Greater than the sum

KU Endowment
Annual Report 2010
**KU Endowment has an energy, a pulse, a rhythm.**

They come from the people who serve this institution as staff members or trustees.

These people are professional, goal-oriented and driven. But they also have a lighter side, and by and large, they are not afraid to show this. After all, their creativity provides the spark that helps them to connect with others. We aim to show this lighter side in this report.

Their titles are varied: trustees, development directors, fund managers, accountants, administrative assistants, student callers. All of them contribute their energy and talent for one purpose:

**to build a greater university.**
We often talk about KU Endowment as if it were an institution. In the legal sense, this is accurate, but that’s an incomplete description. Then there is “the endowment,” which is actually a collection of more than 3,200 individual endowed funds, each with its own purpose as defined by individual donors.

These are classic examples in which the whole is greater than the sum of its parts; they provided the inspiration behind this year’s annual report.

Together, the people of KU Endowment achieve more than the combination of our individual efforts. This theme also applies to philanthropy. The real effect of each individual donor’s giving is greater than the sum of money donated: It’s the opportunities offered, the doors opened, the lives changed.

In fiscal 2010, donors like you helped KU Endowment set a new fundraising record: $110.2 million, a remarkable accomplishment in light of the difficult economic climate. This demonstrates your faith in KU, the flagship university for Kansas and its most highly ranked higher education institution.

Your generosity also enabled us to set a new record for support to KU — $115.1 million — which generated significant progress on these priorities:

• Helping KU fulfill its mission of access, service and leadership for our citizens;

• Transforming students’ lives by enabling them to achieve an education for life, leadership and service;

• Investing in and sustaining a premier faculty by providing the resources for excellence in discovery and teaching.

On behalf of all of us at KU Endowment, thank you for working with us to create a greater future for the University of Kansas.

Kurt Watson
Chairman of the Board

Dale Seuferling
President

KU Endowment 2010 Annual Report
Donors to KU Endowment continued to provide generous support for the university through fiscal year 2010. For the third year in a row, both total fundraising and number of donors reached record highs. Fundraising this year, provided by 45,192 donors, totaled $110.2 million. That represents a 3.6 percent rise over last year’s total, $106.4 million, which was itself a record and a 13 percent increase over the previous year.

In addition, donors documented $10.3 million in planned gift expectancies during the year. These gifts will benefit the university in the future.
**Total donors and locations**

Although 60 percent of donors were Kansans, we also received donations from all 49 other states, the District of Columbia, Guam, the Virgin Islands, Puerto Rico and 29 foreign countries.

<table>
<thead>
<tr>
<th>Total donors</th>
<th>2010</th>
<th>45,192</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td></td>
<td>45,186</td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td>39,222</td>
</tr>
<tr>
<td>2000</td>
<td></td>
<td>34,475</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Top 10 states by number of donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kansas</td>
</tr>
<tr>
<td>Missouri</td>
</tr>
<tr>
<td>Texas</td>
</tr>
<tr>
<td>California</td>
</tr>
<tr>
<td>Colorado</td>
</tr>
<tr>
<td>Illinois</td>
</tr>
<tr>
<td>Virginia</td>
</tr>
<tr>
<td>Oklahoma</td>
</tr>
<tr>
<td>Florida</td>
</tr>
<tr>
<td>Minnesota</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Top 3 other countries by number of donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
</tr>
<tr>
<td>United Kingdom</td>
</tr>
<tr>
<td>Republic of Korea</td>
</tr>
</tbody>
</table>

**Annual Giving**

Our Annual Giving department seeks annual gifts for KU through direct mail, email and telephone appeals. In fiscal 2010, these combined appeals raised $4.4 million, an increase over the previous year of almost 12 percent. Donors made 38,104 gifts through Annual Giving, an increase of more than 3 percent over last year. Both the value of annual donations and the number of annual donors reached their second-highest totals ever.

