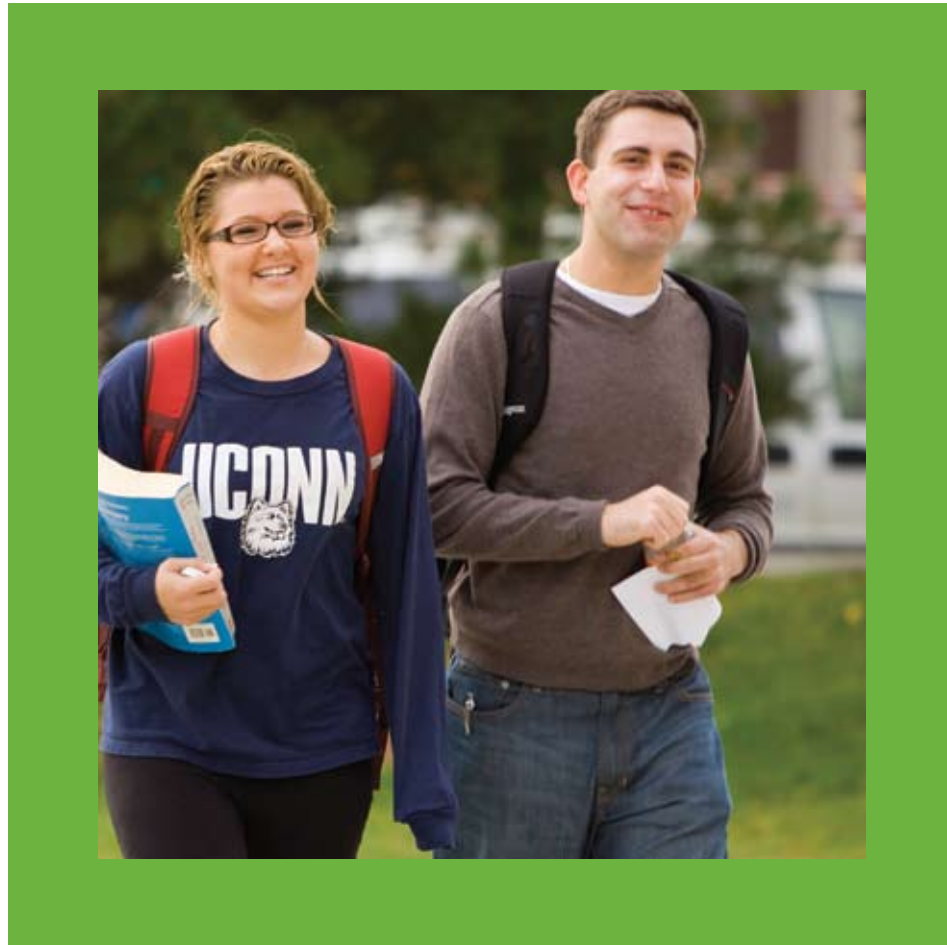




*OUR*  
**UNIVERSITY**  
*OUR*  
**MOMENT**  
*OUR PROGRESS*



*The University of Connecticut*  
**FOUNDATION**  
INCORPORATED



**The mission** of the University of Connecticut Foundation, Inc. is to solicit, receive and administer gifts and financial resources from private sources for the benefit of all campuses and programs of the University of Connecticut. The Foundation operates exclusively to promote the educational, scientific, cultural and recreational objectives of the University of Connecticut.

As the primary fundraising vehicle to solicit and administer private gifts and grants that will enhance the University's mission, the Foundation supports the University's pursuit of excellence in teaching, research and public service.



John K. Martin and Mark R. Shenkman

Fiscal year 2012 saw the achievement of a milestone: the **\$600 million** *Our University. Our Moment.* campaign passed its midpoint in December, ending the year with \$336.7 million raised.

Fiscal year 2012 also stands out as the **second best** fundraising year in UConn history. We raised \$60 million—19 percent more than the previous year—and surpassed our \$57-million goal.

Perhaps most satisfying, we saw the University of Connecticut continue to evolve and change in important ways. From the far-reaching faculty expansion plan to the start of construction for Bioscience Connecticut to the appointment of its first vice president for economic development, UConn is relentlessly pursuing its goal of becoming a world-class institution.

