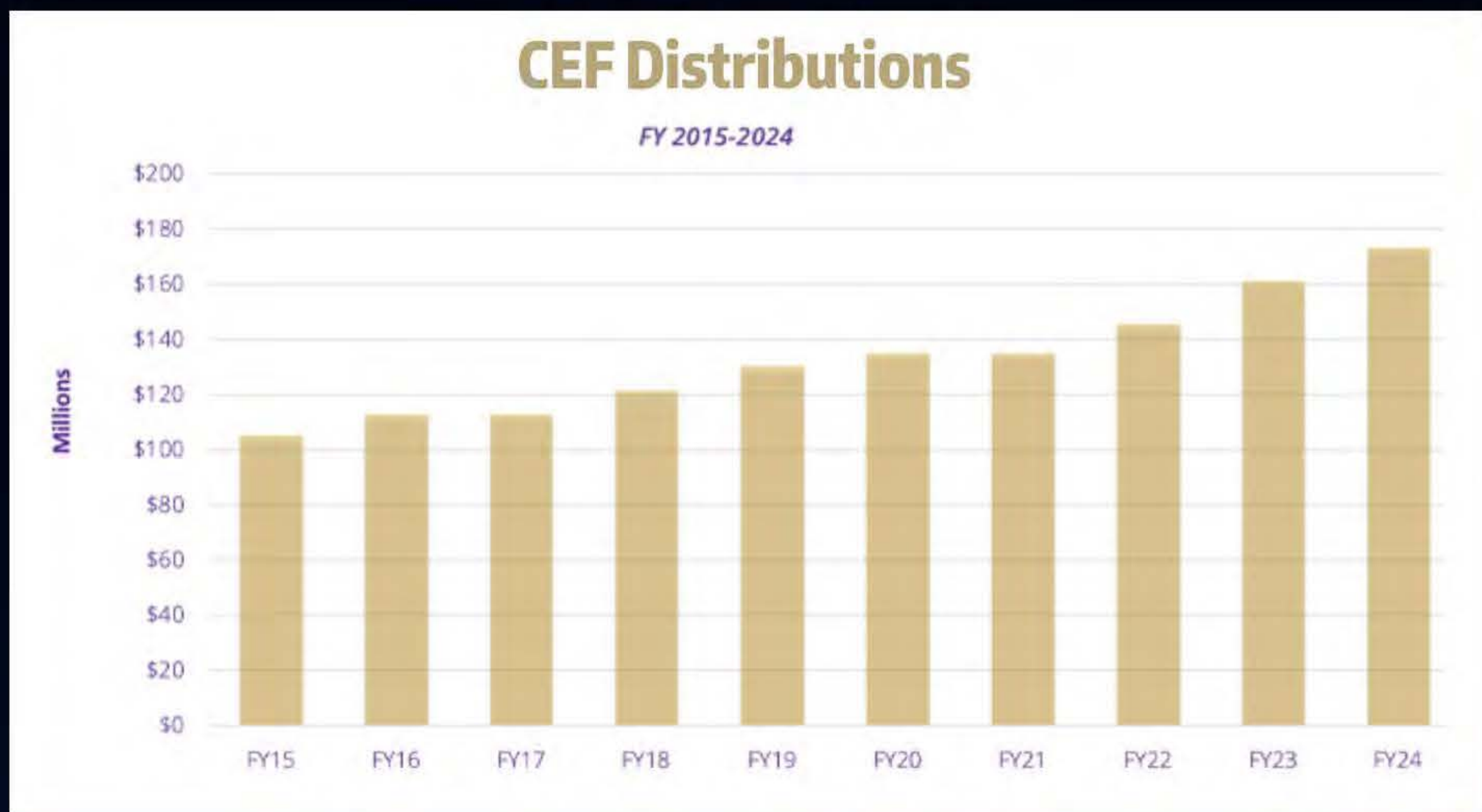
### Endowment Highlights by Fiscal Year

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Market value (in millions) | $3,560 | $4,712 | $4,678 | $4,940 | $5,457 |
| Return | 1.1% | 35.1% | -5.5% | 6.0% | 11.3% |
| Number of endowments | 5,253 | 5,411 | 5,572 | 5,691 | 5,803 |
| Distributions to campus (in millions) | $135 | $135 | $146 | $161 | $173 |
| New endowments | 177 | 158 | 161 | 126 | 112 |