The average gift this year through Annual Giving was $114.48, the highest average ever.
Support for the university

In fiscal 2010, KU Endowment’s support for KU totaled $115.1 million, a 9.2 percent increase over last year and a new all-time record, surpassing the previous high set in fiscal 2008.

Disbursements for program and educational support rose by 44 percent, and support for faculty rose by 6 percent. Support for students declined slightly, by less than 2 percent, and facilities support, which is affected by the timing of large construction projects, declined 23 percent.

Since our founding in 1891, we have provided $1.7 billion in support to the university.

<table>
<thead>
<tr>
<th>Total university support</th>
<th>millions</th>
<th>% change from previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program and educational support</td>
<td>$ 45.4</td>
<td>+ 44%</td>
</tr>
<tr>
<td>Student support (excluding loans)</td>
<td>$ 28.9</td>
<td>- 2%</td>
</tr>
<tr>
<td>Faculty support</td>
<td>$ 24.0</td>
<td>+ 6%</td>
</tr>
<tr>
<td>Facilities support</td>
<td>$ 16.8</td>
<td>- 23%</td>
</tr>
<tr>
<td>Total</td>
<td>$ 115.1</td>
<td>+ 9%</td>
</tr>
</tbody>
</table>

“With the funding challenges facing higher education in the state, support from private donors has become all the more critical for KU. Their generosity helps transform students’ lives and provides the resources for our faculty to excel in discovery and teaching.”

—Chancellor Bernadette Gray-Little
Support for students

This year, about 6,500 students received scholarships from KU Endowment funds, totaling $26.7 million. When combined with fellowships, awards and prizes, the total came to $28.9 million. This represents a modest reduction of 2 percent over the previous year. Due to the economic downturn experienced in 2008-09, distributions from endowed funds declined during the 2009-10 year. Our commitment at KU Endowment is to maintain the long-term viability of endowed funds to support present and future generations of students.

In addition, KU Endowment provided $3.2 million in student loans for a total of $32.1 million in student support.

Private donations during the year created 54 new scholarship funds, and five new student award and prize funds.

Support from KU Endowment provides aid for talented and deserving students. Their mix of backgrounds, experiences and interests helps to create a rich academic environment.

Most scholarships, fellowships and awards come from endowed funds, whose purpose was designated by donors. KU Endowment provides virtually all scholarships and fellowships to KU students.

<table>
<thead>
<tr>
<th>Student support in FY10</th>
<th>millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarships</td>
<td>$26.7</td>
</tr>
<tr>
<td>Loans</td>
<td>$3.2</td>
</tr>
<tr>
<td>Fellowships</td>
<td>$1.4</td>
</tr>
<tr>
<td>Awards and prizes</td>
<td>$.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$32.1</strong></td>
</tr>
</tbody>
</table>

Good weather brings students out to read, toss a ball around or just get to know each other.
Faculty support

KU’s success depends largely on the faculty. These individuals — now more than 2,400 strong — teach our students, carry on ambitious research and provide public service across Kansas and beyond.

This year, KU Endowment provided $24 million in direct support to faculty, a 6 percent increase over last year. We supplied more than 88 percent of total funding for KU’s distinguished professors, including 173 who have named, endowed positions. Private funding augments salaries and supports awards, professional travel and professional development.

In fiscal 2010, donors gave more than $1.3 million to establish three new professorships. Endowed professorships often qualify for additional salary enhancement by the Kansas Partnership for Faculty of Distinction Program. Since the state established this program in 2000, donor support for KU faculty has enabled the university to receive $9 million in supplemental state funding.

