


Annual Report

July 2018 - June 2019



Our Mission: The Fairmont State Foundation, in partnership with Fairmont State University and its Board of Governors, will work to inform our constituents of University funding opportunities, the benefits of philanthropic engagement, and the results of our collective efforts.

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Message from the President



Greetings!

It's an exciting time here at the Fairmont State Foundation. Our foundation exists to ensure that through your investment, we create the margin of excellence that guarantees students at Fairmont State University become the next leaders, thinkers and doers. They will become the next generation of change makers, social pioneers and global innovators.

In the last fiscal year, our donors invested more than \$3,687,000 to ensure student success. We can't thank donors like Jed and Vicki Smith; Rusty and Kimberly Hutson; and Dan Cava enough for making significant contributions to academic scholarships and athletic experiences. Overall, we had 1,536 donors last year who supported our beloved university. We could not be successful without each one.

As we look ahead, our future is bright. At the Fairmont State Foundation, we are embarking on an aggressive campaign to build new donors. On Nov. 7, we will host our first Falcon Day of Giving, challenging alumni from across the region, state and nation to support our students and programs. In a 24-hour period, we hope to raise \$250,000 for academic and athletic scholarships, school and college discretionary dollars and programs.

We are in the process of assessing new opportunities for investment, from student experience funds to professorships and program endowments. And we are engaging, thanking and informing our donors through this revamped endowment report, newsletters, our Scholarship & Stewardship Banquet and a variety of events, from our Basketball Blue Jean Bash, which welcomed our two new basketball coaches, Tim Koenig and Stephanie Anderson, to our donor appreciation tailgate.

It is so amazing to be a part of an organization that exists purely to make the university experience more affordable, enjoyable and exciting for students. I grew up in Mineral County, the third child of four. Like the 61 percent of students at Fairmont State, I was a first-generation student. Like the 90 percent of students at Fairmont State, I received financial aid.

The dream of a university degree became a reality for me thanks to the kindness of people like you. At Fairmont State University, donor-supported funds provide more than \$1 million annually in scholarships for students across the university. You are making a difference and creating the margin of excellence.

We hope that you will join us as we work to educate more people about the benefits of investing in our students, faculty and facilities. Please let people know about your own investment. Encourage others to give. Every gift matters and every gift benefits Fairmont State University students.

We look forward to developing a strong relationship built on the pillars of trust, loyalty and transparency. And we plan to move this organization forward to benefit the students at Fairmont State.

Thank you for all that you do and give – time, talent and treasure. We appreciate you. We value you. And most importantly, we thank you.

Thank you!

A handwritten signature in black ink that reads "Julie R. Cryser". The signature is written in a cursive, flowing style.

Julie R. Cryser, President
Fairmont State Foundation, Inc.



Notes from the Board Chair

Dear Alumni and Friends of Fairmont State University,

As Chair of the Board of Directors, it is my pleasure to share with you the 2019 Annual Report of the Fairmont State Foundation. The mission of the Fairmont State Foundation is to support, through ethical stewardship, the mission of Fairmont State University. The Foundation identifies, establishes and cultivates meaningful relationships with Fairmont State alumni and other stakeholders to meet the needs of Fairmont State University and the students. In addition to raising funds, the Foundation is responsible for managing the assets contributed by Fairmont State supporters. I am pleased to report as of June 30, 2019 the Foundation's total assets are over \$30,000,000 an increase of 9% over the prior year.

Our commitment to fundraising on behalf of Fairmont State University continues to strengthen and grow. During the past year the Foundation teamed with Fairmont State University President, Dr. Mirta M. Martin, to launch the Every Gift Matters Scholarship Campaign with a goal to raise \$1.3 million dollars. Thanks to the combined efforts of the Foundation, University and our generous donors we raised over \$2 million dollars. This is one many successes of the past year. The Foundation has increased the amount of scholarships, endowments and program support provided to the University. Private funding is crucial to the success of an institution of higher education. Our Board and our staff are dedicated to increasing support and enabling the University to continue to provide a top-quality education to our students. Currently 88% of Fairmont State students are West Virginia residents.

