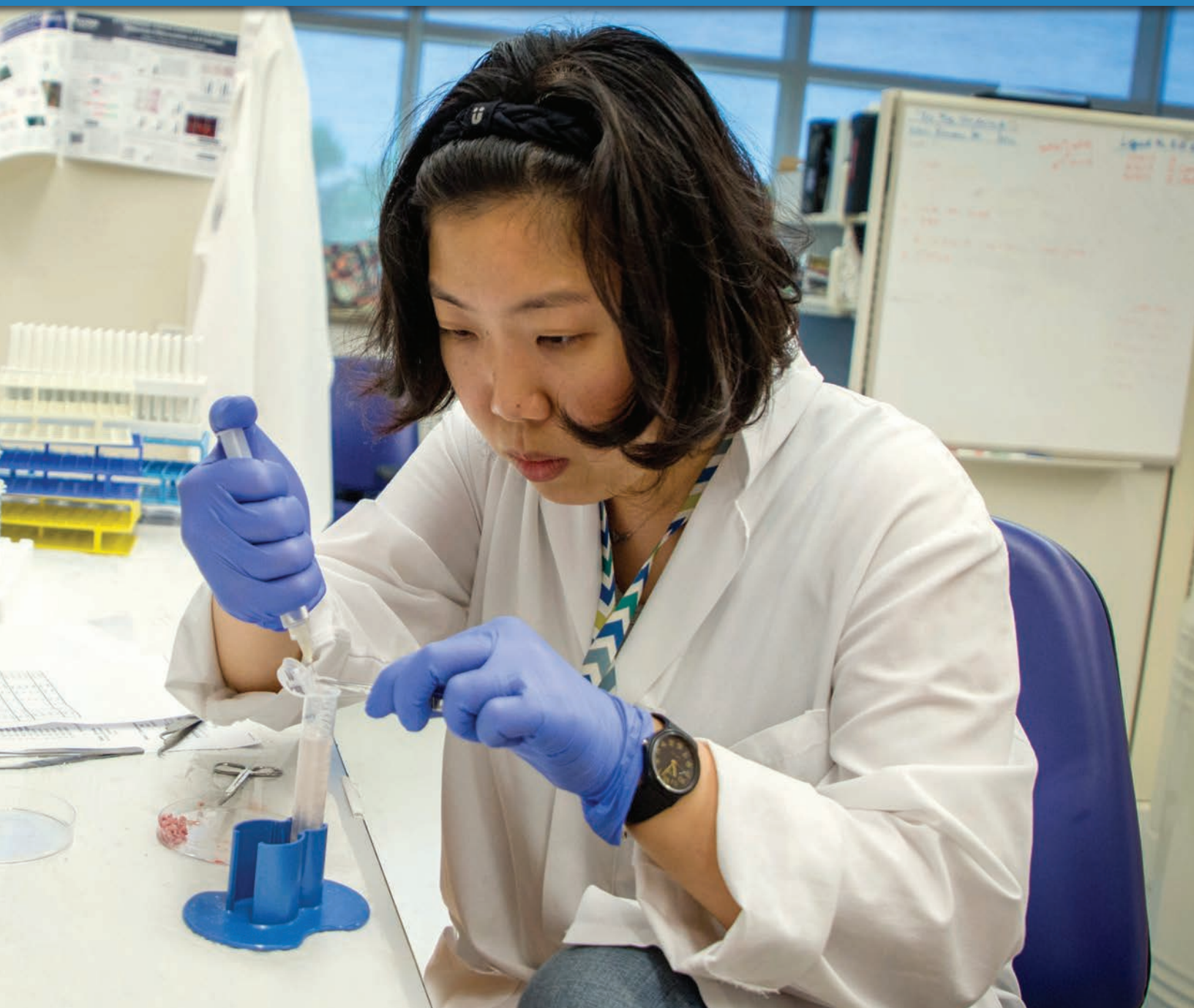


UConn
FOUNDATION

2018 ANNUAL REPORT



**UConn:
AN INNOVATION PIONEER**

UConn's doors are the threshold for innovation that enhances culture, advances science, improves human health, and makes the world a better place.