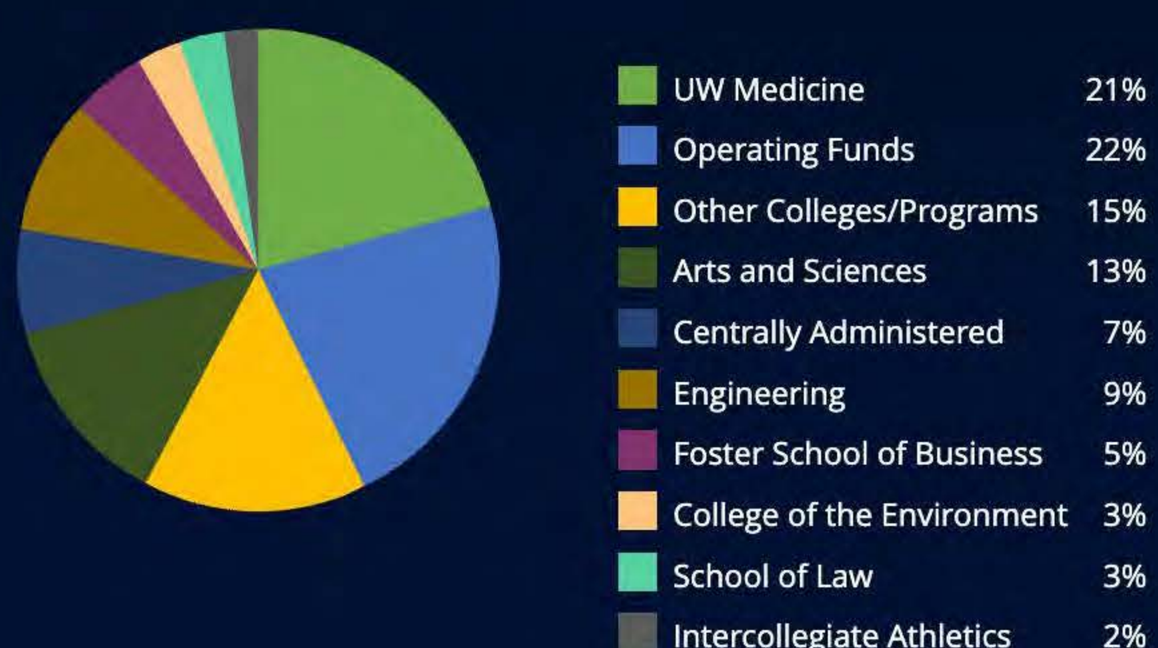
## The impact is felt year after year, generation after generation.