Funds raised by the UConn Foundation are vital to this process. **In fiscal year 2012** the University spent \$30.4 million from Foundation accounts. **Of that amount, \$8.3 million went directly to faculty support, \$10.5 million to student support.** The absence of these funds would have negatively affected the quality of education and research.

With the University's rising stature comes a newfound optimism and a pride that is almost palpable. Faculty, staff and students are exhilarated at witnessing the dawn of a new era—an era in which UConn will take its place among the nation's foremost public universities, an era in which UConn will emerge as an engine of economic growth.

As the University of Connecticut continues to reinvent itself, private philanthropy remains essential.

We deeply appreciate the support of alumni and friends, and thank you for joining us in the immensely rewarding task of building a great university.

*Mark R. Shenkman*  
Mark R. Shenkman  
Chairman, Board of Directors

*John K. Martin*  
John K. Martin  
President

During fiscal 2012, donors contributed \$60 million to the UConn Foundation in philanthropic support to benefit the University of Connecticut students, faculty, and academic programs as part of *Our University. Our Moment. The Campaign for UConn.*

The new pledges and gifts exceeded last year's total by 18.7 percent, making fiscal 2012 the best fundraising year since the current campaign began in 2006 and the second most successful year since the Foundation began actively fundraising for UConn in the mid-1990s.

The impressive results come at a time of slow recovery from the devastating global economic crisis of 2008 and a renewed emphasis by University President Susan Herbst on the importance to UConn of private philanthropy and endowment growth. As the University continues the transformation that made it one of the nation's top public universities, private support is seen as increasingly essential for the University to sustain the quality of its educational, **research**, and public service programs.

The \$60 million was designated for the following purposes:

- **\$1.4 million for faculty support**
- **\$11.4 million for scholarships**
- **\$31.5 million for programs support and facilities**
- **\$15.7 million for capital improvements**

In recent years, the University has embarked upon a number of high-profile initiatives that have raised its visibility and provided donors with potential new avenues to support. These include the Bioscience Connecticut initiative at the UConn Health Center in Farmington and the UConn Technology Park in Storrs. These ambitious projects will strengthen UConn's role in enhancing innovation and workforce development in the state and the region and provide outstanding experiential learning and networking opportunities for students and faculty.

The number of donors totaled 29,466, with UConn alumni contributing \$21 million—nearly 35 percent of the funds raised. Parents and other individuals donated \$19 million or 31.8 percent; corporations gave \$9.3 million or 15.5 percent; private foundations gave \$5 million or 8.5 percent; and other organizations gave \$5.5 million. Sixty new endowments were established, increasing the total number of endowed funds to 1,463.

The \$60 million in new gifts and commitments includes \$10 million in bequests and revocable planned gifts. The total also includes \$21.8 million raised for the Division of Athletics, with more than half—\$11.3 million—designated for the new practice facility for the men's and women's

basketball programs, which will be the first major construction project at UConn to be funded entirely through private donations. Another \$10.9 million was raised for the UConn Health Center.

During fiscal year 2012, the University requested \$30.4 million from the Foundation. Of that, \$10.5 was spent on scholarships, fellowships and awards; \$8.3 million was spent on faculty and staff; \$3.5 million was spent on programs and research; and \$2.8 million was spent on equipment and the improvement and construction of facilities.

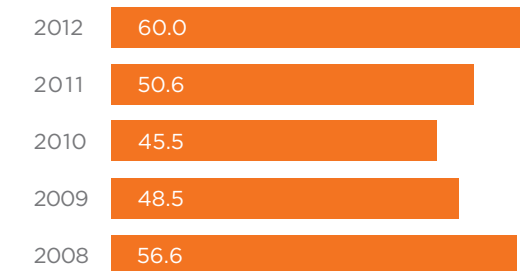
The pooled investment portfolio gained 0.7 percent for the fiscal **year driven** by treasury inflation protected securities (TIPS) and private capital **investments each** earning 11 percent, and high yield bonds, global macro, and opportunistic strategies each gained 6 percent.