**Thank you for supporting the ingenuity
of UConn's inventors and trailblazers.**



UCONN INNOVATION

It is my honor to present the 2018 Annual Report. On behalf of the UConn Foundation Board of Directors, thank you for supporting UConn and the incredible innovation of its pioneering faculty and students.

Because of your generosity, we have a lot to celebrate. This was the most successful year for fundraising in the UConn Foundation's 54-year history, raising \$82.4 million. It was another terrific year for increasing student support through the Transform Lives scholarship and fellowship initiative. The Foundation raised \$22.3 million in scholarships and fellowships, bringing the total for Transform Lives to more than \$100 million since the initiative launched in 2013.

We kicked off our exciting new Giving Day, encouraging alumni and friends to rally support for UConn. In 36 hours, an impressive 2,500 donors made a gift. Giving Day also helped attract new supporters and increase this year's donor count—the first year-over-year increase in the number of donors since 2013. In total, 22,260 alumni and friends made gifts this year.

We also celebrated a milestone with the opening of the Peter J. Werth Institute for Innovation and Entrepreneurship and the Peter J. Werth Residence Tower, supported by a \$22.5 million gift—the second largest donation in the Foundation's history—from Peter J. Werth.

Sadly, we marked the passing of Ray Neag '56, '01H. Through their philanthropy and advocacy, Carole and Ray Neag—UConn's most generous donors—have fueled dramatic leaps forward in innovation at the Neag School of Education and the Carole and Ray Neag Comprehensive Cancer Center over the past two decades.

In the pages ahead, you will find highlights of remarkable innovation across the entire University—in STEM, health care, and education—made possible by the generosity and loyalty of UConn Nation.

Sincerely,



Daniel Toscano '87 (BUS)
Chair, UConn Foundation Board of Directors

HOW DID #UCONNATION GIVE?

FISCAL 2018 (JULY 1, 2017 THROUGH JUNE 30, 2018)



UConn NATION GAVE \$82.4M IN 2018 WITH A TOTAL OF 22,260 DONORS

PLANNED GIFTS

Gifts pledged in a will, trust, charitable gift annuity, IRA, or other estate plan

**\$35.5
MILLION**

OUTRIGHT GIFTS

Cash, stock gifts, and in-kind gifts

**\$33.1
MILLION**

MULTIYEAR COMMITMENTS

Pledged gifts typically paid over 5 years

**\$13.8
MILLION**

HOW THE \$82.4M WAS DESIGNATED



\$46M

Academic programs



\$7.5M

Research



\$3.8M

Capital improvement projects



\$2.8M

Faculty



\$22.3M

Scholarships and fellowships

OF THE \$82.4M



\$11.4M

supports patient care, research, education, and outreach at UConn Health



\$10.4M

supports student-athlete scholarships and the Division of Athletics

SINCE 2015, **TRANSFORM LIVES** HAS RAISED
\$102.8M FOR SCHOLARSHIPS AND FELLOWSHIPS.

In fiscal 2018, 99.6 percent of outright gifts and pledge payments were directed by donors for specific purposes—for a particular scholarship, school/college, academic department, or other area. The remaining outright gifts and pledge payments were unrestricted.

ALUMNI EVENTS BRING UCONN NATION TOGETHER

Our mission is to strengthen UConn one relationship at a time. One of the most important ways we do that is by connecting alumni to each other and to the University. The number of alumni social, networking, and community service events increased by nearly 100 this year to 300 total events across the country.



17

National Series receptions, where alumni heard the latest news about UConn from University administrators, deans, and coaches.



35

Educational programs and lectures by expert faculty.



27

Community service opportunities nationwide.



24

Career networking and leadership development events.



24

Affinity reunions at the University and the school or college level.



93

Husky spirit gatherings for game watches and pre-game receptions for UConn and professional sporting events.



81

Fun social events and celebrations to bring alumni together.

