



Stony Brook
Foundation



ENDOWMENT REPORT

JULY 1, 2022 – JUNE 30, 2023

STONY BROOK ENDOWMENT BY THE NUMBERS

ENDOWED FUNDS SUPPORT:

STUDENT SCHOLARSHIPS & AWARDS | STUDENT FELLOWSHIPS & INTERNSHIPS | RESEARCH
DEPARTMENTAL CHAIRS & PROFESSORSHIPS | GENERAL ACADEMIC & OPERATIONAL
PROGRAM SUPPORT

644 INDIVIDUAL FUNDS IN STONY BROOK
UNIVERSITY'S ENDOWMENT



387

ENDOWED
SCHOLARSHIPS



74

ENDOWED
FACULTY

DURING THE 2022-23 FISCAL YEAR:

\$14M IN GIFTS WERE ADDED TO THE ENDOWMENT

17 NEW ENDOWED FUNDS WERE ESTABLISHED

2 NEW ENDOWED FACULTY POSITIONS WERE ESTABLISHED

ENDOWMENT MARKET VALUE GREW TO
\$390.5M AS OF JUNE 30, 2023

THE ENDOWMENT DISTRIBUTED
\$13.6M FOR IMPACT PURPOSES

ENDOWMENT MANAGEMENT

The Investment Committee of the Stony Brook Foundation's Board of Trustees is responsible for the oversight and management of the endowment, including the determination of investment policy, asset allocation and the selection of asset managers. The investment staff within the Foundation supports the Board in monitoring the portfolio, researching prospective managers and reviewing asset allocation. The Investment Committee meets at least four times each fiscal year and reviews investment policy and asset allocation annually.

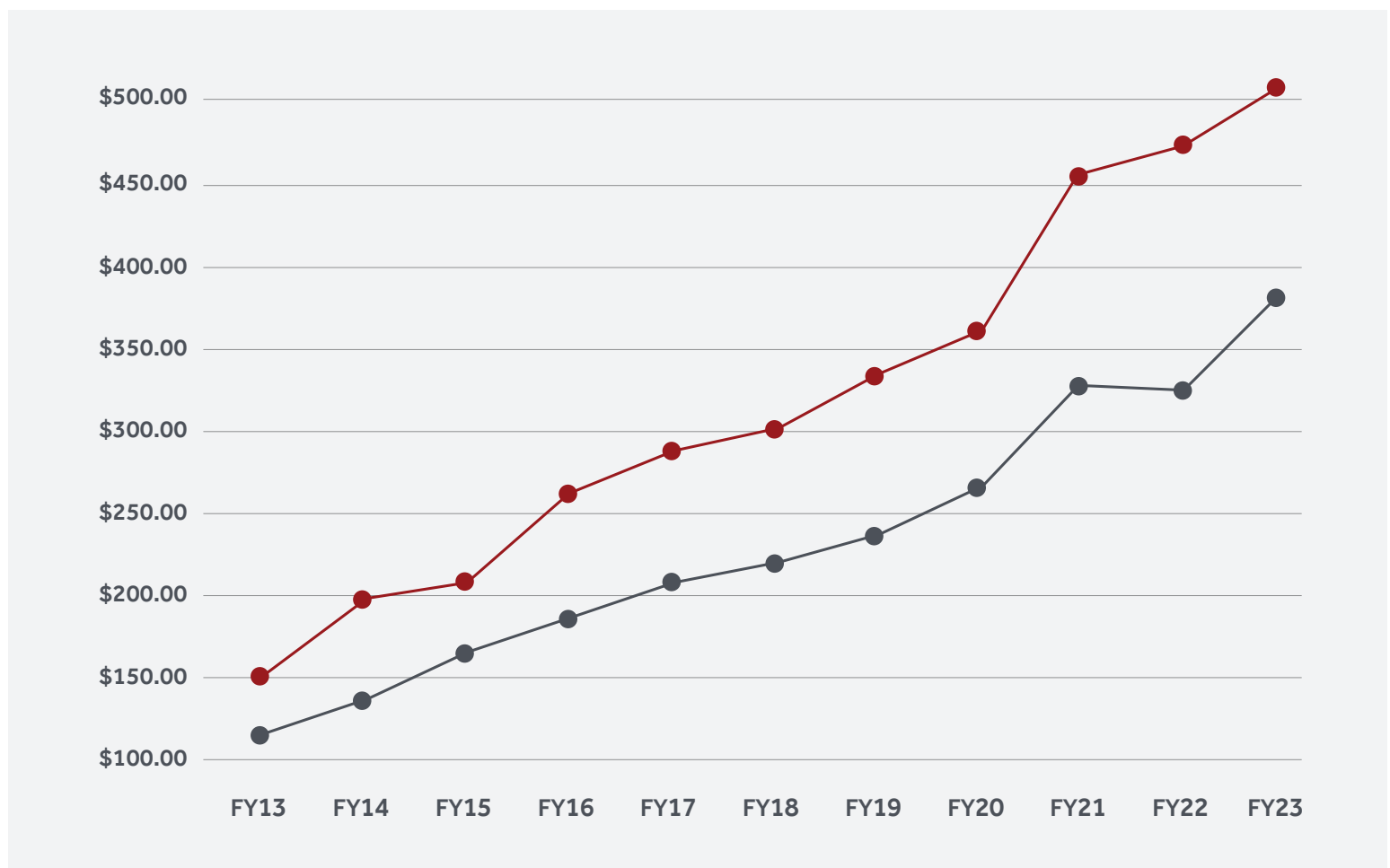
The university uses capital gains and investment income to fund the annual distribution of the endowment you support. Investment returns in excess of the distribution and the management fee are reinvested in the endowment with the objective of gradually increasing the value of your fund to continue to provide meaningful support in the future.