During the past year, we were fortunate to have long-time supporter, former Fairmont State professor and alumnus Gary K. Bennett step in to fill the role of president while we conducted a search for a permanent president. During this time Gary helped to keep our fundraising and cultivation efforts on track while providing outstanding leadership to the organization. In April, Julie R. Cryser was hired as the President of the Fairmont State Foundation. Bringing over 19 years of experience in higher education fundraising, leadership and communication, Julie is poised to lead the Foundation and continue the success of those before her. In the three months she has been with the Foundation, Julie has cultivated numerous relationships and worked with the Foundation staff to develop the initial Falcon Day of Giving for Fairmont State, to be held on November 7, 2019.

Fairmont State University and the Fairmont State Foundation both have a long history of excellence, dedication and passion for providing the best education possible to the Falcon Family. I am honored to have the opportunity to help the Falcon Family soar to new heights.

Sincerely,

Gary A. LeDonne, Chair
Fairmont State Foundation Board of Directors



Jed and Vicki Smith Make Historic Gift

On Friday, April 12, Fairmont State history was made when Jed and Vicki Smith donated \$1 million to the Fairmont State Foundation. This historic gift will create the Jed and Vicki Smith Scholars endowment which will award scholarships to full-time students. This is the largest gift received from a living alumnus in university history.

Giving back has been important to Mr. and Mrs. Smith since they settled in Charleston in 1990 and knew they wanted to be involved with making a difference in their community. The Smith's built a successful car dealership in Charleston and expected that the business would be their legacy. After retiring in 2016, the couple realized that their idea of legacy had changed into a mission of sharing.

"His legacy was not what he did to make a living, it was what he did that made a difference." Mrs. Smith said of her husband. "Making a difference in a student's life is our goal with this gift, and we are hoping that it will. Supporting students that are going to be able to carry on in their education and go forward, that's really the legacy. The legacy of giving, the legacy of giving back."

A North Central West Virginia native and resident of Naples, Florida, Mr. Smith says Fairmont State taught him the value of persistence. He earned a business administration degree from Fairmont State while working 27 to 35 hours per week at a supermarket on Country Club Road to earn his tuition. Not only did he pay his own way through school, he provided financial assistance to two of his Theta Xi fraternity brothers. Mr. Smith says that college didn't come easy for him, that he worked hard to succeed. After graduating with honors in 1968, he planned to attend law school. Instead, he was drafted into the WV National Guard during the Vietnam War.

The oldest of four children, Jed Smith credits his parents for his success. His mother and father were told by a high school guidance counselor that he should not be encouraged to attend college

and that he probably wouldn't be successful as a student. They didn't share the counselor's advice until after Smith graduated from Fairmont State.

"My parents never bothered to tell me what I couldn't do." Mr. Smith said. They felt that he could accomplish anything if he set his mind to it and harnessed the energy to figure it out. When asked what advice the Smiths have for current students at Fairmont State University, Mr. Smith said, "Never give up." Mrs. Smith followed with "We fail, we grow, we learn, but the reward is self-worth."

President Mirta M. Martin echoed the importance of the perseverance that Fairmont State University graduates are known for. "I tell every student in our Falcon Family, 'I'll make you a deal: if you bring a passionate willingness to work hard and pursue your dreams, and if you stick with it, we will provide you with everything you need to achieve those dreams.' With the help of Jed and Vicki Smith's generous gift, we can keep that promise and keep students on track to graduate."

The Jed and Vicki Smith Scholars endowment will provide scholarships for full-time undergraduate students at Fairmont State University who have a minimum G.P.A. of 2.5. Thirty percent of the endowment will be allocated to students of the School of Business. The remaining seventy percent will be available to any qualified Fairmont State University student.



Diversified Gas & Oil Co. Invests in Students

Diversified Gas & Oil Co., the Birmingham, AL, company whose chief executive officer and co-founder is Fairmont State University graduate Rusty Hutson Jr., has committed \$30,000 in scholarships over the next three years to Fairmont State students.

“Diversified Gas & Oil strongly believes in supporting students who attend colleges in our operating areas and that are seeking to start careers in the gas and oil or related industries,” said Brad Gray, Executive Vice President and Chief Operating Officer.

Diversified’s scholarship will provide funds for rising seniors earning a degree in a natural gas and oil focused major with an overall grade point average of 3.0 or higher. Each student selected will receive a \$2,500 scholarship for their senior year.

Diversified is an operator of gas and oil producing assets. Its innovative, disciplined investment strategy is focused on the acquisition of mature, low-decline and low-risk wells, enhancement of operations with a focus on efficiency, and maximization of profitability for shareholders. Founded in 2001, Diversified has deep roots in the mineral-rich Appalachian United States.