DISTRIBUTED OVER THE LAST 10 YEARS

**$1.4 billion**




## Endowments provide opportunities for students and faculty in their quest for excellence and innovation.



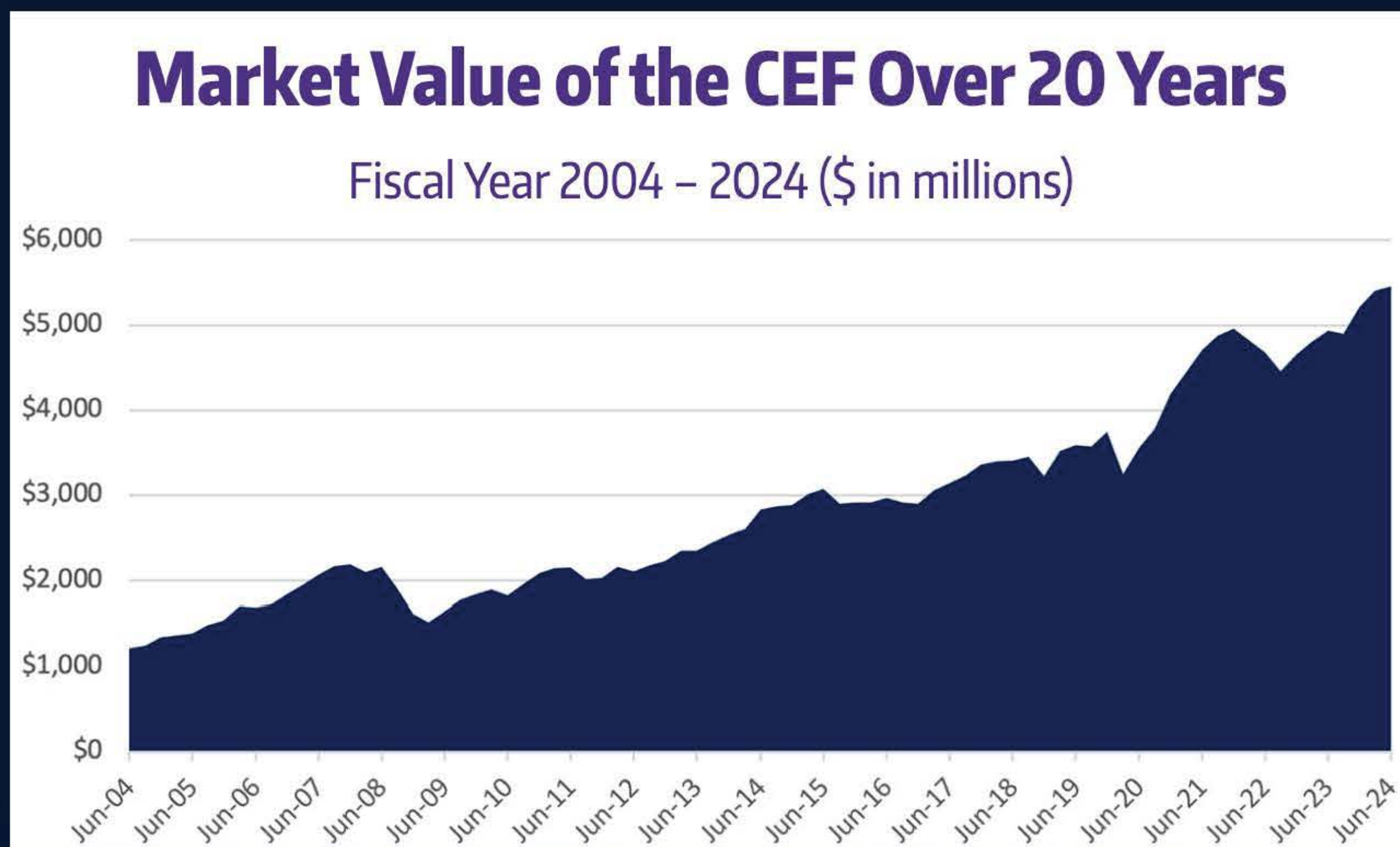
## Endowed gifts coupled with investment returns resulted in the growth of the CEF.

