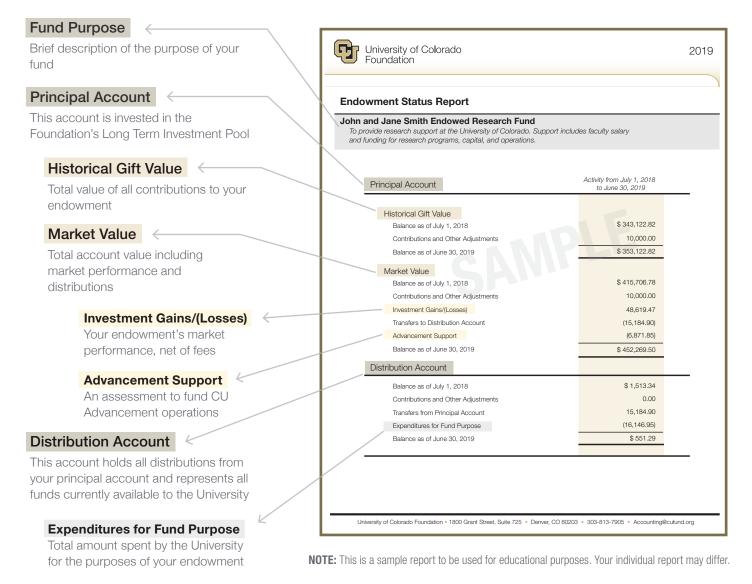
Key to Understanding Your Endowment Status Report

This reference guide is designed to help you more easily read your Endowment Status Report, including how to differentiate between the values of the principal and distribution accounts and your contribution's historical and current market values. On the reverse side, a glossary provides more detail on terms used in this report.

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Key Terms

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Did You Know?

Your endowed fund provides annual support to the University through distributions that are 4% of an endowment's trailing 36-month average market value as of December 31 for the year preceding the distribution. To preserve long-term value and maximize future impact, your endowed fund is invested in the Foundation's Long Term Investment Pool (LTIP). Over the past 10 years, the LTIP has had an average return of 9.22% net of all investment fees. In FY19, the LTIP gained 6.51%.

Learn more about FY19's performance and read an investment outlook in our quarterly Investment Update, which you can download at **giving.cu.edu/cufoundation**.

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Glossary of Terms

Financial information is reported in a Principal Account and in a Distribution Account. The Principal Account is invested in the Foundation's Long Term Investment Pool (LTIP). The Distribution Account represents all funds currently available to be spent by the University.

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Principal Account

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Historical Gift Value: This is the total value of all contributions to your endowment. For quasi-endowments, this may reflect liquidations of principal.

Market Value: This is the net value of all activity recorded in your endowment, including, but not limited to, contributions, investment activity, distributions and advancement support.

Contributions and Other Adjustments: This includes all contributions credited to the fund.

Investment Gains/(Losses): This reflects the net of all market-related activity, including interest and dividends, unrealized gains/(losses), realized gains/(losses), as well as investment management fees.

Transfers to Distribution Account: In accordance with the Foundation's Endowment Spending Policy, each year 4% of an endowment's trailing 36-month average market value as of December 31 for the year preceding the distribution is transferred from the Principal Account into the Distribution Account, where it is available to be spent by the University. For quasi-endowments, this may include liquidations of principal.

Advancement Support: The University uses revenue generated by endowments to fund its advancement operations. The standard assessment is 1.5% on an endowment fund's balance. The \$21 million in revenue generated by all endowments in FY19 funded a significant portion of the University's advancement operations, which in turn enabled the University's development professionals to work with donors who gave \$566.9 million in private support to the University in FY19.

Distribution Account

Contributions and Other Adjustments: This includes all contributions credited to the Distribution Account.

Transfers from Principal Account: In accordance with the Foundation's Endowment Spending Policy, each year 4% of an endowment's trailing 36-month average market value as of December 31 for the year preceding the distribution is transferred from the Principal Account into the Distribution Account, where it is available to be spent by the University.

Expenditures for Fund Purpose: This is the total amount expended by the University in FY19 for the purposes of your endowment.

We Can Answer Your Questions

Email accounting@cufund.org or call the Foundation's CFO, Mike Pritchard, at 303-813-7905.

Remember that quarterly investment updates are posted at **giving.cu.edu/cufoundation**.

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