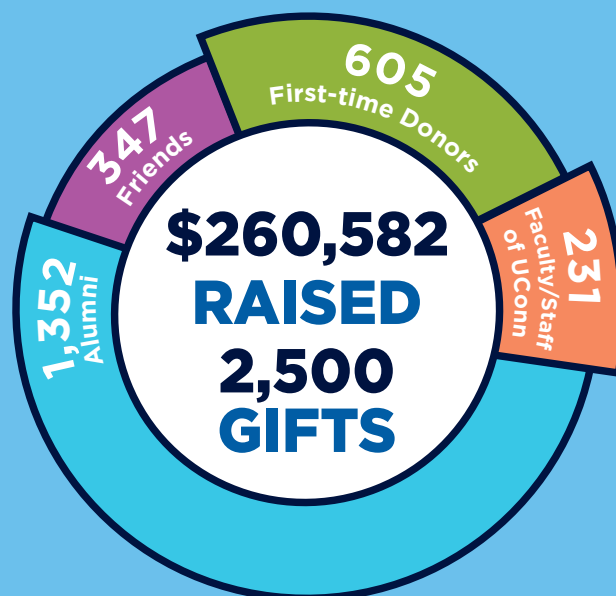
ALUMNI GIVE BACK LOCALLY

Through our UConn Cares initiative, alumni work together to make a difference volunteering in their local communities. UConn Nation has rallied together to support their communities through events that focus on hunger, the environment, animal welfare, and human health. The initiative kicked off in 2017 with the goal of 100 participants. We are honored to report that more than 350 alumni came out for the inaugural event, and that number grew to 455 in 2018.

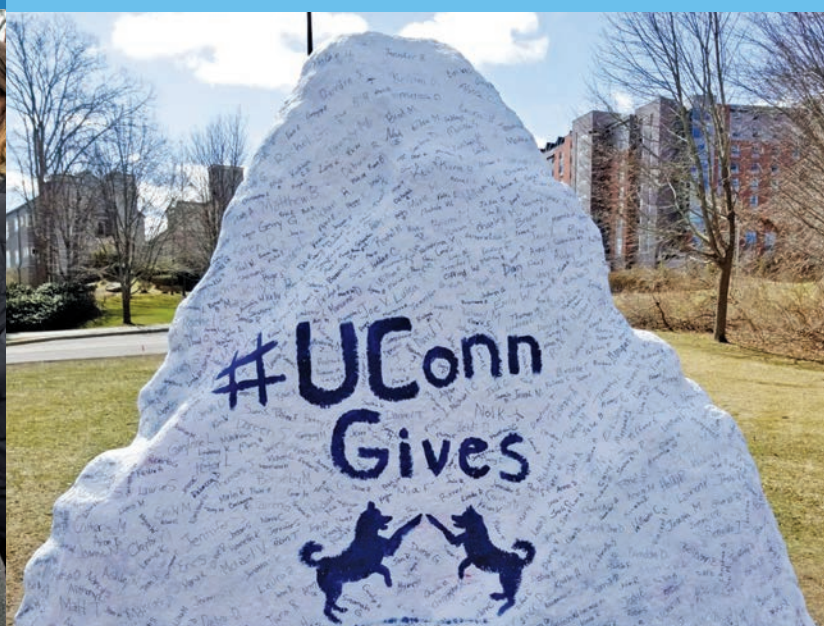
- **23,711 pounds of food sorted at shelters and food banks (equivalent of 19,759 meals).**
- **1,100 pounds of trash removed from parks, town greens, and other community spaces.**
- **2.75 miles of trails and beachfront cleaned.**
- **40 blankets made for patients at the Carole and Ray Neag Comprehensive Cancer Center at UConn Health.**
- **46 dog toys made, 30 cages cleaned, and 50 dogs walked at animal shelters.**

GIVING DAY SPARKS GENEROSITY

The first annual Giving Day brought together thousands of alumni and friends to support UConn.



Students donate to the programs and causes they're passionate about on Fairfield Way on Giving Day.



The spirit rock on the Storrs campus bears the name of donors on Giving Day.

ENDOWMENT MOMENTUM

Momentum for the total University endowment continues to build thanks to the generosity and loyalty of UConn Nation. The market value rose \$25.8 million (6 percent) to \$447.7 million. The endowment provides support in perpetuity for priorities such as scholarships and fellowships for students, faculty, academic programs across the entire University, and life-saving patient care programs at UConn Health.