**7.9%**

ANNUALIZED RETURN OVER LAST 20 YEARS

**$4.24 billion**

IN NET GROWTH OVER LAST 20 YEARS




TOTAL ENDOWMENT ON JUNE 30, 2024

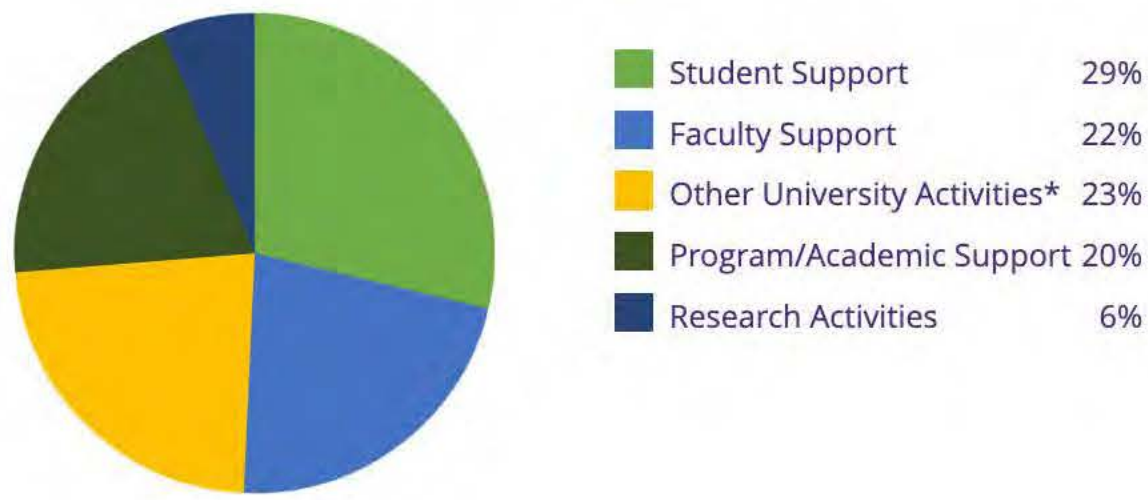
# $ 5.5 BILLION

since the first $400 cash endowed gift in 1905

# Impact

The impact of endowment gifts is evident in every corner of the University of Washington, from the inspiring faculty members who hold endowed professorships to the extraordinary students who choose the UW because of scholarships and fellowships.

## Endowment Support by Purpose




* A portion of the University's operating funds is invested in the CEF. Distributions benefit campuswide programs.

## Gifts at Work

Endowments create extraordinary impact across our campuses. These are just a few of the countless stories that philanthropy makes possible year after year, generation after generation.