Advised by the Investment Committee, the Stony Brook Foundation Board determines the spending rate for distributions on an annual basis. The current distribution policy allows for the spending of 4.5 percent of the average market value of your fund, as calculated over a trailing five-year period. The policy is designed to smooth spending rates during periods of market and investment return volatility. The spending policy may be amended by the Stony Brook Foundation Board of Trustees at any time.

This past year, Stony Brook switched to a narrower way of measuring our endowment market value, one that better aligns us with industry standards by not counting current-use funds coinvested with the endowment. The chart below shows both ways of measuring, and by either method, Stony Brook's endowment market value continues a strong upward trajectory.

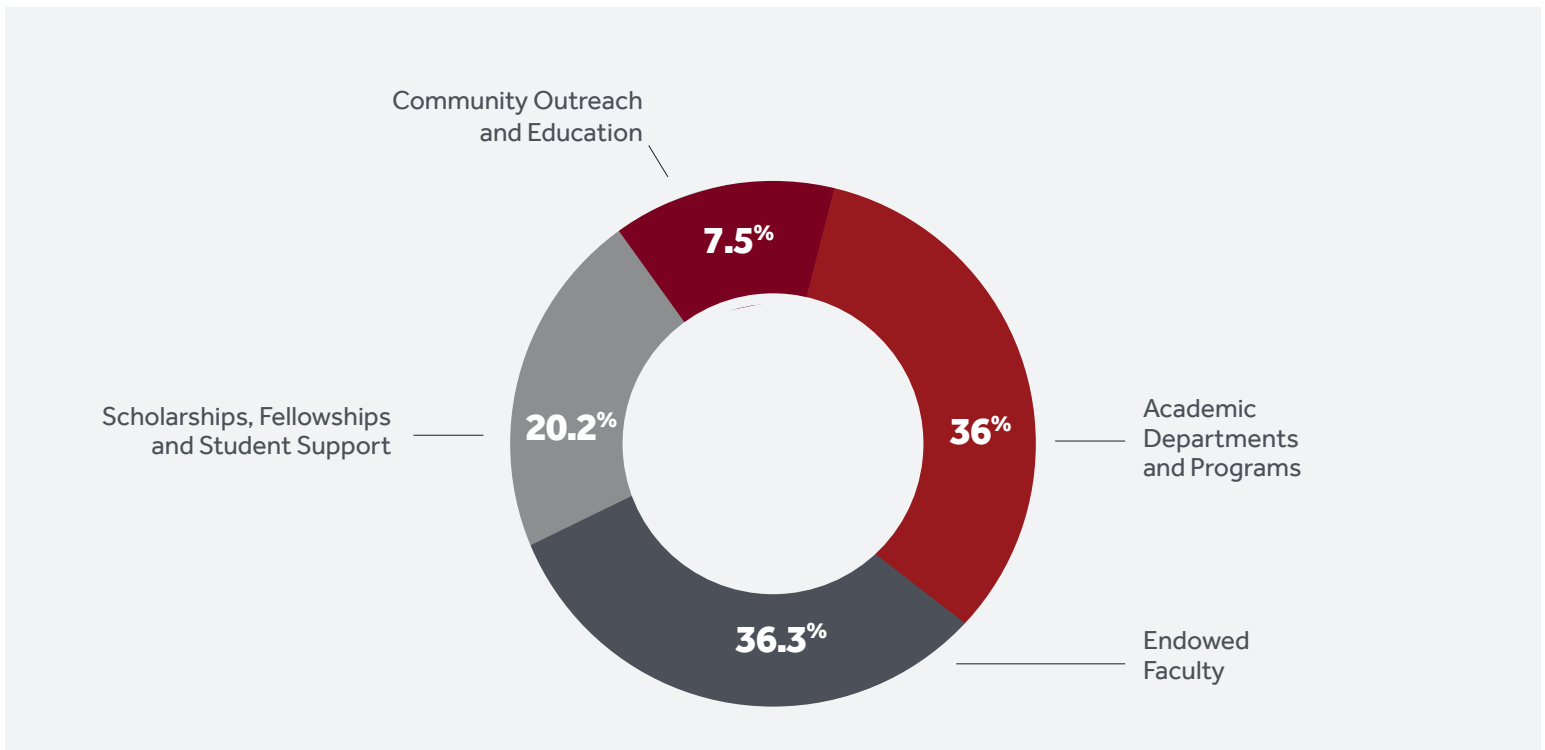
Endowment Market Value

(in millions)



■ With coinvested current-use funds ■ Without coinvested current-use funds

Endowment Support by Purpose



Endowment Distributions by Area

Multidisciplinary Centers and Institutes

\$3,934,840

College of Arts and Sciences

\$3,486,915

Medicine, Renaissance School of Medicine and the Health Sciences

\$2,758,904

Universitywide Student Support

\$1,080,978

College of Engineering and Applied Sciences

\$626,266

Other Academic Programs and Initiatives

\$519,281

Staller Center for the Arts

\$482,201

School of Marine and Atmospheric Sciences

\$379,716

School of Communication and Journalism

\$211,659

Athletics

\$145,182



DRS. DOUGLAS AND BARBARA BRAND DIVERSITY IN MEDICINE ENDOWED SCHOLARSHIP FUND

"My father was a professor whose philanthropy paid for the tuition of a new engineering student each year. It gave him a lot of joy to link his legacy to helping students, and I thought it would be great to link our legacies to Stony Brook, where we both spent our careers. We're thrilled to be a small part of the bigger picture at Stony Brook."

— Douglas Brand, MD

One of Stony Brook University Hospital's
First Doctors