Since March 2009, the total University endowment has increased by \$201.9 million (82.2 percent). Moreover, the portfolio has had positive returns eight out of the last nine years, with an annualized return of 7.12 percent during that period.

WHERE TOTAL UNIVERSITY ENDOWMENT DOLLARS GO



STUDENTS \$194.3 million

Scholarships and fellowships transform lives. Awards put a UConn education within reach for promising students regardless of their financial resources.



FACULTY \$120.1 million

Endowed chairs, professorships, and other funds support innovative work by scholars, researchers, and physician-scientists across UConn.



PROGRAMS \$133.3 million

Endowed accounts support wide-ranging enhancements and opportunities, such as classroom upgrades, new technology, experiential learning, study abroad, and undergraduate research.

THREE-YEAR TOTAL UNIVERSITY ENDOWMENT GROWTH



BIOMEDICAL ENGINEERING STUDENTS IMPROVE PATIENT SAFETY

Interdisciplinary research and development are the hallmarks of innovation. Across UConn, faculty encourage cross-disciplinary collaboration, and it's emboldening ambitious students. The new Peter J. Werth Institute for Entrepreneurship and Innovation is designed to support graduate students like Thomas Cotton '17 (ENG), '18 MS and Daniel Yasoshima '17 (ENG), '18 MS, who are getting ready to file their first utility patent.

During their undergraduate biomedical engineering program at the School of Engineering, Cotton and Yasoshima built a device to improve communications—and patient safety—in health care settings for their senior capstone project. The YouCOMM hands-free device sends data instantly to health care staff and has the capacity to prioritize patients based on critical needs. Since Cotton and Yasoshima started graduate school in 2017, they have continued refining their design with guidance from Assistant Professor-in-Residence Patrick Kumavor '08 Ph.D., '12 MS and looking for funding.

The students have raised more than \$35,000 in extramural funding from prestigious awards, including Innovation Quest at UConn, which is supported by gifts to the UConn Foundation, and the Connecticut Center for Entrepreneurship and Innovation at UConn.

Cotton and Yasoshima were both inspired by a drive to improve patient safety. Cotton's grandmother nearly died after falling in an assisted living community and waiting nearly 36 hours before she was discovered.

"If the YouCOMM Bed M8 we designed had been present in the room, even just sitting in a corner, my grandmother could have used its voice activation to call for help within minutes," says Cotton.

During the second phase of development, Cotton and Yasoshima expanded their team to include several undergraduate students across disciplines who each worked on critical pieces of the puzzle: Jack Casey (biomedical engineering), Killian Green (computer science engineering), Ming Liu (biomedical engineering and computer science engineering), Jaren Koh (mathematics), Samantha Marquardt (nursing) and Amy Wang (nursing).

"Our team has to take calculated risks in order to push forward," says Yasoshima. "We've faced challenges and learned so much. We have learned that listening is a gift and no questions should be kept silent. It's led our team to make smarter decisions as we move into the second phase of development."

They are now looking forward to clinical trials within the next year at John Dempsey Hospital at UConn Health in Farmington, Connecticut Children's Medical Center in Hartford, and Wilton Meadows Rehabilitation and Health Care Center in Wilton. The students partnered with the UConn Law Clinic to file for a provisional patent in early 2018 and are working with Murtha Cullina LLP to file a utility patent. Their new company—with Kumavor onboard as chief technology officer—was recently accepted into the UConn Technology Incubation Program for business startups.



(From left) Thomas Cotton '17 (ENG), '18 MS, Assistant Professor-in-Residence Patrick Kumavor '08 Ph.D., '12 MS, and Daniel Yasoshima '17 (ENG), '18 MS demonstrating the YouCOMM device in the simulation lab at the School of Nursing. Nursing students are involved in research and development and the upcoming clinical trials for the device.

“Our impact is multiplicative. When you help one student entrepreneur, and that student then creates five jobs, then those people go out and build a better world,” says David Noble, director of the Werth Institute and assistant professor-in-residence in the Department of Management at the School of Business.