# Students


**Seeking Opportunity and Mentorship**

Read More

# Faculty

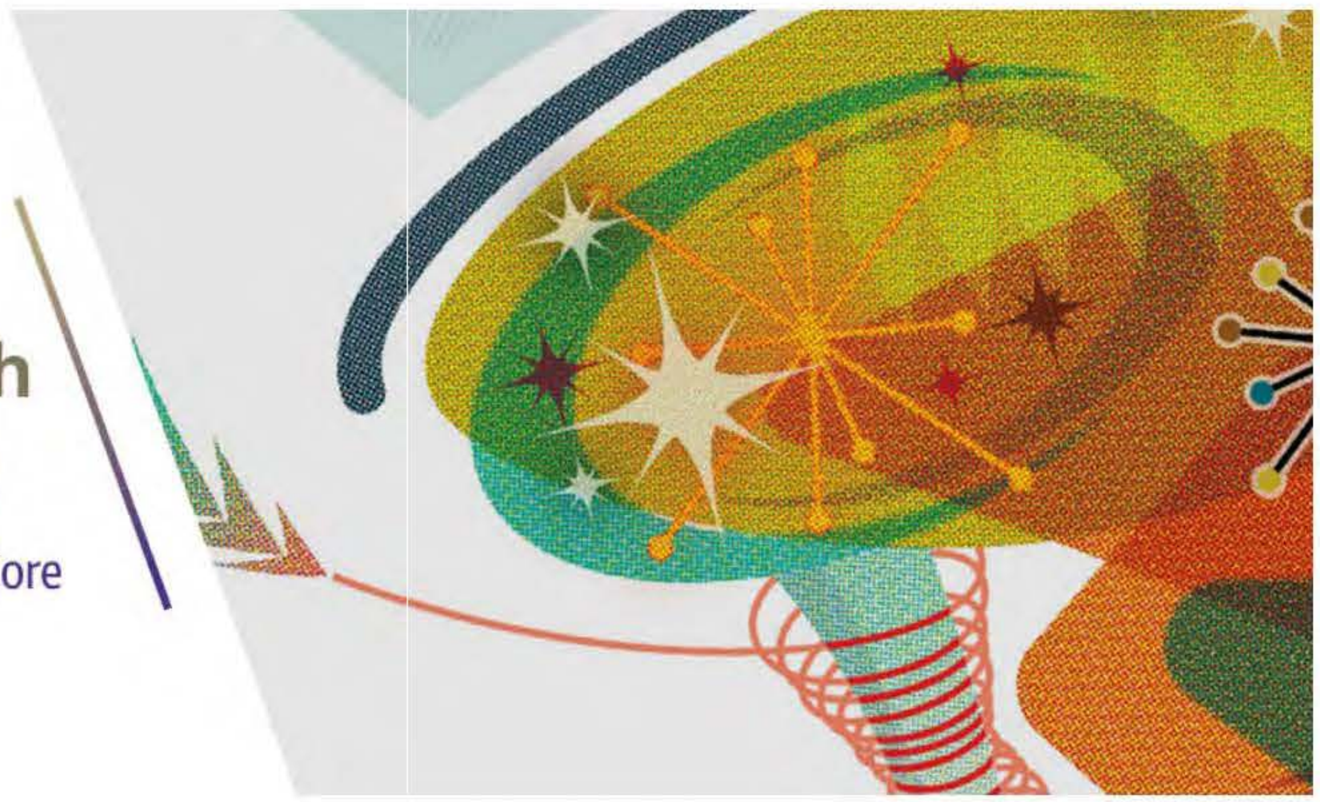

## New Research: Nonverbal Communication

Read More

# Research

## Study: Brain Health and Aging

Read More



