



Stony Brook
Foundation

FISCAL YEAR 2024 ENDOWMENT REPORT

July 1, 2023, to June 30, 2024

ENDOWMENT HIGHLIGHTS

FY24 BY THE NUMBERS

\$78M

in gifts were added to the endowment, which established endowed chairs, professorships, scholarships, fellowships and so much more.

403

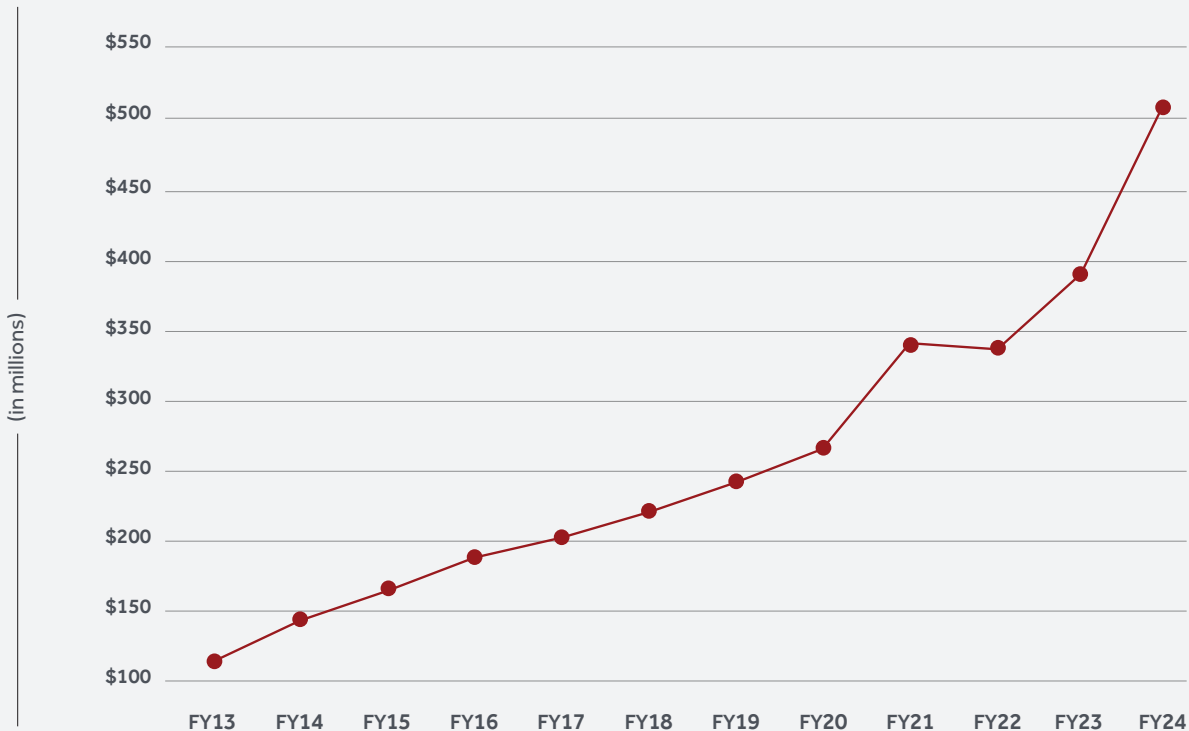
endowed scholarships support the student body at Stony Brook to ensure they have access to a unique educational experience regardless of their families' ability to pay.