Board of Directors - 2018/2019

Gary LeDonne '84 - Chair
Morgantown, WV

James W. Devaul '86
Alexandria, VA

Paul Smith '95
Bridgeport, WV

Jennifer Kinty '85 - Vice-Chair
Fairmont, WV

Richard H. Lightner '89
Winfield, WV

H. Skip Tarasuk Jr. '71
Beaufort, SC

Roger Stewart - Treasurer
Hurricane, WV

Christa Menear '98
Fairmont, WV

Cannon Wadsworth '91
Fairmont, WV

Jeffery Taylor - Secretary
Fairmont, WV

Connie S. Moore
Barrackville, WV

Michael R. Williams '89
Bridgeport, WV

Gary K. Bennett '72
Fairmont, WV

Richard (Dick) Moore
Fairmont, WV

Julie R. Cryser
President, Fairmont State
Foundation, Inc.

Kimberly J. Del Greco
Bridgeport, WV

Kim Pellillo
Fairmont, WV

Dr. Mirta M. Martin
President, Fairmont State
University

Herman E. Deprospero '01
Morgantown, WV

Jo Marie Pitrolo
Morgantown, WV

Hutson Family Creates Scholarship

■ **“Getting involved with Fairmont State and giving back to the University is the best way to provide hope to deserving students in local high schools.”**

Rusty and Kimberly Hutson are leading by example with a recent gift to Fairmont State University. The couple, both Fairmont State University alumni and Harrison County West Virginia natives, have committed \$400,000 to establish the Rusty & Kimberly Hutson Family Endowed Scholarship for the benefit of School of Business students.

A 1991 accounting graduate and certified public accountant, Mr. Hutson spent 13 years working in the banking industry in Ohio and Alabama. In 2001, Hutson founded Diversified Gas & Oil where he serves as Chief Executive Officer. The company began with the purchase of 40 wells in West Virginia and now operates throughout the Appalachian Basin.

Mrs. Hutson, a 1994 graduate of the nursing program, worked as a registered nurse before they settled in Birmingham, Alabama in 1999. After the move, she became a full-time mother to the couple’s four children. She serves as a mentor and example to many young mothers and she is passionate about realizing their true value in today’s society.

Mr. Hutson was influenced by many professors at Fairmont State, but he credits Glenn Harman with shaping his work ethic. “Harman was the hardest instructor I ever had, but he taught his students that if they really want something, they have to work for it. I appreciate him for that.” Hutson’s advice to students is to ask themselves each day, “What can I do to be better?” “If you do that,” he said, “you are going to be successful.”

After a recent visit to campus, the Hutsons decided it was time to give back to the university. They want this gift to provide support for local high school students who might not otherwise be able to attend college. They also want to encourage fellow alumni to support Fairmont State University. “Getting involved with Fairmont State

and giving back to the University is the best way to provide hope to deserving students in local high schools,” said Mr. Hutson.

When asked how the School of Business and its faculty are impacted by donors who support their program, Dr. Timothy Oxley, Interim Dean said “The generosity of former alumni, who are moved to contribute to such worthy causes as helping others achieve their educational goals, reminds each faculty member of the noble purpose with which we have been entrusted. Often the impact we as faculty have on students is not always readily apparent at the end of a student’s degree program, but comes much later in life when, as successful alumni, they offer others a way through their generosity. The lifelong impressions and impacts we make on all students extends far beyond their classroom experiences.”

The Rusty & Kimberly Hutson Family Endowed Scholarship will provide financial support to a full-time School of Business student from a Harrison County, West Virginia high school. Preference will be given to those from Lincoln High School in Shinnston, West Virginia. This award is available for renewal for four years, provided the recipient maintains a minimum 3.0 G.P.A.



School of Nursing Continues Tradition of Excellence

The accolades for the School of Nursing at Fairmont State continue to roll in. In April, the Associate of Science in Nursing (ASN) program received continuing accreditation from the Accreditation Commission for Education in Nursing (ACEN) for a period of eight years.

As part of the accreditation visit, the ASN program completed an in-depth self-study focusing on the program goals, nursing curriculum, faculty and staff qualifications and expertise, program policies, and student achievement of program outcomes. Following submission of the self-study to ACEN, a team of peer reviewers visited the University during the Fall semester and spoke with administration, nursing faculty, students, and nursing leaders from the area hospitals.