The Werth Institute is supported by a \$22.5 million gift from Peter J. Werth Jr., who didn't attend UConn but considers himself a Husky at heart. Werth founded and built ChemWerth Inc. into a global leader in

generic drug development and supply, lowering the cost of pharmaceuticals. His commitment, announced in December 2017, is the second largest in UConn's history.

“It certainly has been a challenge taking this device that Dan and I conceived of one late night sitting in the E2 building lab into a reality,” says Cotton. “The mentorship and support we have received from the University has been extraordinary. To say a culture conducive to entrepreneurial ventures is strong at UConn would be a gross understatement.”

PIONEERING A CURE FOR CHILDREN WITH LIVER DISEASE



Professor of Pediatrics David Weinstein, MD, MMSc is leading the world's first gene therapy clinical trial to treat glycogen storage disease.



David Weinstein, MD, MMSc, professor of pediatrics, is leading the world's first clinical trial of gene therapy to treat glycogen storage disease (GSD) type 1a, a liver disease that affects 1 in 100,000 people worldwide.

Imagine you have to give your child a formula drink of cornstarch every two to four hours. If you miss one dose, your child could die. That's the reality for parents of children with GSD.

"Even to this day, even with all the advances in treatment, children are dying because their parents have overslept," says Weinstein. Philanthropic gifts from patients' families have helped support Weinstein's research.

Healthy livers process sugar and release it into the bloodstream when it's needed. With GSD, the liver fails to break down sugar, which causes the blood sugar levels to fall. The cornstarch regimen, discovered in the 1970s, makes survival possible, but parents have to monitor blood sugar levels and administer the cornstarch formula around the clock.

The clinical trial, led by UConn Health, could revolutionize treatment and vastly improve the quality of life for patients and their families.

"What gene therapy is basically delivering is a new copy of the gene to the liver," says Weinstein. "We think this will be like a vaccine."

The trial is being funded largely by corporate support from Ultragenyx.

In addition to benefiting GSD patients, Weinstein notes that momentum from the clinical trial could lead to groundbreaking advances for other types of liver disease as well: "There are more than 400 genetic diseases of the liver. And we hope that the experience learned from glycogen storage disease, and showing that it works, will then be able to help millions of people with more common disorders."



REMEMBERING A VISIONARY: RAY NEAG'S LEGACY AT UCONN

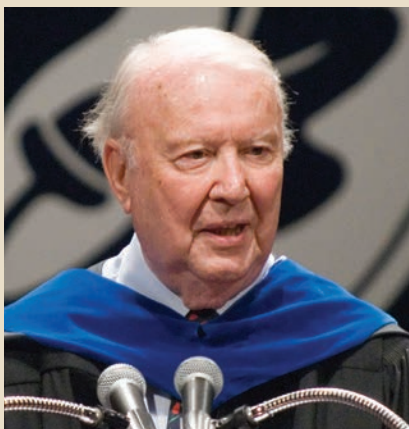
The UConn community gathered at UConn Health in September 2018 for a celebration in remembrance of Ray Neag '56 (CLAS), '01H (1931–2018). Through Carole and Ray Neag's philanthropy and close relationships with faculty and administrators across the University, they established a profound legacy of generosity, alumni involvement in the life of the University, and inspiration to others. The lasting impact of their gifts and engagement has helped shape UConn's future.

"When I remember Ray, I think of his vision and passion for innovation and discovery," says President Susan Herbst. "Through Ray and Carole's advocacy and philanthropy, they transformed the Neag School of Education and UConn Health and helped elevate UConn to where it is today among the top 25 public research universities nationwide. We are grateful for the incredible role the Neags have played in UConn's history."

In 1999, after making his first major gift to name a chair in gifted education only three years earlier, Neag gave the largest single gift in UConn's history and, at that time, the largest gift ever to a school of education in the country.

"Ray Neag understood the importance of innovation in education and the profound level of positive change it can bring to the world," says Gladis Kersaint, dean of the Neag School. "Carole and Ray's continued generosity to the School was nothing short of transformative. Their giving has truly made the Neag School what it is today. In the years to come, generations of students, teachers, administrators, and families will continue to benefit from the Neags' extraordinary support."

At UConn Health, their extraordinary level of philanthropy has launched advances in patient care, research, and academics across the health sciences.