<table>
<thead>
<tr>
<th>Faculty support in FY10</th>
<th>millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, distinguished and teaching professors</td>
<td>$ 20.4</td>
</tr>
<tr>
<td>Professional and contracted services</td>
<td>$ 3.0</td>
</tr>
<tr>
<td>Faculty awards</td>
<td>$ .6</td>
</tr>
<tr>
<td>Total</td>
<td>$ 24.0</td>
</tr>
</tbody>
</table>

Joy K. Ward, Ph.D., associate professor of ecology and evolutionary biology, holds pieces of 20,000-year-old wood preserved in the Rancho La Brea tar pits in Los Angeles. Ward works with both undergraduates and graduate students to research the responses of ancient plants to levels of atmospheric CO₂ that were about half the current level. She is supported by the Edward and Thelma Wohlgemuth Faculty Scholarship, which recognizes distinguished younger faculty.
Support for research

The university’s recent focus on designation as a Comprehensive Cancer Center has put research in life sciences and biomedicine in the news. At the same time, KU researchers have made significant advances in the sciences, social sciences, humanities and engineering. Increasingly, KU researchers work across disciplinary lines, leveraging varied expertise against challenges, generating knowledge no expert could reach alone.

Although the majority of research funding at KU comes from foundations and governmental grant-making agencies, KU Endowment funding assists research efforts across its campuses. This year, donors enabled KU Endowment to provide $13.5 million to advance research projects, some of which might not have received funding otherwise. Donor support also bolsters research indirectly, by supporting professorships and graduate fellowships, strengthening academic programs, and providing facilities, equipment and data analysis systems.

The Greater KU Fund: flexible support

More than 3,800 KU alumni and friends donated to the Greater KU Fund in fiscal 2010. Donations to the fund come with no restrictions on their use. Therefore, the university can direct these gifts where no other support exists, enhancing everything that makes KU a world-class institution. Without this support from generous donors, many of these activities would not have taken place.

This year the fund provided $10.3 million, including direct aid to more than 1,000 promising undergraduates; 20 annual teaching awards, 12 teaching professorships and three faculty awards; enhancements in research libraries; support for undergraduate research; efforts to recruit and retain promising undergraduates and graduate students; scholarships for KU students studying abroad; and more.

Donors who contribute $1,000 or more to the Greater KU Fund are recognized as annual members of the Chancellors Club.

Parvesh Kumar, M.D., was recruited in early 2010 to make KU’s radiation oncology department a leader in national research. Kumar fills a key leadership role in The University of Kansas Cancer Center’s drive toward designation by the National Cancer Institute as a Comprehensive Cancer Center. He is the Joe and Jean Brandmeyer Chair and Professor of Radiation Oncology in the KU School of Medicine. The Brandmeysers donated $10 million in fiscal 2010 to The University of Kansas Hospital to create this endowed chair and support other patient care and research priorities.
**Program and educational support**

This year, donors enabled KU Endowment to provide $45.4 million to support educational and program activities at KU, a 44 percent increase over last year.

Private giving through KU Endowment strengthens academic programs across the university and brings top-flight scholars, lecturers and performing artists to the campus. It also funds outreach programs, improving lives, communities and businesses throughout the state. KU’s libraries and museums depend on private gifts to make critical acquisitions.

Donors also provided support for patient care at The University of Kansas Hospital. Their generosity made possible new state-of-the-art facilities and equipment, new programs, comfort items for patients and families, and educational resources.

### Program and educational support in FY10 (millions)

- Program grants to KU: $28.6
- University travel and official hospitality: $5.6
- Other: $10.1
- Books, works of art: $1.1

**Total**: $45.4

### Facilities support

Funding for facilities declined 23 percent this year. These expenditures are determined by the timing of the university's construction projects and often shift significantly from year to year. Since 2000, support for construction, furnishings, equipment and supplies has totaled $250.4 million.

Over time, private giving through KU Endowment has provided about two-thirds of campus buildings and about 85 percent of the land available for campus expansion.

