Dear friends,

Everything we do at KU Endowment begins with a spark: an idea, a dream, an aspiration. And becomes a reality through people working hand in hand.

Our role can be best summed up as the conveners. We bring people together — generous donors and academic leaders — and the result is a powerful chain of human beings who join hands to create brighter futures.

We’re pleased to report another outstanding year of private giving by alumni and friends of the University of Kansas and The University of Kansas Hospital — $258.8 million in fiscal year 2015. While this is another record, it’s more meaningful to focus on the donors who made it possible, and on those who benefit from their generosity: students, faculty, researchers, patients and entire communities.

These contributions bring the cumulative total given to Far Above: The Campaign for Kansas to a remarkable $1.45 billion to date. The campaign is scheduled to conclude on June 30, 2016.

KU Endowment’s support to the university and hospital reached $184.6 million in fiscal 2015, another high. In light of budget uncertainties in the state of Kansas, KU is relying more heavily on philanthropy to accomplish its goals. It’s rewarding to be able to help provide for its present needs and its long-term vitality.

All the accolades for these accomplishments belong to our donors. It’s our privilege to partner with them to accomplish our mission of building a greater university.

We applaud them for their belief and optimism that KU will continue to be a beacon of hope as one of our country’s leading public universities.

All the best,

Deanell Reece Tacha
Chair of the Board

Dale Seuferling
President
$258.8 million

total philanthropic support given in fiscal year 2015
Fundraising totals

$58.1M
Deferred gift commitments

$65.3M
Realized bequests and life income gifts

$135.4M
Current outright gifts and pledges

$258.8M
Total

**GIFTS**

- Proportion of donations $500 and less: 91 percent
- Proportion of donors from in-state: 59 percent
- Proportion of dollars from in-state: 50 percent

**DONORS**

Total
40,832

1 Jayhawk = 1,000 donors
The sense that those who came before me have invested in my education motivates me to work hard and contribute to my KU community in return for their support.

“My proudest accomplishments to date include serving as the president of our inter-professional student government, and volunteering at the JayDoc Free Clinic providing prenatal services to underserved women in the community. I was recently awarded a Fulbright Research Grant to pursue a project in women’s preventive health in Brazil, which I will complete over the next year before graduating and pursuing a residency in Obstetrics & Gynecology.

“As a fourth-generation physician, with scholarships founded under my family name, I know firsthand how meaningful it is to receive a financial award under a private donor’s name.”
"My scholarship tells me there are people who believe in me, and gives me confidence to have a successful future.

“I was homeless when I was younger, but then put into a children’s home. After that my grandmother raised me. She was a single parent taking care of five kids, so we struggled financially here and there. This was going to make moving off to college difficult. An anonymous donor(s) gave me everything I was going to need for my dorm room — bed sheets, school supplies, toiletries. I founded a small nonprofit to help other college students in the same situation. So far, I’ve helped one student, and currently I’m raising money to help two students next year. I hope to help more in the future.”
Receiving a scholarship has transformed my undergraduate experience. It has allowed me to shift my focus from cost-related worries and limitations to dedicating myself to excelling in school and getting involved in everything from undergraduate research to Greek life.

“This peace of mind is not something I take for granted, and I hope that the opportunities I have taken advantage of will help me on the road to becoming a physician in the coming years.

“I was one of 14 KU students to receive an undergraduate research award in 2014. I currently do research in Dr. Erik A. Lundquist’s lab in molecular biosciences, and volunteer weekly at Lawrence Memorial Hospital.”
“Since turning 18, I have had to support myself financially. Without my scholarship, I would struggle to afford the minimum requirements for my degree, and I would not be able to pursue both my musical and scientific interests.

“I am most proud of my compositions for Wind Ensemble and Symphonic Orchestra, as well as presenting my research regarding stress patterns and the Speech-to-Song Illusion at the Undergraduate Research Symposium in April 2015.