Conversely, **event driven** strategies dropped 16 percent, commodities and natural resources lost 10 percent, and global equities fell by 4 percent. In a tumultuous year, the portfolio outperformed its policy fund benchmark by 1 percent and a broader objectives benchmark (based on equities, inflation and bonds) by 3.8 percent.

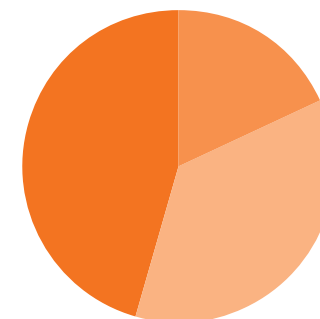
The Foundation's endowment net assets now equal \$301 million, down slightly from \$303 million in 2011. The Foundation manages both its own and University endowment assets. Total endowment assets managed by the Foundation now stand at \$311 million, which is a \$2.9 million **or 0.9 percent decrease** from 2011.

Continuing to focus on maximizing the level of return for the amount of risk taken was a benefit to the portfolio overall and particularly during the summer of 2011 and spring of 2012 as the crisis in Europe and slowdown in China and Brazil created significant downturns in

equity and other growth markets. Global equities dropped by 17 percent from July to September of 2011. Equity markets again fell 10 percent from April to May of 2012. During those periods, the Foundation portfolio dropped

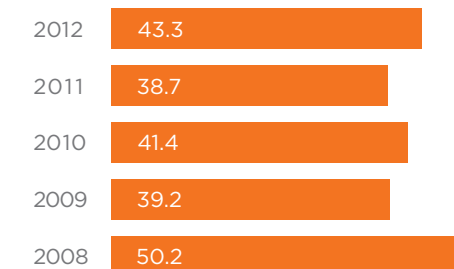


NEW GIFTS AND COMMITMENT  
Dollars in Millions



DISTRIBUTION OF NEW GIFTS AND COMMITMENT  
Dollars in Millions

- Storrs & Regional Campuses 27.3
- UConn Health Center 10.9
- Athletics 21.8



DOLLARS MADE AVAILABLE TO SUPPORT UNIVERSITY PURPOSES  
Dollars in Millions

5 percent and 3 percent, respectively, providing downside protection. With the philosophy of maximizing risk adjusted return and providing downside protection, the portfolio will underperform the benchmark in periods of high momentum equity markets. However, as witnessed this past fiscal year, the portfolio will outperform in times of difficult markets.

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

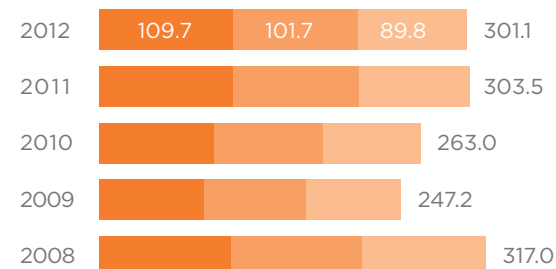
*Dollars in Thousands*

	2012 (unaudited)	2011 (audited)
<b>Assets</b>		
Cash and cash equivalents	\$ 1,302	\$ 802
Cash restricted for debt service	1,234	1,233
Pledges receivable, net	31,846	23,654
Other receivables	466	327
Investments	345,838	353,648
Funds held in trust by others	11,254	10,648
Cash surrender value of life insurance	316	267
Property and equipment for operations, net	6,040	5,355
Deferred bond issuance costs	359	380
<b>Total assets</b>	<b>\$ 398,655</b>	<b>\$ 396,314</b>
<b>Liabilities and Net Assets</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 5,202	\$ 8,321
Trust and annuities payable	3,115	3,249
Accrued debt service interest	128	132
Bonds payable	6,270	6,505
<b>Total liabilities</b>	<b>\$ 14,715</b>	<b>18,207</b>
<b>NET ASSETS</b>		
Unrestricted	(7,277)	(825)
Temporarily restricted	93,929	91,401
Permanently restricted	297,288	287,531
<b>Total net assets</b>	<b>\$ 383,940</b>	<b>378,107</b>
<b>Total liabilities and net assets</b>	<b>\$ 398,655</b>	<b>\$ 396,314</b>