### Support for facilities in FY10 (millions)

- Construction: $12.9
- Equipment and supplies: $3.6
- Furnishings: $.3

**Total**: $16.8

*Second-year medical student Neil Bryan works with a patient during the KU Medical Center’s annual free clinic in Nicodemus, Kan.*
### Statement of financial position

**Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>Thousands June 30, 2010</th>
<th>Thousands June 30, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 1,948</td>
<td>$ (83)</td>
</tr>
<tr>
<td>Receivables: Loans, pledges, other</td>
<td>$ 89,436</td>
<td>$ 83,571</td>
</tr>
<tr>
<td>Investments: Securities, trusts held by others, interest in KUECGF*, real estate</td>
<td>$ 1,142,661</td>
<td>$ 1,027,503</td>
</tr>
<tr>
<td>Property on or adjacent to university campus: Land, buildings, equipment and furnishings, less accumulated depreciation</td>
<td>$ 16,853</td>
<td>$ 14,910</td>
</tr>
<tr>
<td>Deposits and other assets</td>
<td>$ 10,176</td>
<td>$ 9,532</td>
</tr>
<tr>
<td>Collateral held for securities lending</td>
<td>$ 50,589</td>
<td>$ 62,678</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$ 1,311,663</strong></td>
<td><strong>$ 1,198,111</strong></td>
</tr>
</tbody>
</table>

**Liabilities and net assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>Thousands</th>
<th>Thousands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities: Accounts payable, accrued expenses, securities lending obligation, life income gift payables, agency funds</td>
<td>$ 147,801</td>
<td>$ 155,657</td>
</tr>
<tr>
<td><strong>TOTAL NET ASSETS</strong></td>
<td><strong>$ 1,163,862</strong></td>
<td><strong>$ 1,042,454</strong></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td><strong>$ 1,311,663</strong></td>
<td><strong>$ 1,198,111</strong></td>
</tr>
</tbody>
</table>

*The KU Endowment Charitable Gift Fund is 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 the Kansas University Endowment Association’s 2010 financial statements, which have been audited by Ernst & Young, LLP. The full statements are posted at www.kuendowment.org/auditreport.
## Statement of activities

### Revenues, gains and other support

<table>
<thead>
<tr>
<th></th>
<th>thousands June 30, 2010</th>
<th>thousands June 30, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fundraising:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions and grants received and pledged, bequests, life income gifts, other</td>
<td>$110,183</td>
<td>$106,404</td>
</tr>
<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>$132,105</td>
<td>$(227,034)</td>
</tr>
<tr>
<td>Other receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$11,121</td>
<td>$4,002</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES, GAINS AND OTHER SUPPORT</strong></td>
<td>$253,409</td>
<td>$(116,628)</td>
</tr>
</tbody>
</table>

### Expenses

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>University support (see note below):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student support, faculty support and contractual services, construction, furnishings, equipment and supplies, program and other educational support</td>
<td>$115,089</td>
<td>$105,365</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>$16,912</td>
<td>$18,041</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$132,001</td>
<td>$123,406</td>
</tr>
<tr>
<td><strong>CHANGE IN NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$121,408</td>
<td>$(240,034)</td>
</tr>
<tr>
<td><strong>NET ASSETS AT BEGINNING OF YEAR</strong></td>
<td>$1,042,454</td>
<td>$1,282,488</td>
</tr>
<tr>
<td><strong>NET ASSETS AT END OF YEAR</strong></td>
<td>$1,163,862</td>
<td>$1,042,454</td>
</tr>
</tbody>
</table>

Note: Expenditures from agency funds, which are owned by the university but managed by KU Endowment, provided additional university support of $8.7 million in fiscal 2010 and $9.6 million in fiscal 2009.
Assets

 Marketable securities compose 84 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 Endowed Funds** — 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 maximize returns and minimize volatility. It is diversified both by asset class and within asset classes.

#### Asset classes (as of June 2010)

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>International equity</td>
<td>29%</td>
</tr>
<tr>
<td>Domestic equity</td>
<td>24%</td>
</tr>
<tr>
<td>Fixed income</td>
<td>22%</td>
</tr>
<tr>
<td>Inflation protection</td>
<td>13%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
**Investing for now and the future**

KU Endowment invests endowed funds and other long-term funds collectively in our Long-term Investment Program, which includes more than 3,200 individual funds. The value of these funds makes up 69 percent of KU Endowment’s total assets.

Our Long-term Investment Program rebounded strongly from last year’s decline. Its performance exceeded that of both our market-weighted benchmark, and spending plus inflation.