"After planning our estate and learning about the New York State match program and the Simons Infinity Investment, we decided to add to our endowed scholarship fund to cover the full cost of medical school tuition. My husband Doug's medical school tuition and fees were paid for, and we are happy for the opportunity to do the same for Stony Brook medical school students."

— Barbara Brand, PhD

A Stony Brook University Librarian for
Over 30 Years

RECIPIENT OF THE DRS. DOUGLAS AND BARBARA BRAND DIVERSITY IN MEDICINE ENDOWED SCHOLARSHIP

"My main priority is to become the best physician I can be. As someone who worked throughout my undergraduate studies to pay for my education, this scholarship has afforded me peace of mind, knowing that I am one step closer to paying off my student loans. It has allowed me to focus solely on medical school. And I hope to be able to give back to future students by contributing to their education in the same way that the Brands contributed to mine."

— Marquis S.

Renaissance School of Medicine, Class of 2025





ARLENE AND NEIL BUTTERKLEE ASSISTANTSHIP ENDOWMENT FUND

"Arlene and I met at Stony Brook, which set us on a path of learning and gave us a great start in life. We both had assistantships while attending grad school at Harriman College (now the College of Business), and we felt it was important to provide that same opportunity to students. We believe assistantships help both faculty and students — in that the students work at the school and build their resume, which is why we recently added to our endowment to include both graduate and undergraduate students."

— Neil Butterklee '80, '82, JD

College of Business Alumnus, Adjunct Professor, President-elect of the Alumni Association

"We wanted to focus our giving on something that we had in common and that we both valued — which is Stony Brook — in the hope that we would be able to help students. When we heard about the state match and the Simons Infinity Investment, we knew it was the perfect time for us to add to our endowment and provide more of a benefit for the students. We also felt strongly about supporting the new College of Business dean."

