

Annual Report
to Investors
2016-17



University of Colorado

Boulder | Colorado Springs | Denver | Anschutz Medical Campus

ADVANCEMENT | CU FOUNDATION



ALL FOUR: **COLORADO**

FOUR CAMPUSES UNITED

Together, we are CU: an overwhelming force for progress in Colorado and around the world. We are making a difference today and creating hope for tomorrow in everything we do.

Investments in CU, Investments in society

Dear Friends,

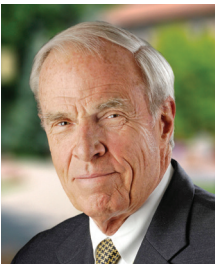
Investments in the University of Colorado through philanthropic contributions are also investments in our society. Our donors are partners with the university in effecting meaningful change and improvements to our state, nation and world. We appreciate your support and the confidence you have in us to achieve those important ends. This impact report shows snapshots of the myriad ways you add value to our university and to society.

As with any investment, those making it expect a return. But rather than a monetary gain, donors who invest in CU realize a clear societal return. You help make our state and world better places. Whether contributing to a scholarship fund that will nurture the next generation of leaders, supporting research into Alzheimer's disease that brings us closer to a cure, or providing funding for a new arts building that will enrich a campus and community, the returns on your investment are significant and substantial. CU has thousands of stories of how our donors help advance the economy, health, culture and quality of life of Colorado and beyond, and you will see a sampling of them in these pages.

We recognize that earning and maintaining the confidence of our donors is critical to our success. People invest not only to make a difference, but also because they are convinced they are contributing to an organization that is well managed and is a prudent steward of their investments. The fact that CU's fundraising totals have set new records for the past eight years tells us that we have earned your confidence. Yet we will never take that for granted. We know you are trusting us with your hopes and passions as well as your contributions, so we work diligently to do our part to ensure that together, we will continue to make a difference.

We are grateful for your investments in CU, and by extension your investments in our state, nation and world. Our mission as a public university is to improve our society, advance knowledge and enhance our quality of life. Your partnership with us allows us to meet that mission and to have a positive impact on teaching and learning, research, and community service. By any measure, that's a great return on investment.

Sincerely,



A handwritten signature in black ink, appearing to read "Bruce D. Benson".

Bruce D. Benson
President
University of Colorado



A handwritten signature in black ink, appearing to read "Jack Finlaw".

Jack Finlaw
President and CEO
University of Colorado Foundation

UNIVERSITY OF COLORADO FOUNDATION

Our Mission

We receive, manage and prudently invest private support for the benefit of the University of Colorado.

Our Vision

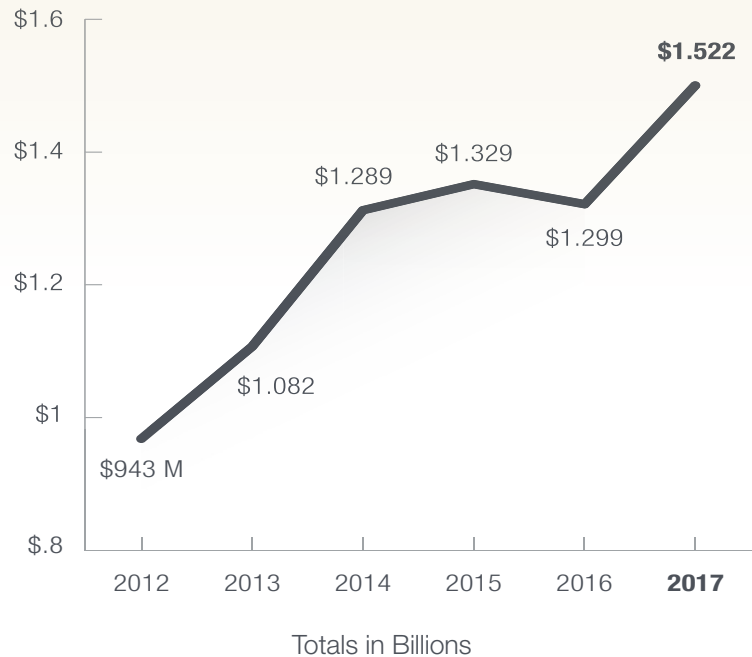
We promote private support for the University of Colorado, manage and grow the endowment, ensure the appropriate use of funds, engage volunteer leadership and pursue the best governance practices.