## Programs

### Lived Experience Guides Teaching and Work

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## University

### Building a Family Through Tribal Canoe Journey

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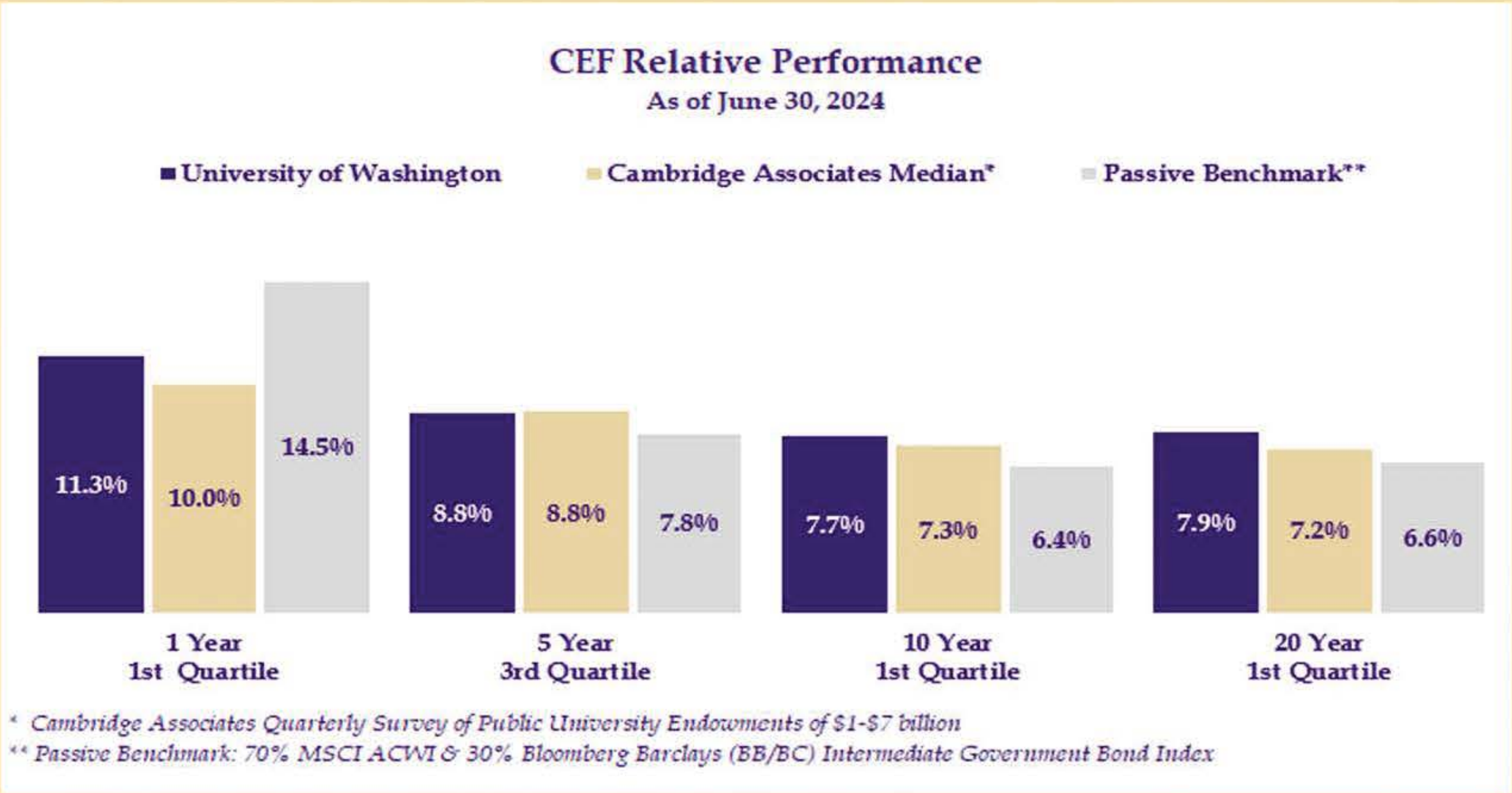
# Investment