“At the age of 5, I started learning piano and guitar, and I started composing in the 7th grade. I experienced some hearing loss as a child, and I hope to help others follow their passion through my medical career. I plan to attend medical school while still retaining music as an important aspect of my life.”
$1.45 billion

total donor support thus far during *Far Above: The Campaign for Kansas*

fiscal year 2009 to fiscal year 2015
$1.45 billion total donor support thus far during fiscal year 2009 to fiscal year 2015.
Support to the institution

**Major funding areas**

- **$30.4M**
  - Students
- **$36M**
  - Faculty/staff excluding loans
- **$70.6M**
  - Facilities
- **$47.6M**
  - Programs & education

**TOTAL university support**

- **$184.6M**

**STUDENTS**

- Students receiving scholarships: **6,500**
- Scholarships created in FY15: **108**
- Proportion of scholarships and grants disbursed to Kansas residents: **79 percent**
- Endowment loans made: **2,081**
- Total amount loaned: **$3.5 million**

**FACULTY/STAFF**

- University salaries and awards: **$33.1 million**
- Contracts: **$2.9 million**
- Endowed professorships created in FY15: **6**
- Total endowed professorships: **193**

**PROGRAMS & EDUCATION**

- **$32.7M**
  - Program grants
- **$7.6M**
  - Official travel & hospitality
- **$6M**
  - Other
- **$1.3M**
  - Books, works of art
My appointment as the Judith Harris Murphy Distinguished Professor brought me to KU in 2012, where I am part of a productive, collegial and diverse department. My research funds facilitate travel to study the illuminated manuscripts that are the subject of my research. They also have enabled me to build relationships with scholars, and to forge national and international collaborative networks.

“My greatest professional accomplishment was a collaborative project — co-curating an exhibition, Imagining the Past in France, 1250–1500, with Dr. Elizabeth Morrison, Senior Curator of Manuscripts, at the J. Paul Getty Museum in Los Angeles. Over eight years, we traveled the U.S. and Europe to find the best examples of Bibles, romances, biographies of saints and nobles, chronicles, and ancient and medieval history. International curators were so excited by the topic that they gave us unprecedented loans, including some manuscripts that had never left their home countries. Some were classified as national treasures, such as a Grandes Chroniques de France, which I had held in my hands 25 years earlier as a young graduate student. The exhibition was a success among both scholars and the public, and a finalist for a prestigious award in my field.

“I am privileged to hold in my hands and study some of the greatest works of art produced in the late Middle Ages. Through my research and teaching, I share my enthusiasm for the complex relations between words and images, the beauty of the painted illuminations and the historical importance of each manuscript. I have held and studied books owned by kings, queens and popes. My life doesn’t get much better than that!”
I simply cannot overemphasize the importance of the Weigel Professorship to my professional development. This gift has allowed me to continue a busy clinical practice while remaining involved in basic science research. As I worked to develop a local, then regional and national clinical practice, my ability to devote time to research was limited. I have a passion for research, but I needed others to help me continue this important aspect of my career. I have used this endowment to support a Ph.D. researcher working on the treatment of prostate cancer; to provide funding for a urologic oncology fellow; to support residents’ research projects; and to improve care for patients undergoing removal of all or part of the urinary bladder.

“I would say my greatest professional accomplishment is my influence on my residents. Since I came to KU in 2002, 10 of my residents have pursued fellowships and subsequent careers in urologic oncology. I believe my enthusiasm for urologic oncology and research has inspired others to pursue a similar career path.

“The opportunity to engage in mentoring young men and women in their early careers is a great privilege. I love the atmosphere involved in the academic environment where everyone is interested in learning.”
In fiscal year 2015, KU Endowment expended **$70.6 million** to support construction, equipment and furnishings. That is an unusually high total, although this category of expenditure varies greatly from year to year depending on the university’s construction calendar. These images offer a glimpse of several of the projects undertaken, continued or completed during the year, thanks to generous donors.