CONSOLIDATED STATEMENTS OF ACTIVITIES

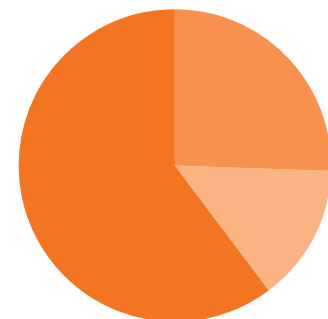
Dollars in Thousands

	2012	2011
<b>Revenues, gains and other support</b>		
Contributions	\$ 39,018	\$ 32,102
Net total investment return	2,109	41,905
Contractual payments from the University of Connecticut	8,584	8,472
Memberships and other income	778	697
Transfers to fund Foundation operations	-	-
<b>Total revenues, gains and other support</b>	<b>\$ 50,489</b>	<b>\$ 83,176</b>
<b>Expenses</b>		
<b>UNIVERSITY SUPPORT</b>		
Student scholarships, fellowships and awards	\$ 10,918	\$ 11,620
Faculty and staff compensation	8,269	6,472
Equipment	1,543	1,565
General program and research support	3,528	1,930
Fundraising, events, promotions and donor cultivation	2,232	2,123
Faculty, staff and student travel, conferences and meetings	2,503	1,795
Facilities construction, improvements, and related expenses	1,255	673
Alumni Association	185	204
<b>Total University support</b>	<b>\$ 30,433</b>	<b>\$ 26,382</b>
<b>FOUNDATION SUPPORT</b>		
Development expenses	\$ 10,964	\$ 10,776
Fiduciary expenses	3,259	2,826
Total Foundation support	14,223	13,602
Total expenses	44,656	39,984
Transfers of net assets	-	-
<b>Change in net assets</b>	<b>5,833</b>	<b>43,192</b>
<b>Net assets, beginning of period</b>	<b>378,107</b>	<b>334,915</b>
<b>Net assets, end of period</b>	<b>\$ 383,940</b>	<b>\$ 378,107</b>



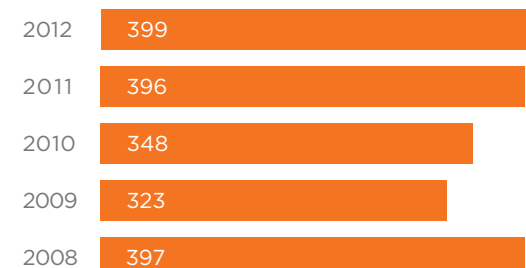
ENDOWMENT ASSETS BY PURPOSE  
Dollars in Millions

- Scholarship Support
- Program Support
- Faculty Support



ENDOWMENT DISTRIBUTION  
Dollars in Millions

- Storrs & Regional Campuses 187.3
- UConn Health Center 80.2
- Athletics 43.8



TOTAL ASSETS  
Dollars in Millions



STATE  
OF THE  
UNIVERSITY

At the University of Connecticut, we are grateful to our friends and alumni for their record level of giving during the past fiscal year.

The connection between private support and excellence is demonstrated in part by UConn's latest freshman class, the most academically accomplished in the University's history. Our incoming freshmen have the highest average SAT scores ever and nearly half graduated in the top 10 percent of their high school classes.

It takes a great university to attract students of this caliber, and private giving helps enhance their academic experience by providing essential support for scholarships, for study abroad, and for curriculum and program innovation.

Private giving will remain a crucial source of support as we continue the transformation that made UConn one of the nation's top public universities.

The University has launched an ambitious, multiyear initiative to hire 290 new tenure-track faculty to build on its existing strengths and outstanding teaching and to increase its research with national and international impact. Private support will play a huge role in enabling us to recruit and retain the world's most gifted teachers and researchers, expand our research portfolio, produce groundbreaking research, offer our undergraduates an excellent academic experience, and build top-rated graduate programs.

We appreciate the outstanding contributions made by our dedicated friends and alumni and their role in making UConn great. As UConn joins the very top tier of international leaders in higher education, building upon and expanding our fundraising efforts in the coming years is one of my major priorities as president. It is essential to our future as an institution.