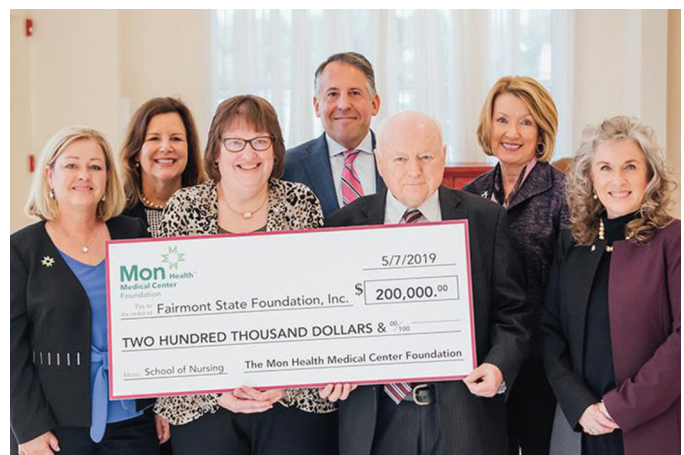
The program has a long history of successful graduates dating back to 1964. Today, the ASN program enhances learning through clinical experiences in the authentic arena (hospitals, clinics, community settings), in our state-of-the-art simulation and our skills labs. Graduates of the program have consistently exceeded state passing rates on the National Council Licensure Examination for Registered Nurses (NCLEX-RN) and are in great demand by employers.

“Fairmont State University has an excellent history of developing highly qualified nurses who are sought after by regional clinical agencies. Receiving continuing accreditation from ACEN is another example of excellence in nursing education,” Dr. Laura Clayton, associate dean for the School of Nursing said. “I am proud of our nursing programs and the team that works daily to make our program one of the best in the region.”

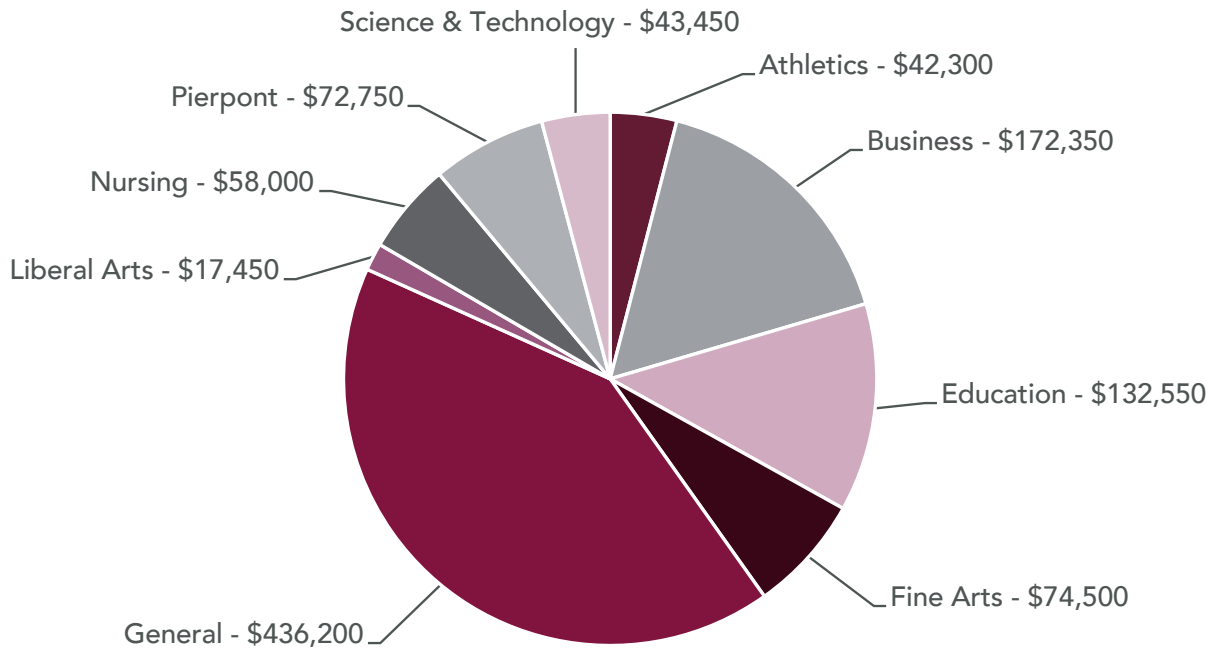
In May Fairmont State University was also ranked No. 1 in West Virginia in the 4th Annual Nursing School rankings by RNCareers.org, an organization which is made up of a team of nurse educators, nurse practitioners, RNs and LPNs, RNCareers.org work to provide the information they wished to have when they started their nursing careers.

