



WESTERN CAROLINA UNIVERSITY FREQUENTLY ASKED QUESTIONS

The following is provided with the goal of helping to answer some of the questions that you may have with respect to Western Carolina University, its case for private support, its next campaign, and various charitable giving considerations.

How do private contributions from WCU alumni, friends, corporations, and foundations affect the University?

The answer is simple: private contributions to Western Carolina go directly to support deserving students. WCU's top priority for private funding is scholarships, and the University uses those scholarships to make a difference between a student enrolling and finishing college or worse, ending his or her studies prematurely because of financial concerns. Scholarships decrease the burden of student loans following graduation and also help to ensure students have the resources to pursue internships, conduct research, partner with regional businesses on projects, and much more.

How will increased private sector support affect the University?

The best way to strengthen WCU's reputation, attract new students, continue its growth trajectory, demonstrate its impact on the region and fulfill the University's mission and vision is to ensure every student has the resources to succeed to his or her fullest potential.

WCU has seen significant and impressive growth in its enrollments over the past several years. Therefore, there are now more students than ever deserving of increased levels of financial support.

Scholarships seem like something that would be a priority for any university at any point in time. Why is this so important to WCU, and why is it particularly relevant today?

It is important to understand that nearly one in three students at Western Carolina is the first in his or her family to attend college. More than 80 percent of students qualify for financial assistance, which does not cover the full cost of attendance and is often in the form of loans. WCU students and their families took on \$63.3 million in loan debt last year alone. Together, we have an opportunity to change their lives forever and the lives of their families. Their potential success will dramatically enhance regional economic growth. But that only happens if they graduate -- and if they can complete their studies without taking on considerable debt that will influence their career decisions, limit their entrepreneurial flexibility, and ultimately compromise their success for years to come.

In addition, universities all across the country have seen significant and sustained trends of decreased public support, and that is certainly true in North Carolina, which has in turn left institutions of higher education no choice but to raise their tuition. The average undergraduate loan debt of a WCU graduating student in 2014-2015 was \$20,575. Shifting the burden away from WCU students will be dependent on raising significantly increased levels of sustained private support.

How does WCU compare to other public universities in North Carolina in terms of tuition and fees?

Despite tuition increases, Western Carolina is consistently recognized as one of the nation's most affordable universities in the South by multiple sources including Kiplinger's Personal Finance magazine. If one looks at the full annual cost of attendance including housing and meal plans, WCU costs less than many of its sister institutions in the UNC system and considerably less than private colleges.

Yet, there remain many worthy students from modest economic backgrounds who either cannot afford to enroll, who have to borrow significant sums to order to pursue and complete their WCU educations, and/or who graduate with sizable debt.

How does WCU compare to its competitors when it comes to scholarship support?

As of January 2016, a total of 137 endowed scholarships have been established at WCU since March 2012 and the installation of Dr. David Belcher as chancellor, but WCU remains at a significant disadvantage despite the excellence of its programs among its primary competitors with regards to the scholarship support available to current and future students. UNC Charlotte, Appalachian State and ECU all have significantly more private scholarship dollars available to students, and they are using those dollars to compete aggressively for the best students and to ensure students in need have adequate support.

WCU remains one of the only schools in the UNC system that does not have a scholarship program dedicated to ensuring access for deserving students with high need.

At the core of this next campaign will be the call for significant increases in private contributions for scholarships to support students with the greatest need, high-achieving students, and student-athletes.

Are there any other priorities that will be considered in this campaign?

Beyond the scholarship need, WCU is seriously lacking in adequate facilities for its athletics programs. Topping this list is an indoor practice facility for all sports. WCU has designed a plan for not just meeting that need but for constructing a multi-use building that will house an indoor practice field, a strength and conditioning center, and a hospitality area for University functions.

WCU will seek to fund this facility as part of the upcoming campaign to ensure continued improvement in its athletic programs and for the benefit of its student-athletes. The project presents an opportunity for donors particularly interested in capital investment in the university and/or those particularly invested in seeing success in athletics.

How will these priorities translate into specific financial targets for the next campaign?

The working goals total \$50 million+ and are as follows. These targets will be finalized based on the degree of success in the current leadership phase for the campaign.