Susan Herbst  
President  
University of Connecticut

## GROUND BREAKS ON BIOSCIENCE CONNECTICUT

Less than a year after the Bioscience Connecticut legislation became law, Governor Dannel Malloy and UConn President Susan Herbst led a groundbreaking ceremony in June 2012 at the UConn Health Center in Farmington.

“Bioscience Connecticut is the cornerstone of Connecticut’s economic revitalization. The UConn Health Center will be a catalyst for thousands of new jobs and a thriving bioscience sector for sustained economic growth,” said Herbst.

In January 2012, Governor Malloy announced the first success story for the \$864-million program: Attracted by Connecticut’s major investment in bioscience, Jackson Laboratory, a Maine-based global leader in genetics research, will build a **\$1 billion** facility for personalized medicine on the Farmington campus. The Jackson Laboratory for Genomic Medicine, which is expected to open in late 2014, will be a strategic partner in the new Bioscience Enterprise Zone, working with medical schools and hospitals at UConn and Yale University. Connecticut will be the hub of cutting-edge work on personalized medicine based on genetics for areas such as cancer, aging, neuroscience and reproductive biology.

Support for bricks and mortar is a critical component of Bioscience Connecticut, and will help transform the UConn Health Center campus. Naming opportunities are available throughout the Health Center in the new patient tower, ambulatory care center, research facili-



Governor Dannel P. Malloy signs the legislation paving the way for the creation of the Jackson Laboratory for Genomic Medicine on the campus of the UConn Health Center on January 5, 2012.

ties, business incubators and academic areas. Every gift makes a difference in the lives of our patients and their loved ones, as well as our faculty, staff and students.

“Philanthropy is essential to achieving our aspirations for the UConn Health Center. Support from friends and alumni is more important than ever as we seek to advance the Health Center forward to be a national leader and a strong economic driver for Connecticut,” said Frank M. Torti, MD, MPH, executive vice president for health affairs and dean of the School of Medicine.

Additionally, gifts toward the academic, clinical and research missions will strengthen the UConn Health Center’s programs as we endeavor to expand class sizes at the medical and dental schools, recruit more faculty and enhance clinical services.



## UConn Basketball

A GREAT FUTURE STARTS NOW.

The historic year of philanthropic success at the University of Connecticut was driven by support for the Division of Athletics, specifically the new UConn Basketball Development Center.

Working with a volunteer steering committee of board members and dedicated friends of the University, the UConn Foundation secured key gifts in FY12. Chief among them was a \$4.5-million pledge from Peter J. and Pamela H. Werth, whose contribution is the largest-ever single private gift to support the Division of Athletics.

“UConn Basketball is part of the fabric of our state, and we know that this facility will help the men’s and women’s teams be successful for years to come,” they said. “We hope that other UConn fans, who derive the same joy from the Huskies as we do, will support this project so that construction can begin as soon as possible.”

Several key donors took the Werths’ leadership to heart, and have stepped forward to make their own gifts, including Webster Bank, two anonymous donors who each contributed \$1 million and many others.

This outpouring of philanthropic investment in the future of UConn basketball has now surpassed \$21.5 million, and the UConn Foundation is about 60 percent to its goal for the project.

To support the steering committee, a microsite for the initiative, [uconnbasketballcenter.com](http://uconnbasketballcenter.com), was launched in August 2012, along with a new, dynamic video highlighting UConn’s fantastic past success, as well as the potential in the future.

University leaders in and out of the Division of Athletics have made the basketball development center a top priority.

“UConn Basketball is part of the fabric of our state..”

“Athletics is the front porch of the University,” says UConn President Susan Herbst. “It grabs the attention of the American people, then you can open the door and show them the great teaching, **learning**, and research inside. The new facility will help maintain high levels of academic success for basketball student-athletes and advance the entire University and the community.”