The continued success of the School of Nursing has been recognized by the Mon Health Center Foundation. Through an investment of \$200,000, Fairmont State University will be able to hire additional faculty, allowing more students to be trained in the field of nursing. “As Mon Health has expanded, our need for qualified nurses has increased,” explained Daphne Scordato, Mon Health’s Chief Nursing Executive. “We recognize the high-quality care our nurses provide in some of life’s most challenging moments. Their compassion, confidence, and skill drive extraordinary patient care and as a community hospital. We are extremely excited to work with Fairmont State University.”

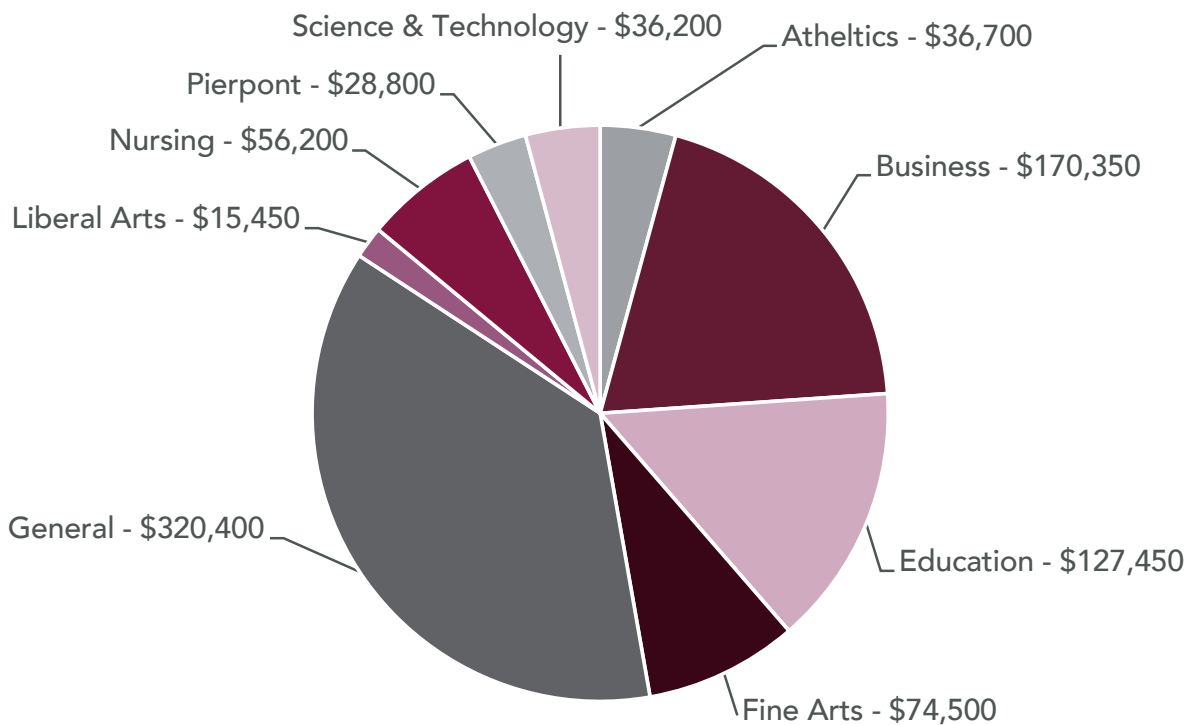
The United States, including West Virginia, is facing a nursing shortage due to an aging population. Compounding the nursing shortage is the lack of nursing faculty resulting in nursing schools turning away qualified applicants in baccalaureate and graduate programs. “This generous gift from The Mon Health Medical Center Foundation will allow Fairmont State University to expand its nursing program’s capacity,” explained President Mirta M. Martin, Ph.D. “This is vital – not only does this gift allow us to help more students follow their dreams and advance their careers, but it also enables the University to provide more highly trained, professional nurses to a region battling a healthcare crisis.”