By fiscal year-end in June, economic uncertainty and market volatility was high. In this challenging environment, the liquidity of the long-term program allowed us to maintain our asset allocations. It also enables us to weather future volatility and identify attractive investment opportunities.

**Performance objectives**

Over the long term, the absolute objective is to achieve a total return that meets or exceeds the rate of inflation, measured by the Consumer Price Index, plus the Long-term Investment Program’s total spending rate. The relative objective is to achieve a total return that meets or exceeds a combined benchmark of appropriate capital market indices, 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).*

<table>
<thead>
<tr>
<th>Long-term investment program performance (as of June 2010)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>One-year</strong></td>
</tr>
<tr>
<td><img src="#" alt="Long-term program" /></td>
</tr>
<tr>
<td><img src="#" alt="One-year Chart" /></td>
</tr>
<tr>
<td>13.8</td>
</tr>
<tr>
<td><strong>Three-year</strong></td>
</tr>
<tr>
<td><img src="#" alt="Three-year Chart" /></td>
</tr>
<tr>
<td>-4.7</td>
</tr>
<tr>
<td><strong>Five-year</strong></td>
</tr>
<tr>
<td><img src="#" alt="Five-year Chart" /></td>
</tr>
<tr>
<td>3.2</td>
</tr>
<tr>
<td><strong>Inception</strong></td>
</tr>
<tr>
<td><img src="#" alt="Inception Chart" /></td>
</tr>
<tr>
<td>8.8</td>
</tr>
<tr>
<td>8.7</td>
</tr>
</tbody>
</table>
Board of Trustees

The board governs KU Endowment and takes responsibility for ensuring that it will provide significant support for KU now and in the future. The entire board, up to 75 members representing KU throughout the United States, meets annually during the fall on one of the KU campuses. Individual committees oversee specific areas of operation and meet throughout the year. Board members receive no compensation for their service. Cities of residence are shown.

Executive Committee
Kurt D. Watson, chair + President & CEO
IMA Financial Group, Inc.
Andover, Kansas

Frank J. Becker ++ President & Owner
Becker Investments, Inc.
Lawrence, Kansas

William R. Docking + Chairman & CEO
The Union State Bank
Arkansas City, Kansas

R. A. Edwards +
First National Bank of Hutchinson
Hutchinson, Kansas

A. Drue Jennings + Senior Counsel
Polinselli Shughart, PC
Prairie Village, Kansas

M. D. Michaelis +
President
Empire Financial Corporation
Wichita, Kansas

John T. Stewart III •
Chairman
Stewart Companies
Wellington, Kansas

Todd L. Sutherland +
President
The University National Bank
Lawrence, Kansas

Deannell Reece Tacha +
Circuit Judge
U.S. Court of Appeals, Tenth Circuit
Lawrence, Kansas

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Robert D. Taylor, chair
Chairman & CEO
Executive AirShare Corporation
Mission Hills, Kansas

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Chairman of the Board & CEO
The Kroger Company
Cincinnati, Ohio

Lewis D. Gregory
President & Managing Director
Midwest Philanthropic & Inst. Services
Leawood, Kansas

H. W. Knapheide III
Chairman & President
The Knapheide Manufacturing Company
Quincy, Illinois

E. S. Riss
Chairman & CEO
Lake Shore Pacific Corporation
Mission Hills, Kansas

John H. Robinson Jr.
Chairman
Hamilton Ventures, LLC
Kansas City, Missouri

Compensation Committee
William R. Docking, chair

Frank J. Becker
A. Drue Jennings
M. D. Michaelis
Todd L. Sutherland
Deannell Reece Tacha

Development Committee
Deannell Reece Tacha, chair

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Partner-In-Charge, Audit
Deloitte & Touche LLP
Leawood, Kansas

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Of Counsel
Sullivan & Cromwell LLP
New York, New York

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Partner
Stinson Morrison Hecker LLP
Mission Woods, Kansas