# SUPPORTING THE VISION OF AN ENTIRE UNIVERSITY.



**As the incoming class of 2016 breaks records for academic achievement, international representation and diversity, private donors help ensure that UConn remains affordable and provides an education matching its stature as a top public university. Several major gifts in FY12 stand out for their donors' strategic vision.**

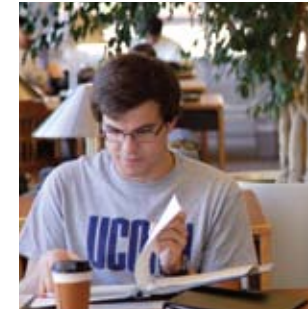


One example ties perfectly into UConn's rising national status. The New York City chapter of the UConn Alumni Association became the first out-of-state chapter to establish an endowed fund, a scholarship with the goal of recruiting students from the city, and then involving them back in alumni activities after graduation.

In an ambitious vision, the School of Fine Arts seeks to become an "All-Steinway School," and gifts from donors like the Lawrence J. Portell and Natalie D. Portell Foundation have helped bring them closer to that goal.

Of course, education only partly occurs in the classroom, and few things better represent student life than the UConn Marching and Pep Band, and the Division of Student Affairs.

David Carlson '75, the parent of Heather '10, created a fund that supports up-and-coming band members with demonstrated leadership skills. His gift, coming from a **parent understands** the costs of college, shows how extracurricular activities enhance the UConn experience.



Likewise, few gifts are more meaningful than those from a leading faculty or staff member who has devoted a lifetime to the institution. M. Kevin Fahey is clearly such a person. His 34-year career as associate director of the Student Union and student activities has impacted countless UConn students. As someone who confesses to "bleed blue," his support for the University continues through a scholarship for **students in on the** Student Union Board of Governors.

Beyond Storrs, Farmington and the regional campuses, UConn is driven by a vision of economic growth and community service. This, too, is enhanced by philanthropy; a grant from the Jack Kent Cooke Foundation allows the Renzulli Academy in Hartford to establish a summer enrichment program for high potential/low income students.



## THE HEALTH CENTER ENJOYS A SUCCESSFUL YEAR

Over the past two decades, Fred M. Hollfelder devoted his considerable resources to preserving his late wife's legacy of support for women's health and education. Becoming a notable advocate in his own right, Hollfelder gifted millions to institutions around Connecticut, including the UConn Health Center, where he established the Charlotte Johnson Hollfelder Center for Women's Health in 2002. For his final act of generosity, Hollfelder bequeathed an additional \$1.75 million toward the center, which provides such services as free mammograms to underserved women.

The third annual White Coat Gala—the largest fundraising event held in support of the UConn Health Center and greater University—raised more than \$1 million (gross) for clinical care, research and education. More than 1,000 guests came together at the Connecticut Convention Center in April 2012 to raise dollars and celebrate the 40th anniversary of the medical and dental schools.

Medical, dental and graduate students welcomed the opening of the Shafer Student Center in December 2011. The 2,000-square-foot student lounge features a big-screen television, computer area, gaming tables and a kitchen. "Students practically live here at the Health Center. They spend a large part of their lives here, so adding a friendly, less formal area for us to study in is really important," said medical student Katelyn Dannheim. The space was made possible with a major gift from longtime donor Anne Shafer in memory of her husband, Guy, who was a strong advocate for the importance of education.

FROM THE GREAT POTENTIAL IN THE CLASS OF 2016 TO THE LATEST RESEARCH CONDUCTED ON OUR CAMPUSES AND BEYOND, UCONN'S VISION OF EXCELLENCE IS MADE POSSIBLE THROUGH PHILANTHROPY. WE THANK ALL OF OUR DONORS FOR YOUR SUPPORT.

## The Best. TRANSFORMING OUR FACULTY.

**The University of Connecticut has embarked on an ambitious, four-year hiring initiative to expand its faculty across numerous academic disciplines.**

The investment in 290 tenure-track faculty positions will build on existing strengths and expand expertise across a selection of departments, boost research productivity, provide outstanding teaching and service to students, and continue the transformation that has established UConn among the nation's top public research universities

**THE FACULTY HIRING PLAN WILL INITIALLY FOCUS ON THE FOLLOWING INTERDISCIPLINARY CLUSTERS:**

**Environment and Sustainability** to enhance UConn's emerging international partnerships on water resources and climate change, environmental research, teaching, ethics and policy.