79

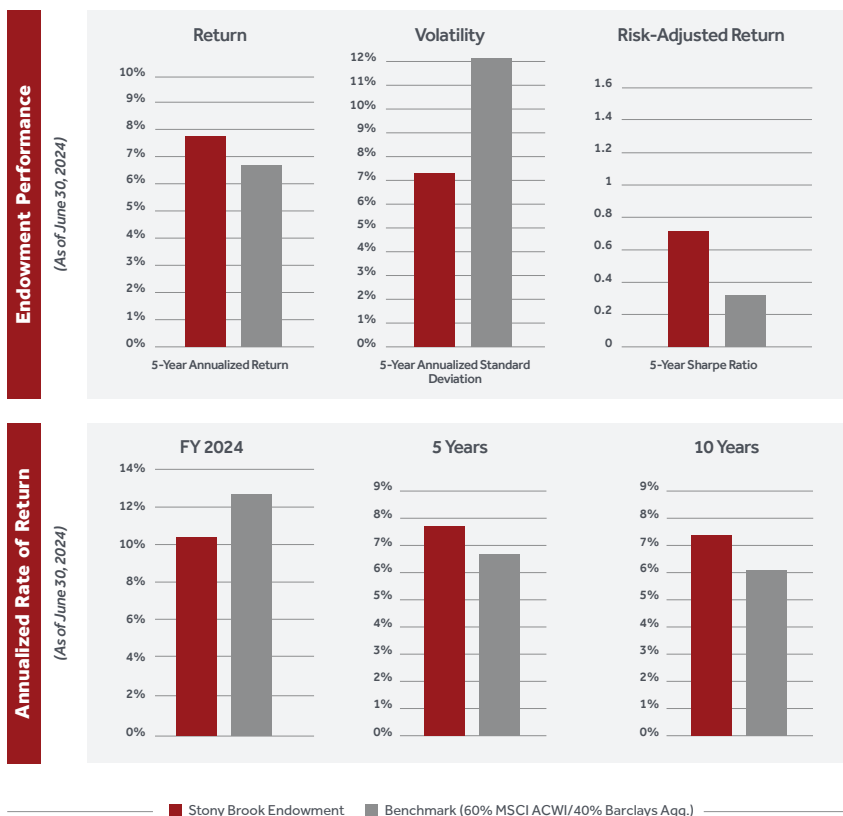
endowed faculty positions allow Stony Brook to attract top experts in their field, across the arts, sciences, athletics, and other disciplines.

ENDOWMENT MARKET VALUE (IN MILLIONS)

This chart demonstrates the strong upward trajectory of Stony Brook's endowment market value.



Dive Deeper Into the Endowment



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.

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 Bloomberg Barclays U. S. Aggregate Bond Index).

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.

New York State Matching Contribution to Stony Brook Endowments

WHAT IS THE NY STATE MATCHING CONTRIBUTION?

As part of her 2023 budget address, Governor Kathy Hochul announced a state endowment match challenge. The state has allocated \$500 million for the program, which is open to SUNY's four university centers, including Stony Brook. The state match program will match \$1 for every \$2 given to an endowment. This means that if someone makes a \$100,000 endowment gift, the state will add \$50,000 to it. The match program, a first for the state, runs through April 1, 2026, or until the funds are exhausted.

IS THE SIMONS FOUNDATION ALSO MATCHING ENDOWMENT GIFTS?

To inspire others to come forward with endowment gifts and take advantage of the state's matching program, the Simons Foundation has created its own challenge. Every endowment gift of at least \$100,000 will unlock an equal portion of the Simons Infinity Investment, which will be used in the university's unrestricted endowment. The state will provide a 50% match to both the original gift and the Simons Infinity Investment that is unlocked. In this way, the impact of every gift is tripled.

WHERE WILL MATCHED FUNDS GO?

With this limited-time program, all donor contributions made to new or existing endowed funds will generate matching funds from the state of New York and the Simons Foundation. While the university aims to grow its unrestricted endowment funds through the two matches, the option to designate matching funds to a broad list of unrestricted funds or the fund supported by the donor's gift is available for gifts over \$100,000. Donors who make gifts that are eligible for matching funds will receive recognition for both their gift and the match.

WHAT KINDS OF GIFTS ARE ELIGIBLE TO BE MATCHED?

To qualify for the match, the donor must make their commitment in the form of cash or a pledge. Gifts from individuals, corporations, foundations and donor-advised funds are eligible, as are qualified charitable distributions. Commitments may be multi-year pledges with specific payment schedules.

For more information about making an endowment gift, please contact Scott Barrett, interim vice president of advancement, at scott.barrett@stonybrook.edu or (631) 632-9128.





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.

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 SBF endowment policy provides for annual program distribution in the fall.

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.



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