Jann Crawford Rudkin
Civic & Volunteer Leader
Los Gatos, California

Linda Ellis Sims
Manager, US 3rd Party
Basestock Sales
ExxonMobil Corporation
Independence, Missouri

Fenton R. Talbott
President
Talbott Advisors, Inc.
Santa Fe, New Mexico

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Chairman & CEO
Peplin
Olathe, Kansas

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David G. Booth
Chairman & CEO
Dimensional Fund Advisors
Austin, Texas

John B. Dicus
Chairman, President & CEO
Capitol Federal Savings
Topeka, Kansas

R. A. Edwards

Ray D. Evans
Managing Partner
Pegasus Capital Management
Leawood, Kansas

Edward J. Healy
Attorney
Fleeson, Gooing, Coulson & Kitch, LLC
Eastborough, Kansas

Charles E. Heath
Vice President (Ret.)
Employers Reinsurance Corp.
Lawrence, Kansas

Property Management Committee
M. D. Michaelis, chair

Beverly Smith Billings
Chairwoman
Alvamar Development Corporation
Lawrence, Kansas

David M. Carr
President
First Financial Corporation
Wellington, Kansas

Brian L. Mitchell
Farmer & Owner
Mitchell Farms
Elkhart, Kansas

Kurt D. Watson

Property Management
Committee
M. D. Michaelis, chair

John C. Shawver
President
Stellbar Oil Corporation, Inc.
Wichita, Kansas

Steve Sloan
CEO
Midwest Minerals, Inc.
Pittsburg, Kansas

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Chairman & CEO
Adams Investment Co.
Bartlesville, Oklahoma

Philip F. Anschutz
Chairman & CEO
The Anschutz Corporation
Denver, Colorado

Lydia I. Beebe
Corp. Secretary & Chief Governance Officer
Chevron Corporation
San Francisco, California

Dan P. Bolen
Chairman & CEO
Bank of Prairie Village
Mission Hills, Kansas

Gene A. Budig
Senior Presidential Adviser
The College Board
Isle of Palms, South Carolina

Linda Zarda Cook
Executive Director (Ret.)
Royal Dutch Shell
Naples, Florida

Cathy L. Daicoff
Managing Dir. & Sr. Credit Policy Officer
Standard & Poor’s Corporation
Ridgewood, New Jersey

Jerome Davies
Sr. VP for Development
KU Endowment Association
Lawrence, Kansas

• Chair Emeritus
+ Board members who serve on multiple committees
* Elected in November 2009
Jeffrey W. Davis  
Sr. VP for Investment & Treasurer  
KU Endowment Association  
Lawrence, Kansas

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In memoriam

Robert A. Long, of Leawood, Kan., died Dec. 20, 2009, at age 78. His career included management positions with Arthur Andersen & Co., Commonwealth Theaters and J.E. Dunn Construction. He was elected Trustee in 1985 and served on both the Investment and Development committees. He was elected Life Trustee in 2008.

Jim Martin, of Lawrence, Kan., died April 8, 2010, at age 66. He received a master’s degree in English from KU in 1968. He worked at KU Endowment for 28 years, starting in 1974 as a director of program development. He became president in 1991. He held that position until his retirement in 2002, when he was elected Life Trustee.

Robert S. Mueller, of Lawrence, Kan., died May 27, 2010, at age 89. He graduated from KU’s School of Business in 1942. After serving in the Navy during World War II, he worked more than 30 years in accounting. He was managing partner of Sinders, Henning, and Mueller and senior partner of Arthur Young and Co. (Ernst & Young), Kansas City, Mo. He was executive vice president and national president of the KU Alumni Association. He was elected Trustee in 1980 and was elected Life Trustee in 2001.
This 2010 Roll of Honor recognizes the support of more than 1,400 individuals—leadership donors to KU Endowment whose generous contributions earn them recognition within our top giving societies. Their generosity benefits KU today and exemplifies the role of loyal alumni and friends in building a greater university for future generations.
As chair of KU Endowment’s Board of Trustees, Kurt Watson keeps the 10-member Executive Committee of the Board on the same page. The 75 Trustees, who meet once a year, govern the organization, ensuring that it will provide perpetual support for KU.