**The Digital Cutting Edge** to invest broadly in the field of digital media—teaching innovative digital production techniques in addition to the use of technology in the study of text.

**Frontiers in Science & Engineering** to meet undergraduate demand and strengthen core life sciences departments in areas relevant to Bioscience Connecticut and the Jackson Lab initiative at the Health Center.

**Language and Culture** to promote UConn's national stature in the study of language, with new hires in psychology, linguistics, philosophy and communications disorders.

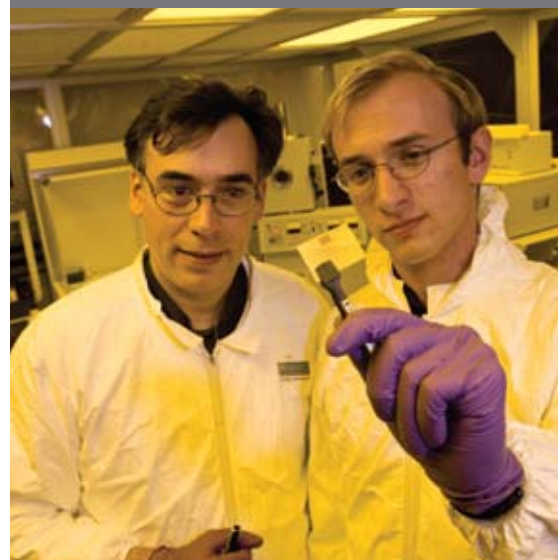
**Revolutionizing Education** to reinforce the social sciences with emphasis on economics, sociology and political science, and work collaboratively with local and national stakeholders on issues in K-12 education—school violence, behavioral health, and closing the achievement gap.

**Health and Health Policy** to bolster the study of insurance law—including retirement security and the health insurance market—and human health, animal health, food safety and pain management research.

**Theater Innovation** to enhance our excellence in performance, directing, writing and the world of arts management.



**UConn is the only institution of higher education in the country undertaking such a bold and visionary plan to increase the size and quality of its faculty. As a key measure of a research university's pre-eminence, an expansion of faculty on this scale will ensure more groundbreaking research with international impact, an excellent academic experience for our undergraduates, and the building of top-rated graduate programs, while establishing UConn as a destination for the most gifted teachers and researchers.**



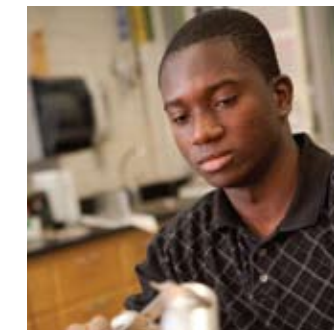
## And the Brightest. MAKING HIGHER EDUCATION AFFORDABLE.

### THE TRANSFORMATIVE POWER OF SCHOLARSHIPS

The physical transformation of UConn is obvious, thanks to the \$2.3 billion state investment in the University's infrastructure. Not so obvious, perhaps, is the sizeable chunk of debt—about \$23,000, enough to purchase a decent car or put a down payment on a house—most of today's students are shouldering to get their UConn degree.

### FINANCIAL ASSISTANCE AT UCONN

For the 2011-2012 academic year, 74 percent of our undergraduates applied for need-based financial aid, and of those who received it, only 15 percent had their need fully met. To cover the \$27.6 million in unmet need, students relied heavily on loans. And without more scholarship assistance, the rising cost of a UConn education will result in more unmet need and a heavier debt burden.



Because the philanthropy of friends and alumni is vital to keeping UConn affordable, and because UConn must attract the best and brightest students to maintain its position among top public universities, the University of Connecticut Foundation has made raising more scholarship dollars a priority for its current campaign. One-third of the total current campaign goal—\$200 million—will be used to increase support for scholarships and enhance curricular and research opportunities, focusing on priorities such as the honors program, study abroad, internship, service learning and leadership development programs.

### THE FUTURE

We envision a future where every UConn student with financial need receives generous support. Scholarship gifts enable the University to transform young lives and, in so doing, strengthen the University of Connecticut as well as the state and the nation.