### Capitol Federal Hall

With interior spaces that encourage collaboration and technology that connects to Wall Street and the world beyond, this will be the new home for the School of Business. The Capitol Federal Foundation made the lead gift for the building — the largest building at KU funded entirely through philanthropy. Many other donors made significant contributions.
DeBruce Center
The three-story center, connected to the northeast corner of Allen Fieldhouse, will provide much-needed dining and meeting facilities for students, faculty and visitors on the south part of campus. Moreover, it will become the permanent home of James Naismith’s original Rules of Basket Ball. The DeBruce Foundation provided the lead gift.
Marie S. McCarthy Hall
This new men’s apartment complex on Naismith Drive will house basketball scholarship athletes, plus single non-traditional students, upperclass students, and transfer students with at least 30 credit hours. It was funded by a lead gift from alumni Kent and Missy McCarthy.

Swarthout Recital Hall
Lighting, seating, lobby and backstage area — all were improved and updated in this complete remodeling project, which was finished in March. It was made possible entirely through private funding from numerous donors, including a lead gift from the Muriel McBrien Kauffman Foundation.
Jayhawk Boulevard
Jayhawk Boulevard runs through the heart of KU’s Lawrence campus. Over the past three summers, workers have in stages rebuilt the roadway and sidewalks, installed new lighting, and repaired utility lines, the storm water system and underground tunnels. Dozens of donors have given to support new landscaping, which is planned to eventually re-establish a tree canopy over the beloved Boulevard.
## STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>thousands</th>
<th>June 30, 2015</th>
<th>thousands</th>
<th>June 30, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 5,678</td>
<td>$ 5,567</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans, pledges, other</td>
<td>$ 145,090</td>
<td>$ 144,707</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Securities, trusts held by others, interest in other KU Endowment entities*, real estate</td>
<td>$1,669,031</td>
<td>$1,640,409</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property on or adjacent to university campus:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land, buildings, equipment &amp; furnishings, less accumulated depreciation</td>
<td>$ 35,612</td>
<td>$ 33,509</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits and other assets</td>
<td>$ 5,841</td>
<td>$ 5,856</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$1,861,252</strong></td>
<td><strong>$1,830,048</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| LIABILITIES AND NET ASSETS | | | | |
| Liabilities: | | | | |
| Accounts payable, accrued expenses, life income gift payables, agency funds | $ 117,894 | $ 104,504 |
| **TOTAL NET ASSETS** | **$1,743,358** | **$1,725,544** |
| **TOTAL LIABILITIES AND NET ASSETS** | **$1,861,252** | **$1,830,048** |

*Other entities include the KU Endowment Charitable Gift Fund, a separate 501(c)3 entity that administers gifts divided between KU Endowment and other charitable beneficiaries.

The Statement of Financial Position and Statement of Activities are excerpted from KU Endowment’s 2015 financial statements, which have been audited by Ernst & Young, LLP. The full statements are posted at www.kuendowment.org/auditreport.
<table>
<thead>
<tr>
<th>REVENUES, GAINS AND OTHER SUPPORT</th>
<th>thousands</th>
<th>thousands</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fundraising:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions &amp; grants received &amp; pledged; bequests; life income gifts; other</td>
<td>$ 197,630</td>
<td>$ 193,067</td>
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<tr>
<td><strong>Income from asset holdings:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments; realized and unrealized gains (losses) on investments and trusts held by others; real estate; other income</td>
<td>$ 20,682</td>
<td>$ 208,073</td>
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<tr>
<td><strong>Other receipts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 16,559</td>
<td>$ 2,020</td>
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<tr>
<td><strong>TOTAL REVENUES, GAINS &amp; OTHER SUPPORT</strong></td>
<td>$ 234,871</td>
<td>$ 403,160</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>University support (see note below):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student support; faculty support and contractual services; construction, furnishings, equipment &amp; supplies; program and other educational support</td>
<td>$ 184,562</td>
<td>$ 124,100</td>
</tr>
<tr>
<td><strong>Supporting services:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative and fundraising support; asset management expense; depreciation</td>
<td>$ 32,495</td>
<td>$ 20,306</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 217,057</td>
<td>$ 144,406</td>
</tr>
</tbody>
</table>

| CHANGE IN NET ASSETS              |           |           |
|                                   | $ 17,814  | $ 258,754 |

| NET ASSETS AT BEGINNING OF YEAR   | $1,725,544 | $1,466,790 |
| NET ASSETS AT END OF YEAR         | $1,743,358 | $1,725,544 |

