endowing the future
What is the endowment?

Endowment refers to assets that are invested for the long term and intended to provide a permanent source of financial support for the Institute. In contrast to expendable funds, which are used for immediate needs, the endowment keeps an eye firmly fixed on the future, ensuring a permanent and stable source of income for the Institute.

What is the value of Salk’s endowment?

As of June 2013, the end of the fiscal year for the Institute, the value of the endowment stood at $264 million, an increase of 25 percent over the previous year. The increase reflects the impact of investment returns plus new endowment gifts, minus the payout to support Salk’s biomedical research projects.

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (in millions)</th>
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<tbody>
<tr>
<td>2009</td>
<td>$132</td>
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<tr>
<td>2010</td>
<td>$152</td>
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<tr>
<td>2011</td>
<td>$201</td>
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<td>2012</td>
<td>$211</td>
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<td>2013</td>
<td>$264</td>
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* Includes restricted and unrestricted endowment funds
What percentage of the Institute’s expenses does the endowment fund?

In fiscal year 2013, endowment payout covered approximately seven percent of the Salk Institute’s operating expenses, which currently exceed $100 million. That leaves 93 percent to be covered by government grants, trusts, foundations and friends. Through careful management, the Institute seeks to gradually increase the percentage of operating expenses funded by its endowment, thereby providing a reliable source of financial support for its research programs.

How is the endowment’s payout determined?

The Board of Trustees approves the payout rate on an annual basis, using a smoothing formula to cushion the endowment against market swings that can influence investment returns from year to year. The formula is computed as five percent of the average market value of the Institute’s investment balances over the previous three years. This amount prudently balances Salk’s research needs with the preservation of endowed funds.

How does Salk manage endowment funds?

The Salk’s Board of Trustees has appointed an investment committee to oversee the endowment. This committee recommends long-term asset allocation strategies, retains the services of a professional investment advisor to assist in fund management, and monitors performance of the endowment.
Salk is uniquely positioned to lead all of us to a healthier future. Endowment funding provides the financial flexibility for Salk to adapt and thrive as technology, science and human needs evolve. Gifts of endowment provide stability by expanding the Institute’s permanent financial base and creating a predictable source of future income.

When you make an endowed gift, an annual distribution is made from the return on investment. Outright gifts or pledges of $125,000 or more can be fulfilled over five years.

Because the principal remains intact, the fund will generate support in perpetuity for priorities such as:

- Recruiting and retaining the very best faculty
- World-class postdoctoral researchers and graduate students
- Cutting-edge scientific core facilities
- Seed funding for innovative projects

Endowment support also provides leverage for seeking other crucial sources of funding that are restricted to specific research areas, such as federal grants. We prize innovation, train new scientists, and share our scientific discoveries to spur the progress of biological research everywhere.

When you contribute to Salk’s endowment, your gift will be part of an enduring legacy.
“With my gift to Salk’s endowment, I’m helping to build a lasting foundation for the best scientific research. It’s gratifying to know that Salk scientists, because of the flexibility of my support, will continue making life-changing discoveries now and far into the future” – Ernest Rady

Jonas Salk circle

“Our greatest responsibility is to be good ancestors.”

The Jonas Salk Circle is comprised of visionary individuals who contribute $1 million or more to an unrestricted endowment at the Institute. Jonas Salk Circle donors are a unique cohort of Salk supporters who understand the powerful potential of unrestricted endowment to leverage resources to the greatest extent possible and to sustain excellence in perpetuity. If the donor wishes, the commitment may be paid over a five-year period.

Jonas Salk Circle donors receive prominent recognition for their commitment on a commemorative wall located on campus. More importantly, they are considered as stakeholders in the future of the Institute; and as such, they receive high level briefings from eminent scientists and are invited to a biannual international meeting. Additionally, each of the first twenty donors in this group will be invited to name a faculty study in the iconic Salk Institute courtyard.