Our Values

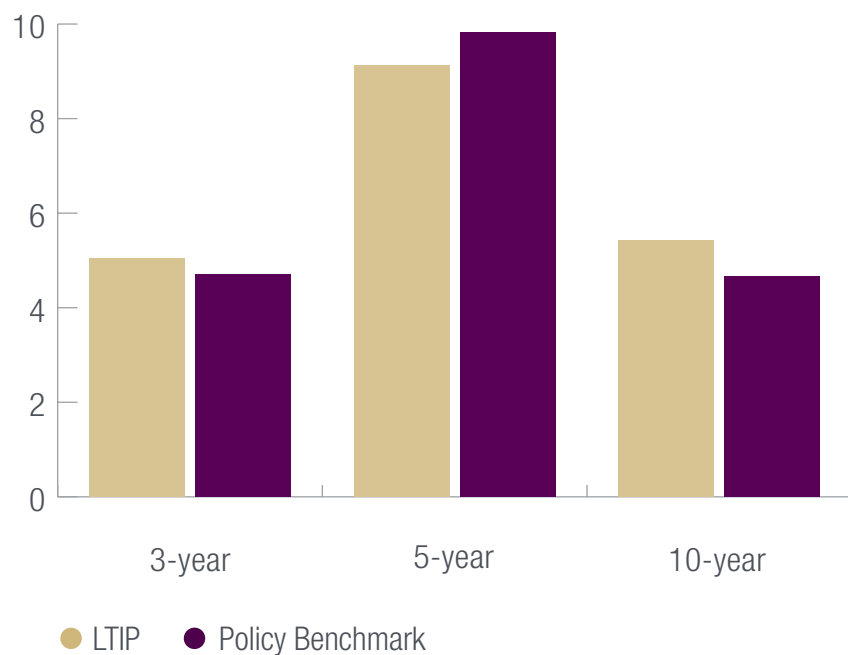
- We act with integrity
- We deliver exceptional customer service
- We are innovative and efficient every day
- We value and respect the thoughts and opinions of others
- We are excellent stewards of the financial resources entrusted to us

Long Term Investment Pool (LTIP) Assets

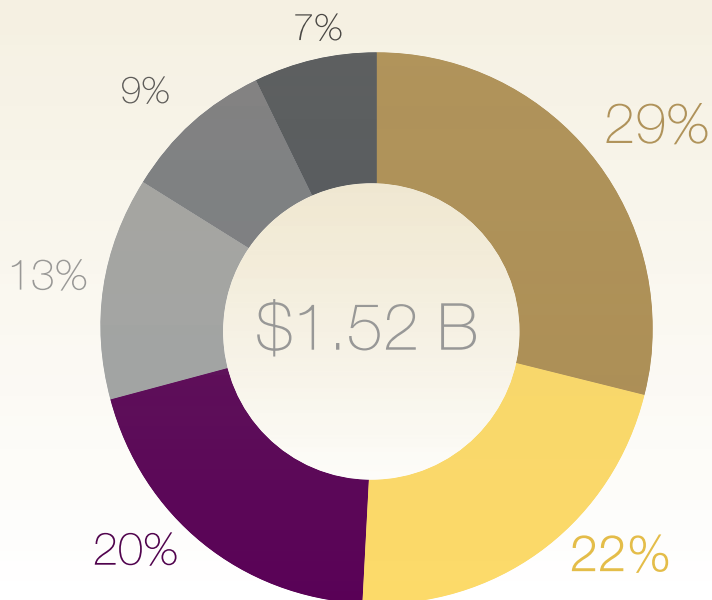
The LTIP was valued at \$1.52 billion as of June 30, 2017. A subset of the LTIP, the endowments held by the Foundation for the benefit of CU were valued at \$1.22 billion as of June 30, 2017.



Annualized Investment Performance



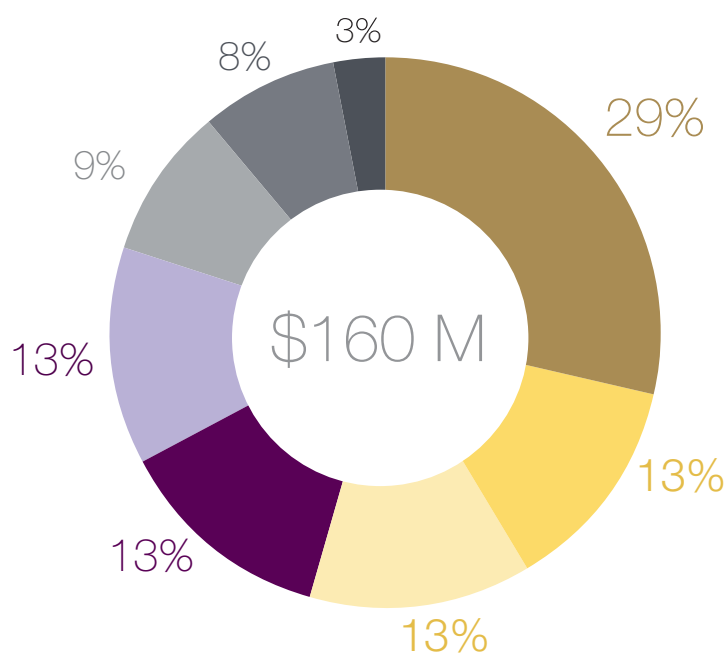
For complete financial statements, visit giving.cu.edu/financials