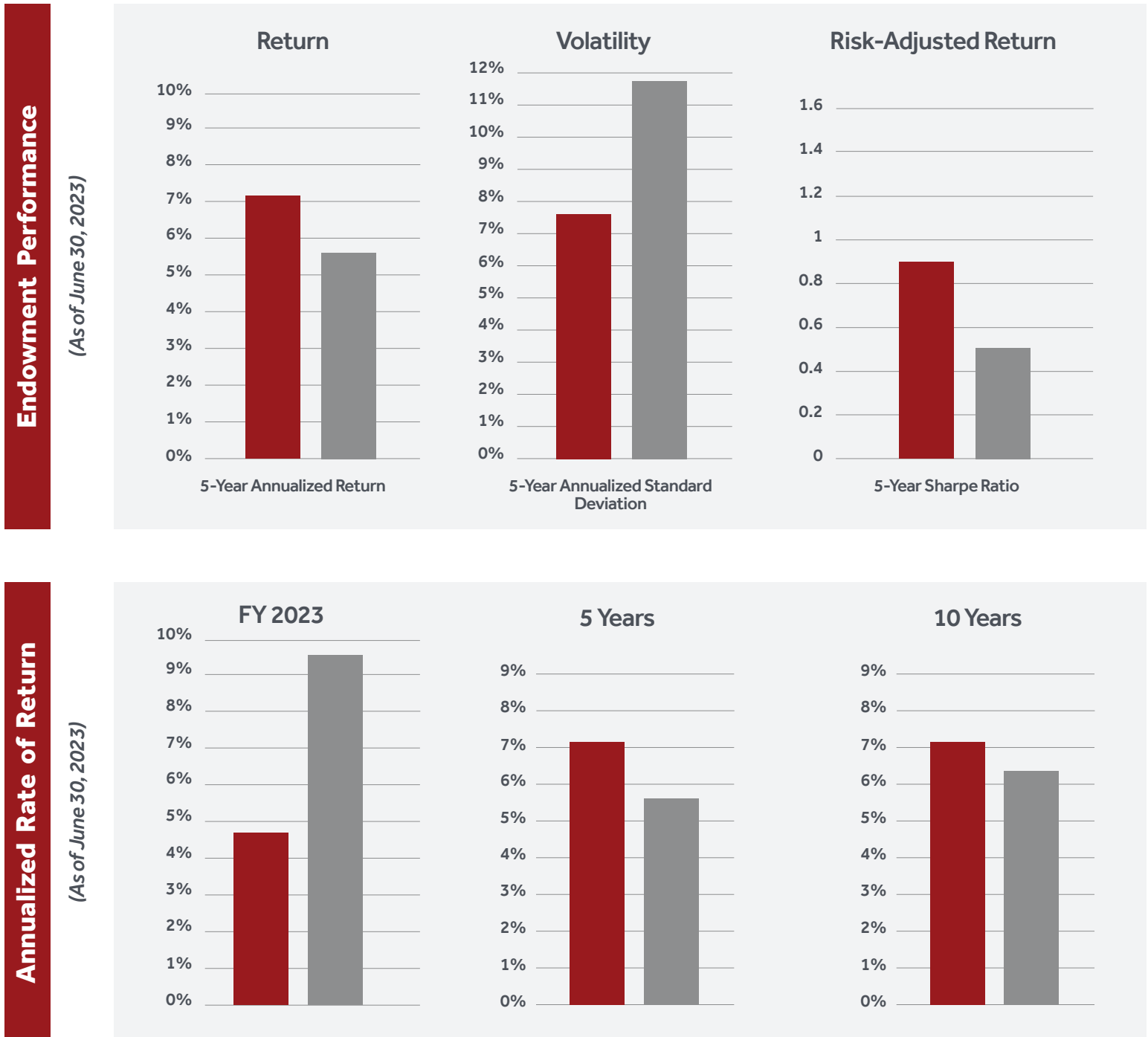
— Arlene Butterklee '82, '84

College of Business and College of Arts and Sciences Alumna

INVESTMENT STRATEGY

In accepting your gift, the Stony Brook Foundation assumes responsibility for ensuring that the endowment established by your gift will be managed with the goal of achieving strong risk-adjusted returns with lower risk (volatility) than a 60/40 weighted stock and bond index (60 percent MSCI All Country World Index and 40 percent Barclays Aggregate Bond Index).

As demonstrated by the following charts, we continue to exceed our benchmark rate of return over the long term (in both 5-year and 10-year intervals) with lower volatility and a higher Sharpe ratio, a measure of portfolio risk-adjusted return.



■ Stony Brook Endowment ■ Benchmark (60% MSCI ACWI/40% Barclays Agg.)

GLOSSARY OF TERMS

Fiscal Year

Stony Brook Foundation's fiscal year begins July 1 and ends June 30. This endowment report details the previous fiscal year's activity and provides a brief overview of past market values, investment returns and distributions.