How you can support KU

KU Endowment applies 100 percent of your gift to your intended purpose at the University of Kansas.

**Online:** Give securely using your debit or credit card. Visit kuendowment.org/givenow.

**Checks:** Make payable to KU Endowment and mail to:
KU Endowment
P.O. Box 928
Lawrence, KS 66044-0928
Please include a note defining the gift’s purpose.

**Stock:** By donating appreciated securities or mutual fund shares, you can provide a lasting contribution while receiving tax benefits, such as capital gains tax savings.

**Real estate:** Your gift provides a convenient way for you to enjoy a charitable deduction based on the current fair market value of your property, and it can reduce the size and complexity of your estate.

**Estate planning:** To remember KU in your will or trust, be sure to name The Kansas University Endowment Association (our legal name) as beneficiary. Our federal tax i.d. number is 48-0547734. If you already have named KU Endowment in your estate plan, please contact us so we can welcome you to the Elizabeth M. Watkins Society. We honor any request for anonymity.

We also offer life-income gifts that provide income and immediate tax benefits. Call our director of gift planning at 800-444-4201 during business hours, or visit kuendowment.org/giftplanning.

**Alas, Jim Mechler didn’t know poor Yorick, but his eloquent rhetoric inspires our Lawrence development staff.**

They meet and speak with donors and friends all over the country to help them identify causes at KU that they want to support.

At the Lied Center of Kansas: Standing, Jim Mechler, vice president, Development. Front row, Justin Smith, development officer, Engineering; Kevin Kelly, associate development director, Libraries and Law; Debbie McCord, development director, Social Welfare; Kathleen Kelly, development director, Music, Dance, Visual Arts, Lied Center; Amy Spikes, development director and team leader, Engineering; Ellen Chindamo, development director, Alumni Association. Middle row, Nancy Jackson, development director and team leader, College of Liberal Arts and Sciences; Dale Stusser, assistant vice president for constituent development and director of development research; Dan Simon, development director, scholarship support; Brandie McPherson, associate development director, College of Liberal Arts and Sciences; Corrie Moore, development director, Journalism; Leigh Ann Hartman, development director, Engineering; Molly Paugh, development director, Architecture, Design and Planning and School of the Arts. Back row, Gaye Leonard, development director, Spencer Museum of Art; Tylerr Ropp, development director, Education; LaRisa Lochner, associate development director, College of Liberal Arts and Sciences; Jenna Goodman, development director, College of Liberal Arts and Sciences; Bill Lupton, development director, Law; Brian Moore, development director, Business; David Ochoa, development director, Pharmacy; Becci Blaesing, assistant vice president for constituent development.

**Jerome Davies always has his eye on the big picture.**

He uses his creativity to oversee all of KU Endowment’s development efforts. Shown here are staff members who manage major donor programs, annual giving, corporate and foundation relations, planned giving and campaign planning.

In the Helen Foresman Spencer Museum of Art: From left, Rich Kaler, assistant director, Chancellors Club; David Decker, director, Annual Giving; Lorie Werner, assistant vice president, Principal Gifts; John Hillis, assistant vice president, Development Programs; Scott Zerger, director, Corporate and Foundation Development; Amy Peters, director, Gift Planning; Stacey Willensborg, assistant director, Corporate and Foundation Development; Jerome Davies, senior vice president, Development, and secretary; Mark Wilson, assistant vice president, Campaign Planning and Management; Judy Wright, assistant vice president and director, Chancellors Club; Burke Beeler, assistant vice president, Donor Relations.
Our mission and core values

*KU Endowment’s mission is to solicit, receive and administer gifts and bequests for the support and advancement of the 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.

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**Jeff Davis is always fishing for promising investment opportunities.**

Several KU Endowment staff members work to manage our investments and properties, ensure that donations go where intended, locate and hire top-notch staff, track our accounts to the penny and manage the databases that support it all.