## Investment Performance

For the fiscal year ending June 30, 2024 (FY24) the University of Washington's Consolidated Endowment Fund (CEF) returned +11.3% versus +14.5% for the passive benchmark and +10.0% for the preliminary public university peer median. During FY24, global equity markets continued to rally off of FY23's strong gains due to a pause in monetary tightening, hopes for policy rate cuts, and enthusiasm over artificial intelligence.

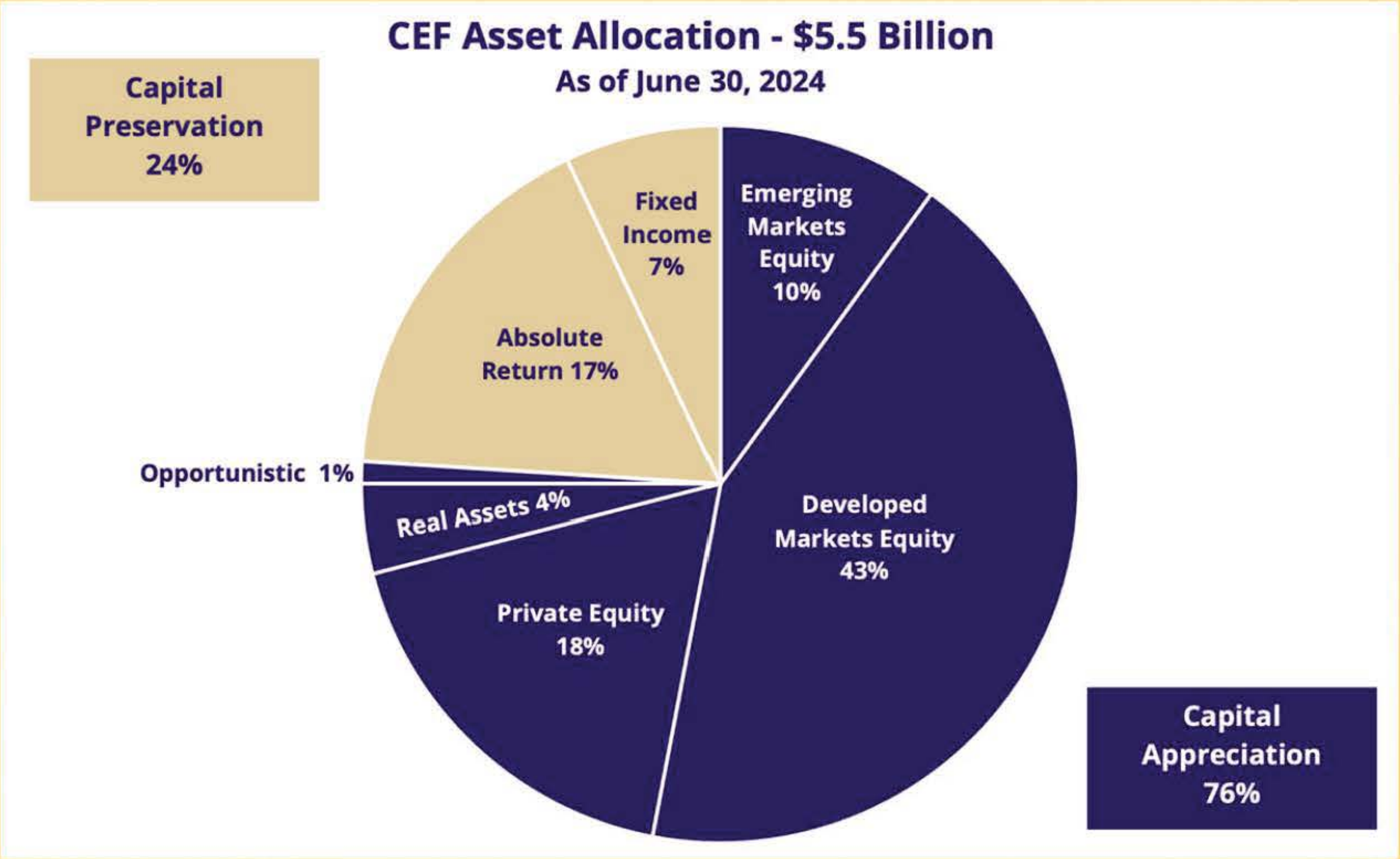
While overall relative performance lagged behind the passive benchmark, the CEF had positive absolute and relative performance in FY24 across most portfolio strategies. Similar to FY23, there was considerable variance in FY24 with developed markets significantly outperforming emerging markets. US markets continued to be led by a small number of large-cap technology stocks. Consistent with the broader market, the CEF's Developed Markets strategy drove overall CEF FY24 performance.