"Ray Neag's passion for innovating research, patient care, and medical education inspired all of us. Carole and Ray's generous support for the cancer and cardiology programs, diagnostic imaging, dermatology, and ophthalmology makes a difference in the lives of patients every day. We are profoundly grateful for Ray and Carole's legacy of encouraging ingenuity and pathbreaking advances that have the power to redefine medicine," says Dr. Bruce T. Liang, dean of the School of Medicine and the Ray Neag Distinguished Chair in Vascular Biology.

The Neags remain the most generous donors in UConn's history since its founding in 1881.



(Left) Bruce T. Liang, MD, dean of the School of Medicine and the Ray Neag Distinguished Chair in Vascular Biology, and Carole Neag.

(Above) Carole Neag and Andrew Agwunobi, MD, chief executive officer and executive vice president for health affairs at UConn Health.

(Below, from left) Director of Cardiac Catheterization and Interventional Cardiology Michael Azrin, MD, Director of the Neag Comprehensive Cancer Center Pramod Srivastava, Ph.D., MD, Carole Neag, and Associate Professor of Dermatology, Pediatrics, and Surgery Hanspaul Makkar, MD.







FIRED UP FOR SCIENCE SALON JUNIOR

The UConn Science Salon series, which kicked off in 2015, has brought the public together with leading faculty and industry experts for fascinating discussions at the intersection of science and culture. After taking on such topics as climate change, 3-D printing human organs, and Connecticut's seaweed industry, we launched the first-ever Science Salon Junior to a sold-out crowd of 5- to 12-year-old children.

“The young scientists have an unbounded curiosity that is infectious,” says Mark Peczuh, associate professor and head of the Department of Chemistry in the College of Liberal Arts and Sciences.

UConn students and faculty led kid-friendly STEM experiments—like making ice cream, using chemicals to make light, and creating a brass coating on pennies using a blow torch.

“It’s a joy to work with kids who are excited to do science simply for the fun of it,” says Clyde Cady, assistant professor-in-residence in the Department of Chemistry.

Dennis D’Amico, assistant professor in the Animal Science Department, led ice cream manufacturing. He adds, “Science Salon Junior was unique in that I had never had the opportunity to expose children of that age group to scientific concepts. It was gratifying seeing the joy on the kids’ faces when they learned something new about things they see every day.”