Note: Expenditures from agency funds, which are owned by the university but managed by KU Endowment, provided additional university support of $14.4 million in fiscal 2015 and $10.9 million in fiscal 2014.
KU Endowment manages endowed funds with care to provide a stable, perpetual source of support for the university across generations. We invest endowed and similar long-term funds collectively in our Long-term Investment Program. The program includes more than 3,700 individual accounts with a variety of purposes and restrictions. The value of these funds makes up 72.1 percent of KU Endowment’s total assets.

To meet the overall goal of generating enduring value and perpetual support, KU Endowment adheres to sensible long-term investment policies, grounded by a commitment to equities and a strong belief in the benefits of diversification, value investing and active management.

Long-term Investment Program Performance (as of June 2015)

**Absolute objective** — to achieve, over the long term, a total return that meets or exceeds the rate of inflation, as measured by the Consumer Price Index, plus the total spending rate from the Long-term Investment Program.

**Relative objective** — to achieve a total return that meets or exceeds a benchmark of appropriate capital market indices, combined and weighted according to the portfolio’s target asset allocation. This chart shows the total return for the portfolio since the inception of performance measurement in June 1988.

Past performance is not necessarily indicative of future performance. Performance is net of external investment-related expenses (e.g., managers, custodians and consultants).

For more information, please visit kuendowment.org/invest.
Securities compose 86 percent of KU Endowment’s total assets; the balance is primarily real estate owned by KU Endowment, loans to KU students and faculty, and outstanding pledges.

Value of total assets — Book value of assets, plus unrealized gain or loss on marketable securities, according to audited financial statements. This excludes unrealized appreciation of real estate and other special holdings. *

Market value of total assets — Includes unrealized appreciation of real estate and other special holdings. *

Market value of endowment — Reported in accordance with the Standards of the National Association of College and University Business Officers.

Asset allocations

The Long-term Investment Program is designed to generate the maximum return consistent with minimum volatility. It is diversified both by asset class and within asset classes.

* Unrealized appreciation of real estate and other special holdings is not audited and is not recorded on the Statement of Financial Position.
The Executive Committee of the Board of Trustees governs KU Endowment and takes responsibility for ensuring that it will provide significant support for KU now and in the future. Members of the board at large elect the Executive Committee. Six standing committees oversee specific areas of operation and meet throughout the year.

The entire board, up to 75 members representing KU throughout the United States, meets annually during the fall on one of the KU campuses. Board members receive no compensation for their service.

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Linda Zarda Cook
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In Memoriam
Mike Shinn died in March in Shaker Heights, Ohio, at 72.
Aeronautical engineering 1966
Trustee 2004

Charles Oswald died in December 2014 in San Diego at 86.
Economics 1951
Trustee 1992; Life Trustee 2003

Ray E. “Ace” Dillon died in August in Hutchinson, Kansas, at 91.
Attended KU 1942 – 1943
Trustee 1984
Our mission:
KU Endowment partners with donors in providing philanthropic support to build a greater University of Kansas.

Our core values:
Passion for KU — The generosity of alumni and friends influences the very fabric of KU, helping the university advance the frontiers of knowledge. We are dedicated to serving the university and helping it achieve its aspirations.

Partnership with donors — Our donors empower us to accomplish our mission. We pledge to faithfully administer their gifts, adhere to their philanthropic intentions and respect their requests for privacy.

Perpetual support — The long-term vitality of KU represents our ultimate, unwavering goal. We strive to wisely invest funds and steward property, with the goal of achieving the greatest possible assurance of long-term financial support for the university.

People-centered approach — Our team of employees, trustees and volunteers guides our present and shapes our future. We seek to attract and develop the best talent, value each individual’s unique contributions and celebrate diversity as a strength.