Total Scholarships for 2018/2019



Endowment Spend for 2018/2019



Statement of Financial Position

For the years ended June 30, 2019 and 2018

Assets	2019	2018
Current Assets		
Cash and cash equivalents	\$1,193,693	\$902,642
Unconditional promises to give (current portion)	309,518	197,327
Other assets	3,403	11,114
Total Current Assets	<u>1,506,614</u>	<u>1,111,083</u>
Other Assets		
Investments	27,890,730	25,732,278
Unconditional promises to give (net of current portion)	682,311	423,275
Beneficial interest in perpetual trusts	3,063,117	2,975,677
Property and equipment, net	335,174	343,671
Total Other Assets	<u>31,971,332</u>	<u>29,474,901</u>
Total Assets	<u>33,477,946</u>	<u>30,585,984</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	5,841	7,293
Charitable gift annuities (current portion)	5,629	6,307
Total Current Liabilities	<u>11,470</u>	<u>13,600</u>
Charitable Gift Annuities (net of current portion)	<u>7,944</u>	<u>13,573</u>
Total Liabilities	<u>19,414</u>	<u>27,173</u>
Net Assets		
Without donor restrictions	4,749,640	5,226,922
With donor restrictions	28,708,892	25,331,889
Total Net Assets	<u>33,458,532</u>	<u>30,558,811</u>
Total Liabilities and Net Assets	<u>\$33,477,946</u>	<u>\$30,585,984</u>

Included in this publication are the audited financial statements of the Fairmont State Foundation. Somerville & Company, PLLC issued an unmodified opinion on the Foundation's statements of financial position as of June 30, 2019 and 2018, and the related statements of activity and cash flows for the years then ended. The audited financial statements and the report of independent auditors on such financial statements may be obtained by contacting the Foundation.

Statement of Activities

For the year ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenue			
Support			
Gifts and donations	\$40,130	\$3,674,680	\$3,714,810
Grant revenue		26,785	26,785
Fundraising activities		75,545	75,545
Total Support	40,130	3,777,010	3,817,140
Revenue			
Investment income	196,060	1,202,312	1,398,372
Change in beneficial interest in perpetual trusts		87,440	87,440
Other revenue	136,152	162,163	298,315
Total Revenue	332,212	1,451,915	1,784,127
Net assets released from restrictions	2,075,265	(2,075,265)	
Total Support and Revenue	2,447,607	3,153,660	5,601,267
Expenses			
Program Services			
Scholarships	1,366,317		1,366,317
Educational Services	44,252		44,252
Other	823,738		823,738
Total Program Services	2,234,307		2,234,307
Supporting Services			
General administration	193,624		193,624
Fundraising	273,615		273,615
Total Supporting Services	467,239		467,239
Total Expenses	2,701,546		2,701,546
Reclassifications	(223,343)	223,343	
Increase (Decrease) in Net Assets	(477,282)	3,377,003	2,899,721
Net Assets at Beginning of Year	5,226,922	25,331,889	30,558,811
Net Assets at End of Year	\$4,749,640	\$28,708,892	\$33,458,532