At the pond on KU Endowment property on west campus: Center, Jeff Davis, senior vice president, Investment Division, and treasurer. Left, front to back, Stacy Nuss, assistant vice president, Investment Division, and assistant treasurer; Kathy Sanders, director, Gift Processing; Bridget White, director, Loans/Scholarship Administration and Document Imaging; Mary Seyk, assistant vice president, Human Resources; Clark Cropp, senior vice president, Administration, and assistant secretary. Right, front to back, Yvonne Garcia, property and mineral interest specialist; Susan Burton, assistant vice president and controller; Kathy Douglas, executive assistant, Administration; Lori Blaylock, director, Prospect Information Management; Brent Lamb, director, Computing Services; Bill Green, senior vice president, Information Systems and Services.

**Stephanie Grinage investigates solutions for our medical development staff.**

They work to support the KU Medical Center and the KU School of Medicine in Kansas City and Wichita.

At the Robert E. Hemenway Life Sciences Innovation Center: Clockwise from front, Stephanie Grinage, vice president, Medical Development; Becky Schieber, associate development director, KU Cancer Center; Suzi Shepherd, associate development director, Schools of Nursing and Allied Health; Nell Lucas, assistant vice president, Medical Development; Shawn McDaniel, senior development director, KU Cancer Center; Erica Brown, associate development director, Institute for Advancing Medical Innovation; Susan Pressler, associate development director, Neurosciences; Center, Peggy Person, development director, Internal Medicine.
Our commitment to you

All of us at KU Endowment are committed to building a greater university. Together, we accomplish much more than any of us could achieve alone.

Above all, we want to ensure that donors’ investments in KU are preserved and used as effectively as possible. This annual report itself reflects some decisions prompted by that commitment. Like last year’s report, it is printed on less expensive paper and contains fewer pages than previous reports.

Perhaps most significantly, rather than printing a separate Chancellors Club Roll of Honor, we again have included in this report a listing of the Mount Oread, Outlook and Hill societies (pages 20–23). These changes have reduced our environmental impact as well, an increasingly important concern.
Cover:
Dan Almanza, Development; Kylie Smith and Melissa Smith, Development; Jenna Patmon, Aaron Lawrence, Grayson Warrior and Ross Wichman, Telefund; Aimee Polson, Gift Planning; Monte Soukup, Property Management; Whitney Novak, Development; and Sarah Phillips, Annual Giving; Jessica Roberts and Elizabeth Ulivian, Annual Giving; Scott Mercer, Computing Services; Kiran Shah, Computing Services; Christi Hinkle, Executive Assistant, and Laurie Comstock, Special Projects; Kacy Schmidt, Development; DeNean Jones, Medical Development; Amy Kim and Brad Foster, Telefund; Jane Butterfield, Lori Shutter and Melinda Maygers, Gift Processing.

Inside front cover:
Daljeet Gill, Laurie Bristol and Sharon Lange, Accounting; Morgan Foss, Campaign Planning and Management; Judy Wedermyer, Investment, and Cindy Weaverling, Campaign Planning and Management; Everett Keener, Computing Services; Lori Petrie, Development, and Sparkle Oehlert, Gift Processing; Luke Hanson, Jeannie Brown and Emily Vieux, Telefund.

Inside back cover:
Wanda Lyon, Sandy Gilliland and Debbie Turner, Human Resources; Mary Jo Williams, Medical Development; Linda Pinegar, Loans; Darlene Rogers, Development; Ryan Johnson, Medical Development; Austin Burch and Daniel Usem, Telefund.

Back cover:
Cindy Wangerin, Investment; Brian Handshy, Computing Services; Sarah Klehm, Danielle Hartley and Haley Zimmerman, Telefund; Linda Schimmel, Gift Processing, and Gene Schimmel, Computing Services; Max Mayse, Computing Services; Gretchen Hundley, Computing Services, and Gary Haworth, Gift Processing; Stephanie Trulong, Kelci McFarland and Shaun Mar, Telefund; Terry Newland, Facilities, and Nadene Newland, Receptionist.

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