2016-17 LTIP Asset Allocation

The LTIP's \$1.52 billion is invested in a diverse portfolio of asset classes with a long-term strategic investment horizon.

- International Equities
- Domestic Equities
- Global Private Capital
- Absolute Return
- Real Assets
- Fixed Income and Cash



2016-17 Transfers to CU

The CU Foundation transferred \$160 million to CU, including current gifts, endowment distributions, funds for capital projects and support for CU Advancement operations.

- Academic Support
- Scholarships
- Research
- Public Service, Administration, Library and Other Support
- Advancement Support
- Chairs, Professorships and Other Faculty Support
- Capital Projects
- Athletics

Our Volunteer Leadership

The University of Colorado Foundation is governed by a board of directors. The CU Foundation also convenes a board of trustees composed of approximately 120 individuals who meet four times annually and who make influential contributions of time, resources and leadership to help CU's priorities take flight.

Board of Directors

as of June 30, 2017

- | | | | |
|---|---|--|---|
| <ul style="list-style-type: none"> • Margaret Bathgate (Chair) • Michael Imhoff (Vice Chair) • Barry Amman | <ul style="list-style-type: none"> • David Baker • Bruce Benson * • Fredrick Bradford • Jack Finlaw * • James Gallogly • Kyle Hybl * • Nan Joesten | <ul style="list-style-type: none"> • Eric Kramer • James Linfield • Jeremy May • Brett Nicholas • Edward Osborne • Marcia Pryde • Johnnie Ray * | <ul style="list-style-type: none"> • Kevin Reidy • Mary Sissel • Dawn Wood |
|---|---|--|---|

* Ex Officio

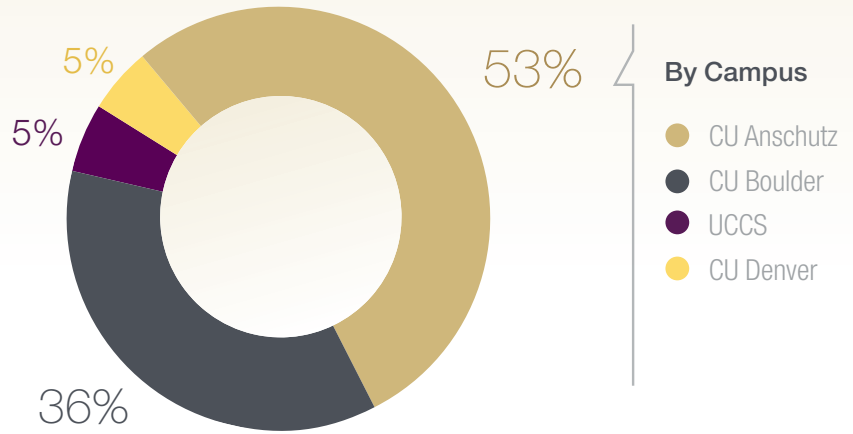
PRIVATE SUPPORT

Philanthropic gifts from the private sector are important and valuable to the mission of CU: high-quality education and professional training, public service, advancing research and knowledge, and state-of-the-art health care.



8th straight record-breaking year for private support

\$386.3 Million in Private Support

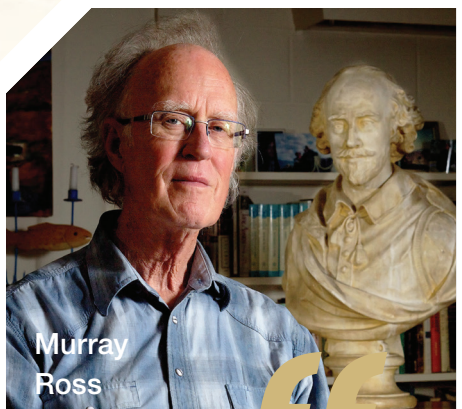


Tandeand Rustandy

CU Boulder

Tandeand Rustandy's generosity is a commitment to a future of innovation and entrepreneurship. The CU Boulder graduate ('87) and one of Indonesia's most successful CEOs has committed nearly \$6 million to support entrepreneurial education at the Leeds School of Business. The gift will also establish an endowed professorship in global entrepreneurship and innovation, and an endowed chair in global entrepreneurship and strategy.