Statement of Activities

For the year ended June 30, 2018

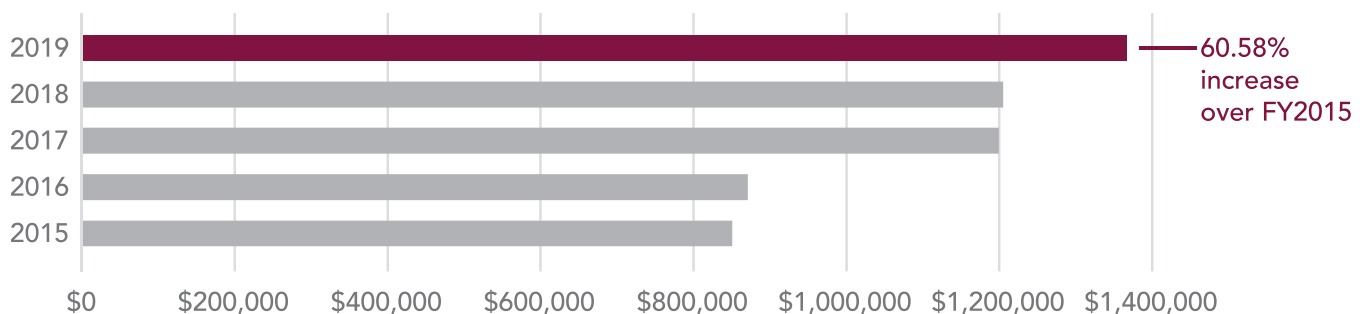
	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenue			
Support			
Gifts and donations	\$429,295	\$1,669,401	\$2,098,686
Grant revenue		108,099	108,099
Fundraising activities		90,531	90,531
Total Support	<u>429,285</u>	<u>1,868,031</u>	<u>2,297,316</u>
Revenue			
Investment income	376,833	1,265,576	1,642,409
Change in beneficial interest in perpetual trusts		55,085	55,085
Other revenue	167,213	65,490	232,703
Total Revenue	<u>544,046</u>	<u>1,386,151</u>	<u>1,930,197</u>
Net assets released from restrictions	<u>2,130,377</u>	<u>(2,130,377)</u>	
Total Support and Revenue	<u>3,103,708</u>	<u>1,123,805</u>	<u>4,227,513</u>
Expenses			
Program Services			
Scholarships	1,205,058		1,205,058
Educational Services	115,621		115,621
Other	945,707		945,707
Total Program Services	<u>2,266,386</u>		<u>2,266,386</u>
Supporting Services			
General administration	144,049		144,049
Fundraising	319,467		319,467
Total Supporting Services	<u>463,516</u>		<u>463,516</u>
Total Expenses	<u>2,729,902</u>		<u>2,729,902</u>
Reclassifications	<u>451,612</u>	<u>(451,612)</u>	
Increase (Decrease) in Net Assets	825,418	672,193	1,497,611
Net Assets at Beginning of Year	<u>4,401,504</u>	<u>24,659,696</u>	<u>29,061,200</u>
Net Assets at End of Year	<u>\$5,226,922</u>	<u>\$25,331,889</u>	<u>\$30,558,811</u>

Statement of Cash Flows

For the years ended June 30, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
Increase in net assets	\$2,899,721	\$1,497,611
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities		
Realized and unrealized gains on investments	(773,535)	(1,306,433)
Change in beneficial interest in perpetual trusts	(87,440)	(55,085)
Provision for present value discount of promises to give	12,386	(7,278)
Depreciation expense	8,496	2,957
Donated property included in contributions		(340,000)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Unconditional promises to give	(383,613)	176,507
Other receivables	7,711	(9,114)
Increase (decrease) in:		
Accounts payable	(1,452)	(2,504)
Charitable gift annuities	(6,307)	(7,801)
Net Cash Provided By (Used In) Operating Activities	<u>1,675,967</u>	<u>(51,140)</u>
Cash Flows from Investing Activities		
Proceeds from sale of investments	7,549,358	6,760,285
Purchases of investments	<u>(8,934,274)</u>	<u>(6,905,297)</u>
Net Cash Used in Investing Activities	<u>(1,384,916)</u>	<u>(145,012)</u>
Increase (Decrease) in Cash and Cash Equivalents	291,051	(196,152)
Cash and Cash Equivalents, Beginning of Year	<u>902,642</u>	<u>1,098,794</u>
Cash and Cash Equivalents, End of Year	<u>\$1,193,693</u>	<u>\$902,642</u>
Supplemental Disclosures		
Noncash investing activities:		
Donation of stock	<u>\$124,016</u>	<u>\$12,048</u>

Scholarships Provided by Foundation Funds

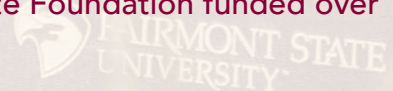




Scholarships are Vital to Student Success

Fairmont State University is deeply committed to providing a life-transforming, accessible education to all who seek it. However, in today's world, affording an education has become more difficult than ever. Even with the low cost of tuition and value offered at Fairmont State, 90% of our students rely on financial aid. Thanks to our generous donors, we are able to help reduce the debt burden students take with them once they've completed a degree. This past year the Fairmont State Foundation funded over 1,500 scholarships totaling over \$1.2 million dollars.

Scholarships help to attract and retain the best and brightest students. By creating a scholarship you are making a difference in the lives of students for years to come.





FAIRMONT STATE
FOUNDATION

1300 Locust Avenue
Fairmont, WV 26554

Contact Us

On the web: www.fsufoundation.org

By Phone: 304-534-8786

By Email: fsf@fsufoundation.org