Market Value

The market value of the endowment established by your gift is the total of the principal value adjusted for market appreciation or depreciation at the close of the fiscal year, less the spendable distribution and the annual management fee.

Principal

The principal, sometimes referred to as the endowment corpus, includes the initial gift and any additional contributions from any source.

Spendable Distribution

The spendable distribution is the amount available to spend for the fund's purpose each year. This amount is calculated annually as 4.5 percent of the five-year rolling average of the endowment's market value.

FREQUENTLY ASKED QUESTIONS

What is the minimum amount required to establish an endowment at Stony Brook?

The minimum gift to establish a named endowment is \$100,000, which can be made in the form of an outright gift or a multiyear pledge, with payments made over a period of up to five years.

Minimum gift amounts vary based on the type of endowment, such as undergraduate scholarships, graduate fellowships, faculty support, research, libraries, lectureships, specific programs, discretionary use or other purposes.

Endowments are permanently invested by the Stony Brook Foundation after cumulative pledge payments reach a total of \$100,000.

Can I contribute to an established endowment?

Yes. Anyone interested in contributing to an established endowment fund may make a gift of any amount. Please contact us for more information about selecting an established endowment that aligns with your giving priorities.

How long does it take for a newly established endowment fund to provide spendable resources for the university?

Payments toward newly established endowments are maintained and protected in an endowment intent account until the cumulative pledge payments reach a total of \$100,000. At this point, these funds are transferred into an endowment account that will generate annual program distributions in the future.

Once funding is complete, the total value of your gift is invested. For each year thereafter, the Stony Brook Foundation endowment policy provides for an annual program distribution in the fall based on a five-year rolling average of the endowment market value as calculated on December 31 of the previous calendar year.

Does the Stony Brook Foundation charge any fees to manage my endowment gift?

Once invested, an annual management fee of 1 percent is assessed based on the five-year rolling average of the endowment's market value.

How does the market affect my endowment account?

The Stony Brook Foundation's balanced investment strategy consistently pairs growth with the objective of protecting the endowment market value. However, during periods of financial distress, the endowment established by your gift may experience periods of negative returns, causing a decline in your endowment's market value.

An Unprecedented Opportunity

Today's investment proposition is unparalleled. Financially, this is the ideal time to invest. **Stony Brook has two matching gift opportunities that will triple the value of every endowed gift.** This philanthropic multiplier comes from public and private sources.

First, included in the FY23/24 state budget is a new endowment matching program that will amplify the impact of philanthropic gifts by 50 percent. Furthermore, **Marilyn and Jim Simons and the Simons Foundation** have announced that philanthropic gifts to Stony Brook's endowment will be matched 1:1 to grow the university's unrestricted endowment. Their gifts are also eligible for the state match, meaning that each dollar of new endowed support will return a total of three dollars for university programs.

This unprecedented opportunity is limited. The state has allocated \$500 million for its matching endowment program — a generous sum, but the program is open to all four SUNY university centers, and the public money sunsets once the full amount is matched.

For more information, please contact Scott Barrett at scott.barrett@stonybrook.edu or (631) 632-9128.

Outright Gift

Additional contributions may be added to endowment funds at Stony Brook University by anyone at any time. For further endowment information, please contact Scott Barrett at scott.barrett@stonybrook.edu or (631) 632-9128.

Matching Gift

Your company or organization may offer a matching gift program. Corporate matches increase the overall impact of your personal gift and make a great difference in our university community. Please direct questions about matching gifts to Kathy Weber, matching gifts coordinator, at kathleen.weber.1@stonybrook.edu or (631) 632-4887.

Stock Gift

Offering greater tax advantages than a gift of cash, a contribution of long-term appreciated securities may be deducted as a charitable gift and may avoid capital gains tax on the appreciation. Questions about gifts of stock should be directed to John Gibbons, director of investments and interim director of operations, at john.gibbons@stonybrookfoundation.org or (631) 632-7072.

Planned Gift

A planned gift, including gifts in your will or trust, beneficiary designations, charitable gift annuities or property, can benefit both you and Stony Brook University. We can help you tailor such a gift to meet your unique situation. Questions about these gifts should be directed to Shawn Mroz, executive director of gift planning, at shawn.mroz@stonybrook.edu or (631) 632-4788.

For additional information on giving opportunities at Stony Brook, please visit stonybrook.edu/waystogive. You can also make a gift directly by visiting stonybrook.edu/give.

If you have any questions about this report or would like to update your personal information, please contact Jerry DeFoe at (631) 632-4324 or gerard.defoe@stonybrook.edu.



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