Without CU Boulder and Leeds, I would not be who I am today. It's not about me as an individual and my success, but it's about the success of the institutions that help create us. This is the legacy I want to leave."



Ed Osborne

UCCS

"Murray Ross was THEATREWORKS. He was its heart and soul." That's how Ed Osborne fondly remembers his close friend and the artistic director of the Colorado Springs theater company. Before Murray passed away in January, Ed and his wife, Mary, created the Murray Ross Endowment at UCCS to continue Murray's seminal work in bringing professional theater to the Springs. The Osbornes are dedicated to supporting a community fundraising effort to grow the endowment to \$1 million by the time the Ent Center for the Arts opens in January 2018.

Murray devoted 42 years of his life building THEATREWORKS at UCCS. It was his passion. It has enriched this community and helped place UCCS into the community.



CU Anschutz

Traumatic brain injury and the suffering it inflicts on America’s military veterans has affected Bernie Marcus profoundly—and compelled him to action. A lack of comprehensive and local treatment options spurred Marcus to envision brain health centers across the country. A cornerstone is the Marcus Institute for Brain Health at the CU Anschutz Medical Campus, created in 2017 with a \$38 million commitment from The Marcus Foundation. This facility will model innovative and intensive treatment for patients who suffer from the anguish of war.

Read more at giving.cu.edu/marcus



Our goal is to create a nationwide organization of hospitals that will treat patients in their communities. That’s what we are starting in Colorado, and opening this building is the first step. I hope we will stimulate more philanthropists in the United States to get involved in this issue.

Bernie Marcus



57,000+

donors made 66,000+ private gifts and commitments to the university

5



CU Denver

“I’ve led a life of motion,” says Joanne Posner-Mayer, a 1973 CU graduate in physical therapy. She’s focused her life and career on promoting health, so it’s fitting she’s supporting the CU Denver Student Wellness Center with a \$150,000 commitment. In 2015, students voted emphatically to fund the construction of the center—the first facility of its kind on campus. The center’s student kitchen will be named the Posner Family Kitchen in honor of her father, whose hardware business occupied land nearly a century ago on what’s now the Auraria Campus.



The Student Wellness Center means a healthier life for students. And the kitchen is a place to eat healthy. A kitchen is the heart of a house. I hope it will be the heart of the Student Wellness Center.

Joanne Posner-Mayer

CU IMPACT

*Every day, donors make a difference on CU's four campuses.
Our partnership with donors helps their investments go further.*



CU Boulder

Marielle Pellegrino is exploring how the sun's light can be used to remove space debris from earth's orbit—part of her graduate research in astrodynamics in CU Boulder's aerospace engineering department. Her work is possible because of the distinguished Smead Scholars program that enables aerospace's brightest minds to pursue their passions.

Ann Smead and Michael Byram envisioned a program that offers access to world-class faculty and collaboration with students and industry. This year, they strengthened the program they created in 2006 with a \$10 million gift, totaling more than \$15 million in support.



The financial support empowers scholars to study and conduct research. The symposiums and networking events then enrich the experience and create an uncommonly supportive community. I'm learning so much!

Marielle
Pellegrino

CU Denver

Robera Oljira is a 2017 recipient of the Bardwell Donachy Family Opportunity Fund, which increases access to medical careers for students from diverse backgrounds. The fund helps CU Denver students meet the expenses associated with traveling to interviews at medical or dental schools beyond Colorado. Robera began studying medicine at UCLA this fall.