Our focus remains on long-term results, where the CEF has maintained solid relative performance. The CEF returned +8.8%, +7.7% and +7.9% for the 5-, 10- and 20-year periods, respectively, and exceeds the passive benchmarks for all periods. The UW's performance relative to public peers is near or above median for all periods.

## Investment Strategy

The 20-year perspective highlights remarkable growth for the endowment. The CEF grew from $1.2 billion to $5.5 billion over this period, driven by a mix of investment returns and new gifts. The University distributed $2.5 billion of cumulative investment returns primarily to support campus scholarships, professorships, and research over the last 20 years.



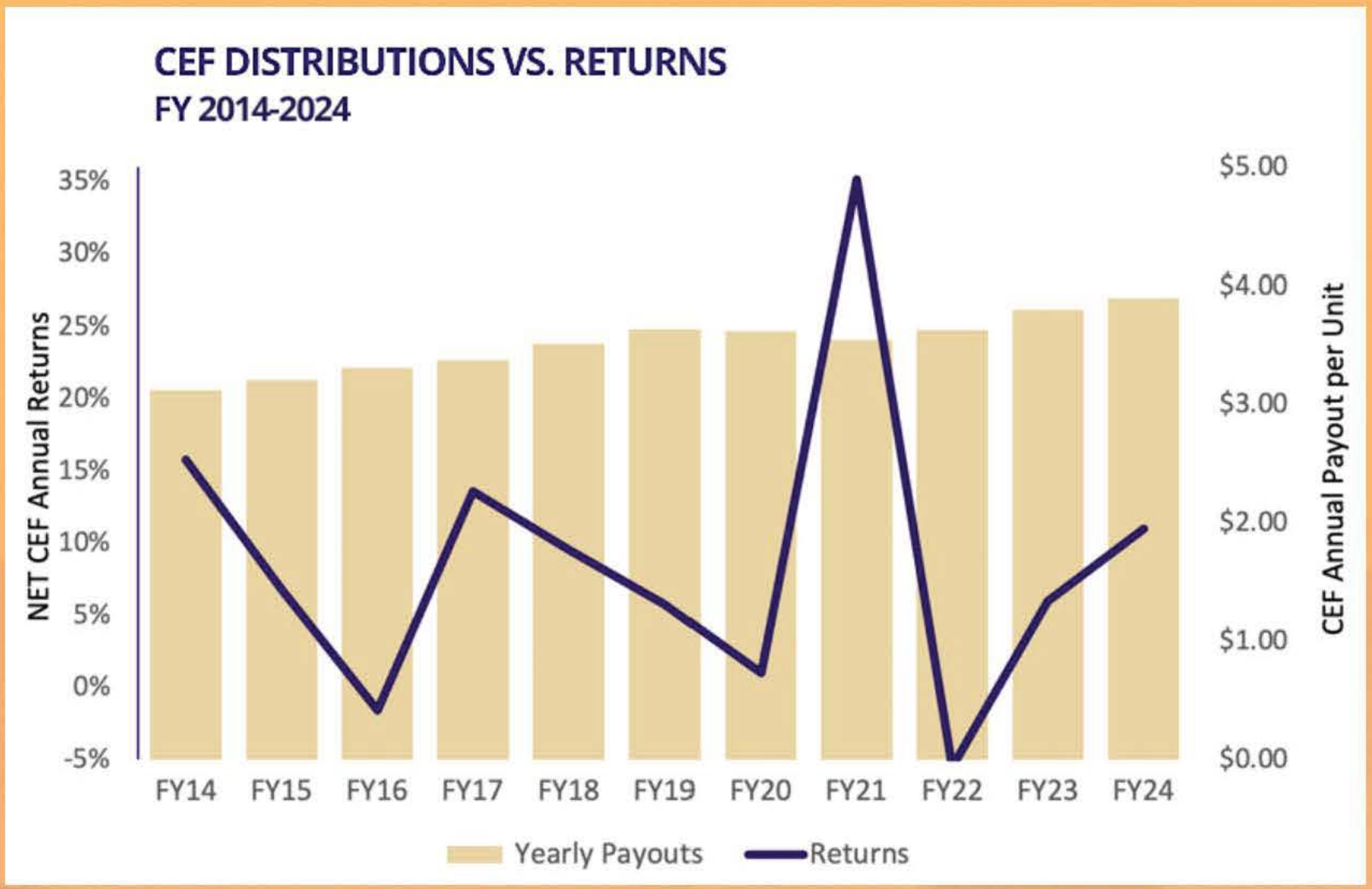

The CEF's $5.5 billion portfolio is diversified across two distinct investment categories: Capital Appreciation and Capital Preservation. Capital Appreciation investments are growth oriented and support the purchasing power of campus distributions over time. Capital Preservation investments are stability oriented and facilitate liquidity. As of June 30, 2024, 76% of the CEF was invested in Capital Appreciation and 24% in Capital Preservation.

Our long-term strategy is to favor an equity-oriented portfolio and we plan to continue to increase our equity exposure over time with a focus on private investments. We continue to target ample liquidity within Capital Preservation to meet the CEF's funding requirements.

## Spending Policy

The CEF Investment Policy's spending rate distributes quarterly to programs based on an annual percentage rate of 3.6%, applied to the five-year rolling average of the CEF's market value. Additionally, the CEF Investment Policy allows for an administrative fee of 0.90% supporting campuswide fundraising and stewardship activities and offsetting the internal cost of managing endowment assets.

Absent a major market correction or prolonged downturn, endowment distributions to campus are still projected to increase at least into FY26, as past FY21 performance (+35.1%) continues to factor into the five-year rolling average spending formula. UWINCO, along with Senior Administration and the Regents, will continue to closely monitor spending to ensure alignment with projected longer-term returns and best practices.



# The Power of Investment Returns and a Prudent Spending Policy

The generous $175,000 gift from Robert H. Soper, invested in 1995, has provided powerful long-term impact. This fund has distributed over $432,000 in support of students with disabilities and still has a market value five times more than its original value.

## UW Endowment Impact

As of June 30, 2024

**Robert H. Soper Endowed Scholarship Fund**

**Endowment Value Creation**
**Since January 1, 1995 Inception**


**Endowment Purpose**

The Soper endowment provides support for any student who self-identifies as having a physical disability that limits one or more major life activities. Most of the recipients are supported with multiyear awards. As seen below with the current recipients, the endowment supports students across the entire campus spectrum.

**Endowment Currently Supports**

Senior - Psychology
Junior - Environmental Studies
Junior - Social Sciences
Junior - Speech and Hearing Sciences
Junior - Statistics/Data Science
Sophomore - Engineering
First year - Pre-science
First year - Pre-science

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**Establish an Endowment**

*If you are interested in learning more about establishing an endowment, please visit the Donor Services website at https://www.washington.edu/giving/endowments/or contact them at 877-UW-GIFTS (877-894-4387) or steward@uw.edu*

**Contribute to an Existing Endowment**

*Contact Donor Services to identify an existing endowment where your gift will provide intergenerational support to students, faculty members, academic, research or operational activities at 877-UW-GIFTS (877-894-4387) or steward@uw.edu*

# Further Information

For further information on the University's investment programs, please visit: http://uwinco.uw.edu

For endowment information, please visit: http://finance.uw.edu/treasury/CEF

If you have any questions or comments about this report, or would like copies of the Consolidated Endowment Fund investment policies, please contact:


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## Endowment Giving

If you would like to receive information on how you can support the University's programs, please contact:


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University Advancement
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View & Download Annual CEF Reports for Prior Fiscal Years

2023 / 2022 / 2021 / 2020 / 2019