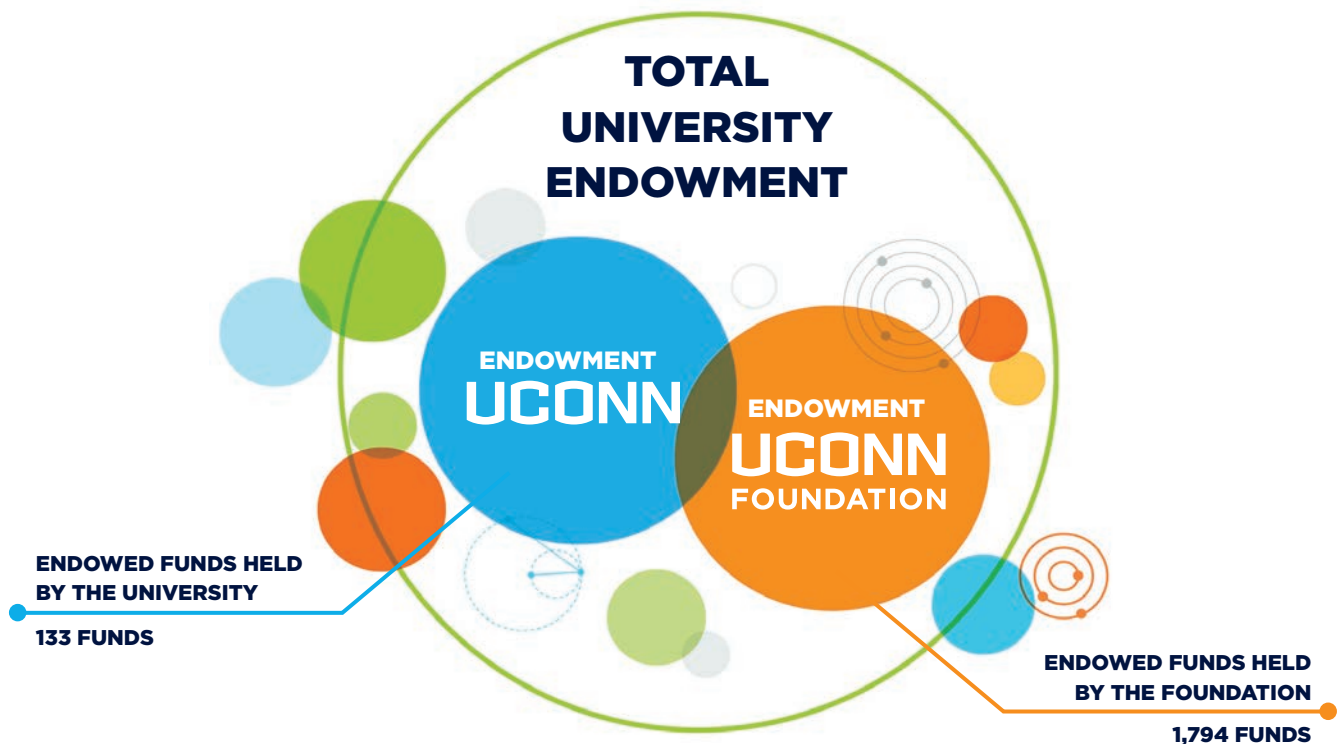
FINANCIAL STATEMENT

Prepared by Gerald J. Ganz, Jr., MBA, CPA, CGMA, Senior Vice President of Finance & Administration and Chief Financial Officer

Solid investment returns had a very positive impact on the financial results of the University of Connecticut Foundation for the 2018 fiscal year. The Foundation's long-term investment portfolio returned 7.65 percent during the year, accounting for the lion's share

of the growth in the Foundation's total assets in fiscal 2018.

The Foundation's **Statement of Financial Position** reflects an increase of nearly \$57 million in total assets during the year—due primarily (\$42.5 million) to the



TOTAL UNIVERSITY ENDOWMENT	MARKET VALUE	NUMBER OF FUNDS
UConn Foundation	\$432,639,746	1,794
University Funds Managed by UConn Foundation	15,098,682	133
TOTAL	\$447,738,428	1,927

OVERVIEW

growth experienced by the long-term portfolio. Other investments increased as well with short-term (operating) investments increasing by \$21.4 million and funds held in trust by others growing by almost \$5.0 million. Decreases in cash and cash equivalents (\$7.0 million) and pledges receivable (\$3.6 million) partially offset the gains in the investment line items to provide the net increase to total assets of \$57 million noted above. Temporarily restricted net assets (\$24.8 million) and permanently restricted net assets (\$33.6 million) saw significant increases as a result of the growth in total assets experienced during the year.

The **Statement of Activities and Changes in Net Assets** also shows the positive effects of the long-term investment portfolio's performance, reflecting an increase in net assets of \$58.9 million for fiscal 2018. Total revenues were \$110.0 million for the year, representing an increase of \$16.8 million compared to the prior year. This was due primarily to an increase of nearly \$30 million in contributions, mostly resulting from the Foundation assuming responsibility for the investment and management of the UConn Law School Foundation's

endowment and other charitable funds. That increase, though, was partially offset by a \$12.7 million decrease in net investment return from \$45.7 million during fiscal 2017 to \$32.9 million this year.

Total expenses increased as well during fiscal 2018, but by a modest \$2.6 million. Program support provided to the University increased by \$800,000, while expenses for Foundation operations increased by \$1.8 million.

The Foundation's long-term portfolio now totals \$408.6 million and has experienced positive returns in eight of the last nine fiscal years. UConn's total endowment, which includes the Foundation's endowment as well as endowed gifts made to the University, now stands at \$447.7 million.