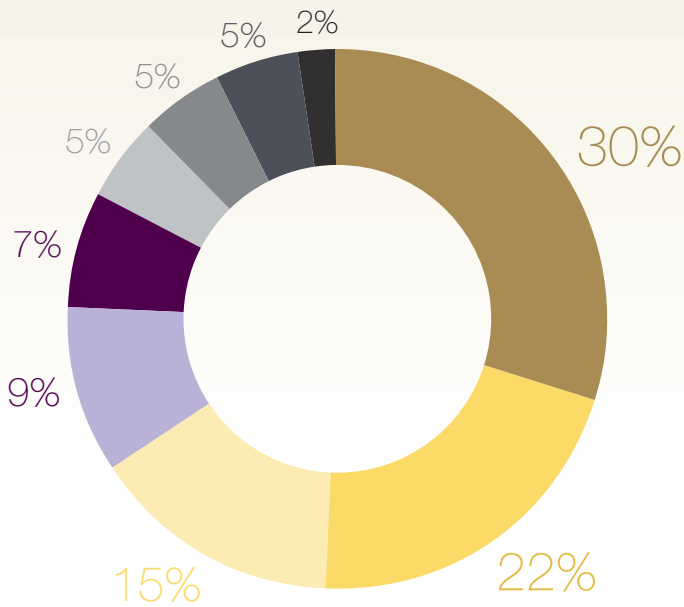


The Bardwell Donachy Family Opportunity Fund allowed me to approach my interview day without any financial concerns. This kind of support is encouraging to students who plan to pursue a career in medicine. I am very grateful for the opportunity!



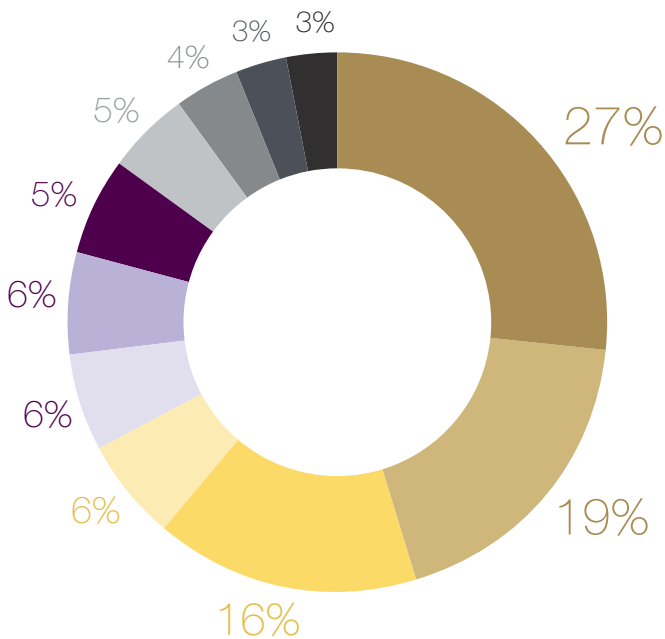
Robera
Oljira

2016-17 CU Budget: \$3.8 Billion



Revenues

- Student Tuition and Fees
- Health Services
- Federal Grants and Contracts
- Private Support
- Auxiliary Operating Revenues
- Sales and Services of Educational Departments
- State Support
- Indirect Cost Reimbursement
- Other Revenues



Expenses

- Instruction
- Health Services
- Research
- Scholarships and Fellowships
- Academic Support
- Auxiliary Operating Expenditures
- Transfers
- Institutional Support
- Plant Operations
- Student Services
- Public Service

\$14,551

total given to Senior Class Gift collectively at 3 campuses



CU Boulder

nearly \$80,000 given by students in scholarship support

CU Denver

62 percent of class gifts supported the water wall at the Student Wellness Center

UCCS

record-breaking participation rate of 39 percent



UCCS

Henry Knauer represents a vital piece students add to each campus' philanthropic fabric. As a student caller, he's encouraging alumni to support students. In two years, Henry has inspired donors to give more than \$50,000 in telephone pledges. But he shies away from that impressive number; he'd rather talk about his personal and meaningful conversations with donors who see the impact of their gifts.



Everyone is excited about how fast UCCS is growing. I love talking about that to new donors. It gets people excited. A lot of them say: If I donate money here, I get to see the difference right away."

Henry Knauer



CU Anschutz

Madeleine Kane, MD, PhD, is pioneering promising new research in esophageal cancer, thanks to a foundational gift from the family of one of her patients. In 2017, Kane became the first holder of the Paul R. O'Hara II Endowed Chair in Esophageal Cancer at the CU Cancer Center. After Paul passed away in 2015, his sister, Katy Rady, and her husband gave \$3.15 million to improve patient therapies, increase drug effectiveness and offer hope to those battling esophageal cancer.

Read more at giving.cu.edu/kane



This chair is the greatest honor of my professional career. The Radys' gift is emblematic of their love for Paul. Their amazing generosity will heighten awareness of esophageal cancer and improve outcomes for people with this disease.

Madeleine Kane
MD, PhD

2,635 total number of endowments invested for the benefit of CU

ADVANCEMENT AT CU

Advancement encompasses several roles and offices that collectively promote the long-term sustainability and success of the University of Colorado.

At CU, roles that fall under Advancement includes fundraising, donor and alumni relations, and endowment management.





University of Colorado

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cufund.org