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| • Scholarships for Students in Need | \$20 million |
| • Scholarships for High-Achieving Students | \$20 million |
| • Scholarships for Student-Athletes | \$10 million |
| • Indoor Practice Facility | Full Amount to be Determined |

Will this be WCU's first campaign?

No. WCU celebrated the conclusion of Creating Extraordinary Opportunities: The Campaign for Western Carolina in 2009, which raised \$52 million in private giving for endowed scholarships, professorships, and programmatic support. This will be WCU's second campaign.

What are the means by which I can fulfill my philanthropic commitment to WCU?

There are numerous ways in which you can make your contributions to the University, including gifts of cash, appreciated securities, real estate, and retirement assets. Additionally, WCU offers numerous charitable gift planning vehicles. These vehicles include bequests and options such as trusts and annuities that offer tax benefits and even life income to donors, while also accomplishing their goals of providing important financial support to WCU and its students.

I would like to be able to fulfill my charitable commitment to WCU over a period of time. May I do this?

Yes. WCU understands that while it is advantageous to its students to be able to benefit from the generosity of those making such commitments as soon as possible, the University also understands that many individuals require time to do so. And for some individuals, having more than a single year often translates into larger level commitments. WCU will work with donors to structure a pledge payment schedule that accommodates their needs and that also accomplishes their giving goals. Generally, those plans are structured over a period of three years, with some approaching five years.

How will my charitable commitment to WCU be formalized?

A written gift agreement will be executed and signed by both the donor/s and the appropriate representative/s of the University. That gift agreement will include the details of the total commitment amount and purpose, the pledge payment schedule, the giving vehicles associated with its fulfillment, and specific gift recognition plans.

I give every year now to WCU's Loyalty Fund and the Catamount Club. How are these gifts different from those connected to the campaign priorities?

Both the Loyalty Club and the Catamount Club at WCU are annual giving programs. These contributions also are very important and, unlike endowed funds, are spent each and every fiscal year, with a great majority of these funds also supporting student financial aid. During the campaign, alumni, friends, corporations, and some foundations will be asked to consider gifts over and above their ongoing commitments to these annual funds. Many contributions to campaign priorities will be significantly larger than these ongoing gifts to the annual funds.

Will my gifts to the Loyalty Club and the Catamount Club count in the larger campaign?

Yes. Donors and dollars committed to both the Loyalty Club and the Catamount Club will count in the comprehensive campaign, with the anticipation of many donors making larger and additional commitments to campaign priorities (endowed scholarships and athletics facilities) over and above their annual fund commitments. For some donors, making increased and sustained commitments to the Loyalty Club and/or the Catamount Club will be the means by which they are able to fully participate in the campaign.

What is WCU's endowment currently and how much of that endowment is geared toward student support?

Combined, the market value for Western Carolina University's and Western Carolina University Foundation's endowments totaled approximately \$63.17 million as of December 31, 2015. Distributions from the combined endowment for student scholarships for the current 2015-2016 fiscal year totaled approximately \$1.4 million

What is an endowed scholarship fund?

Like all endowed gift commitments, an endowed scholarship is structured so that the principal amount given by the donor is held in perpetuity. Earnings from the invested assets are then expended to fulfill the charitable intentions as agreed by both the donor and the University. Scholarships awards supported through these funds may begin in the second academic year following the first annual valuation to determine the investment earnings.

Is there a minimum for the establishment of an endowed scholarship fund at WCU?

The minimum to establish an endowed scholarship is \$25,000, with the goal of establishing a substantial number of endowed scholarships at significantly higher levels, including those in excess of \$100,000 and some in excess of \$1,000,000. Based on the current spending policy of the WCU Foundation, a \$25,000 scholarship endowment would produce 5 percent or \$1,250 in student awards.

Can I designate my scholarship commitment to an area or program fitting my specific interests?

Yes. In addition to options to designate your scholarship to award programs at the University level, you can also choose to align your commitments with athletics, the Honors College, and/or any of WCU's six academic colleges -- the College of Arts and Sciences, the College of Business, the College of Education and Allied Professions, the College of Fine and Performing Arts, the College of Health and Human Sciences, and the Kimmel School of Construction Management and Technology.