FINANCIAL STATEMENTS

AUDITED STATEMENT OF FINANCIAL POSITION

As of June 30, 2018 and 2017

	2018	2017
	(DOLLARS IN THOUSANDS)	
Assets		
Cash and cash equivalents	\$6,948	\$13,952
Restricted cash	—	894
Pledges receivable, net	22,917	26,542
Investments, operating	88,359	66,993
Investments, endowment	411,208	368,651
Funds held in trust by others	24,572	19,797
Endowments held for the University	15,099	14,538
Cash surrender value of life insurance	601	602
Property and equipment, net	5,104	5,641
Other assets	640	1,058
Total assets	575,448	518,668
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$7,006	\$6,470
Trusts and annuities payable	2,304	2,345
Endowments held for the University	15,099	14,538
Accrued debt service interest	—	102
Lease liability	14	96
Bonds and note payable	16,596	19,562
Total liabilities	41,019	43,113
Net Assets		
Unrestricted	(81)	(541)
Temporarily restricted	124,058	99,232
Permanently restricted	410,453	376,884
Total net assets	534,430	475,575
Total liabilities and net assets	\$575,449	\$518,688

FISCAL YEAR 2018

AUDITED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS For the Fiscal Years Ended June 30, 2018 and 2017

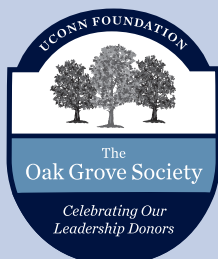
	2018	2017
	(DOLLARS IN THOUSANDS)	
Revenues, gains, and other support		
Contributions	\$ 65,045	\$ 35,603
Net total investment return	32,925	45,653
Contractual payments from the University	10,480	10,050
Memberships and other income	1,591	1,985
Total revenues, gains, and other support	110,041	93,291
Expenses		
Program support		
Student scholarships, fellowships, and awards	9,449	10,963
Faculty and staff compensation	7,437	6,853
General program and research support	4,354	3,142
Equipment	2,603	1,952
Fundraising events, promotions, and donor cultivation	1,816	1,858
Faculty, staff and student travel, conferences, and meetings	1,782	2,232
Facilities construction, improvements, and related expenses	955	598
Total program support	28,396	27,598
Foundation operations		
Development expenses	9,791	9,691
Administrative expenses	9,596	8,318
Alumni expenses	3,048	2,568
University support	355	355
Total Foundation operations	22,790	20,932
Total expenses	51,186	48,530
Change in net assets	58,855	44,761
Net assets, beginning of year	475,575	430,814
Net assets, end of year	\$534,430	\$ 475,575

THANK YOU UConn NATION!

Every gift matters.
Our donor recognition
societies honor your
generosity to UConn.



Recognizes donors with
lifetime giving of \$100,000+
1,052 MEMBERS



Recognizes donors who give \$1,000+
annually (\$500+ for graduates of
the last decade)
4,279 MEMBERS



Recognizes donors who give for five
or more consecutive years
6,601 MEMBERS



Recognizes donors who include the
UConn Foundation in their wills or
other planned gifts
506 MEMBERS

2018

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JOINING OCTOBER 2018

Steven Greenspan '85 JD



Senior kick-off celebration at the UConn Bookstore.



Annette and Seymour '51 (BUS) Gavens with the 2017-18 and 2018-19 recipient of the Seymour Gavens Scholarship, Jaime Fox (third from left), at the annual athletics scholarship dinner. Fox, a senior on the women's ice hockey team, is an accounting major at the School of Business. Women's ice hockey player Madison Badeau (left) is a recipient of the Dee Rowe Athletic Scholarship.



Scholarship recipient Stephen Mwangi '18 (BUS) speaks at a Welcome to UConn Nation event for the class of 2022 at Morgan Stanley's headquarters in New York City.



Drew '83 (BUS) and Michelle Figdor hosting a donor event at the test kitchen of James Beard Award-winning chef David Bouley '17H in New York City. From left: the Figdors, Bouley, and UConn President Susan Herbst.



Curtis Krechvsky (left) and Andres Jimenez-Franck (right), recipient of the Honorable Robert L. Krechvsky '48 Scholarship, at UConn School of Law scholarship reception.



The annual Huskies Forever 5K brings together students, alumni, and families.



UCONN FOUNDATION

STRENGTHENING UCONN
ONE RELATIONSHIP AT A TIME

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