SUPPORTING THE SALK

As a Jonas Salk Circle donor, Darlene Shiley sees her support of the Institute’s unrestricted endowment as a long-term investment in the future of science and human health.

“Supporting Salk and its exceptional scientists is the most effective way I know to have a positive influence on healthcare matters,” says Shiley. “I contribute to Salk to honor my late husband, Donald, and because we both saw great potential for the future in scientific research.”

Shiley says she knows that Salk will make good decisions with the funds that she donates to the Institute’s endowment. “Supporting the work of the Salk scientists requires both targeted funds and unrestricted ones to be applied when they are most needed,” she says. “It is vital to contribute to both, and we do.”

PLANNED GIFTS

You can leave a legacy of helping humankind through a number of financial vehicles: gift annuities, charitable remainder trusts, charitable lead trusts, life insurance, life estates, and bequests, to name several. In addition to benefitting the Salk, a planned gift may provide substantial tax advantages for you and your family. The Institute’s professional staff can consult with you and your attorney or tax advisor on the most advantageous ways to structure your gift.
Endowed gifts can also be directed to support specific aspects of Salk’s high-impact research, such as faculty chairs and endowed laboratories.

Endowed chairs
An endowed chair honors exceptional faculty while providing crucial financial support. Because of its prestige, an endowed chair serves as a powerful recruitment tool for attracting the world’s most talented scientists to the Institute, and allows them to focus on their research.

Endowed laboratories
Endowing a Salk laboratory allows Salk scientists to meet the highest priorities of their laboratory: costs such as salaries for postdoctoral researchers and technicians, advanced technologies and specialized research equipment and reagents. The funding allows researchers to pursue innovative ideas and to continue to drive biomedical research forward.

Endowed postdoctoral and graduate fellowships
Postdoctoral and graduate fellows—gifted young scientists who work with senior scientists on complex projects—are essential to every laboratory. Endowing a postdoctoral fellowship ensures ongoing support for these promising young scientists.

“The work we’re doing now, both the science and the fundraising that supports it, plants the seeds for the therapies of tomorrow.”
– William R. Brody, President of the Salk Institute
Security
In ever-changing and often precarious financial times, the security of a stable endowment allows Salk to continue to engage the future. Researchers can proceed with their projects knowing they have the financial backing that leads to success.

Leverage
A secure endowment provides financial leverage for seeking other sources of funding that are restricted to specific research areas, such as foundation science grants, by demonstrating a sound financial base.

Accelerated Research
We are on the cusp of a new era, shaped by a flourishing knowledge of genomics, epigenetics, stem cells, revolutionary imaging tools and bioinformatics, all of which give rise to powerful new technologies in the laboratory. Endowment funds fuel accelerated research.

Flexibility
Ready funds provide the financial flexibility for Salk to adapt and thrive as technology, science and human needs rapidly evolve. When a project arises with groundbreaking potential, researchers needn’t wait for traditional funding to be awarded. Science can advance in leaps.

Recruitment
Unrestricted endowment funds enable the Salk to recruit exceptional scientists. These are the minds of the future, the ones who will make the next great discoveries.

An endowment is a long-term investment in the mission of the Salk Institute: to support leading scientists who are providing answers to life’s most vexing health questions, and to serve as the place where cures begin. As government funding continues to shrink, innovative research relies ever more on the philanthropy of visionary patrons. Your endowed gift returns the personal satisfaction of having created a legacy that ensures seminal discoveries at the Salk for generations to come.

To find out more about how you can support Salk, please contact Cheryl H. Dean, Esq., at (858) 453-4100 x1228 or cdean@salk.edu
The Salk Institute for Biological Studies is one of the world’s preeminent basic research institutions, where internationally renowned faculty probe fundamental life science questions in a unique, collaborative, and creative environment. Focused both on discovery and on mentoring future generations of researchers, Salk scientists make groundbreaking contributions to our understanding of cancer, aging, Alzheimer’s, diabetes and infectious diseases by studying neuroscience, genetics, cell and plant biology, and related disciplines.