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Eleese E. Wright '76

EMERITI

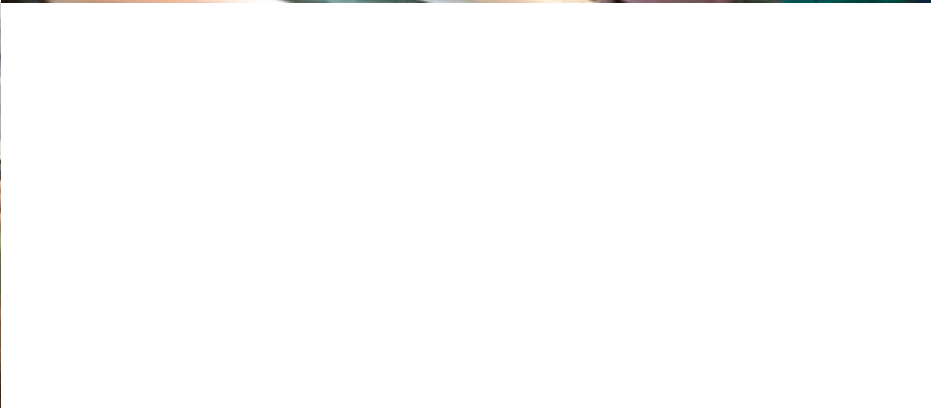
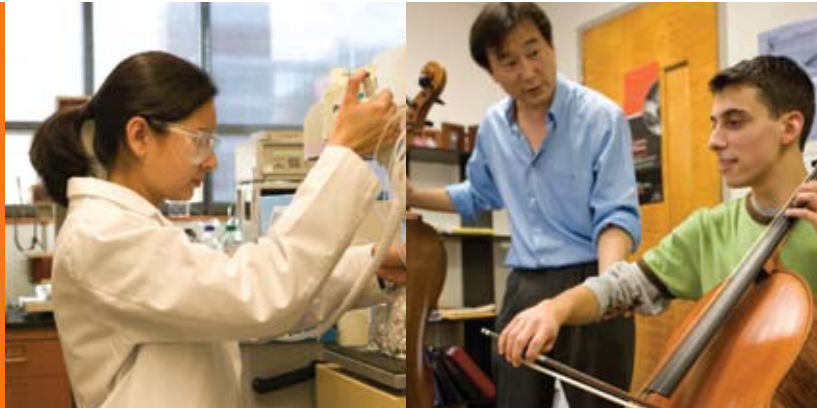
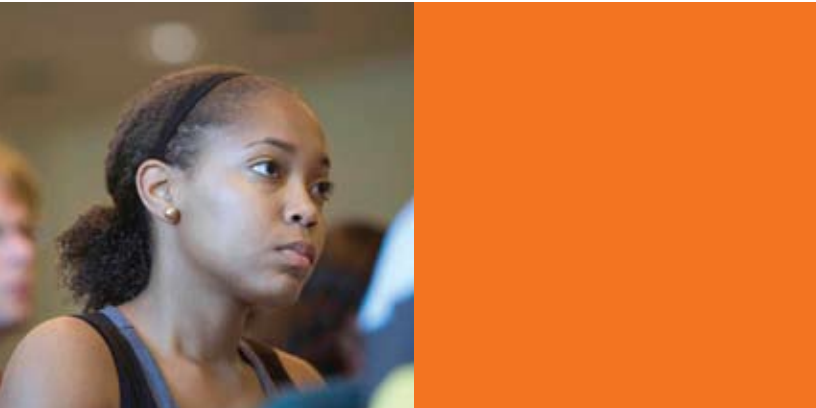
Peter Drotch '64

Roger H. Felberbaum '64

Gary S. Gladstein '66/'08H



*Effort has been made to review the information included in this report; however, errors or omissions may still occur. Please accept our apologies if your information appears incorrectly, and please bring it to our attention. All gifts for the benefit of UConn should be made payable to The University of Connecticut Foundation, Inc. The Foundation is a nonprofit, tax-exempt 501(c)(3) corporation designated by the University to raise and administer private gifts and grants that support the pursuit of excellence in teaching, research and public service. Donors to the Foundation have the right to request in writing that their gifts remain anonymous.*



Our University. Our Moment.  
**THE CAMPAIGN FOR  
UConn**





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