

University of Louisville

Endowment Match Program 2007-2008 Annual Report - Summary

The following annual report covers programmatic and financial activities supported at the University of Louisville (U of L) by the Council on Postsecondary Education's (CPE) Endowment Match Program (a.k.a. "Bucks for Brains.") For the 2002-04 biennium, the CPE allocated a third round of \$33,333,000 to U of L to be matched dollar-for-dollar by the private sector. Faculty and programmatic information for Round I, Round II and Round III can be found at <http://www.louisville.edu/bucksforbrains/>.

During fiscal year 2007-08 U of L submitted and received approval for five (5) requests to be funded by state matching funds from Round III. The university secured \$2,154,000 in private funds that were matched by \$2,154,000 in state funds. These funds were used to create three (3) new endowments and expand two (2) existing endowments (Table 6). When coupled with existing endowments funded through the Endowment Match program and current requests submitted for approval, these endowments had a combined market value \$257,507,617 (Table 7) as of June 30, 2008.

Endowment Activity

The following tables show the effect of activity for the fiscal year ending June 30, 2008 and the cumulative effect of the Endowment Match Program since its inception in July 1998.

Table 1: Annual and Cumulative Endowment Match Program Activities

<u>Activity</u>	2007-2008		1998-2008	
	<u>Number of Positions or Projects</u>	<u>Number Occupied or Projects with Expenditures</u>	<u>Number of Positions or Projects</u>	<u>Number Occupied or Projects with Expenditures</u>
Chairs	2	0	75	48
Professorships	0	0	13	9
Fellowships	0	0	16	13
Scholarships	NA	NA	NA	NA
Mission Support Projects	1	0	25	7
Totals	3	0	129	77

As depicted in the Table 1 above, during fiscal year 2007-08 private donations and state matching funds went to support the creation of two (2) new endowed chairs and one (1) new research mission support fund. As of June 30, 2008 several outstanding candidates were actively being recruited to fill the endowed chair positions.

Cumulatively, from 1998 through June 30, 2008, a total of seventy-five (75) endowed chairs, thirteen (13) professorships, sixteen (16) graduate fellowship programs, and twenty-five (25) mission support projects, have been endowed through the Endowment Match Program at U of L. As of this reporting period, forty-eight (48) endowed chair positions and nine (9) professorships are occupied or have expenditures. In addition, thirteen (13) graduate fellowship programs and seven (7) mission support projects reported expenditures.

New donor gifts and state matching funds are currently invested and participate in the University of Louisville Foundation’s commingled endowment investment pool and participate in related annual spending policies. The Foundation’s policy requires all endowment funds be invested a full calendar year before the income is disbursed to respective academic units for expenditure.

Demographic Information

Table 2 highlights the gender of the faculty and staff incumbents and those supported by the Endowment Match Program. Forty-eight (48) individuals were hired to fill endowed chair positions. Thirty-nine (39) are male and nine (9) are female. Moreover, nine (9) individuals were hired for endowed professorships since the inception of the Endowment Match Program. Eight (8) are male and one (1) is female. The faculty member and program title for the endowed chair or professorship is provided in Appendix A.

Since 1998 through June 30, 2008, a total of sixty-two (62) new faculty were hired under the auspices of the Endowment Match Program to support research efforts. Forty-eight (48) or 77% of those hired were male and fourteen (14) or 23% were female. These faculty positions are assistant or associate professors and are not endowed chairs themselves, but fall under the category of supporting research faculty funded from endowment funds. Of the one-hundred and ninety-six (196) staff positions hired with the Endowment Match funds eighty-six (86) or 44% are male and one-hundred and ten (110) or 56% are female.

**Table 2: Gender of Endowment Match Program
Faculty and Staff**

As of June 30, 2008

	<u>Male</u>	<u>Female</u>	<u>Total</u>
Chairs	39	9	48
Professorships	8	1	9
Support Research and Faculty	48	14	62
Staff	86	110	196
Totals	181	134	315

Table 3 shows the ethnicity of employees hired using Endowment Match Program funds. One hundred ninety-eight (198) or 62% of the employees hired since 1998 are White, seventeen (17) are Black, ninety-six (96) are Asian, and four (4) are Hispanic.

**Table 3: Race of Endowment Match Program
Faculty and Staff
As of June 30, 2008**

	<u>White</u>	<u>Black</u>	<u>Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Chairs	40	5	0	2	1	48
Professorships	5	1	0	2	1	9
Support Research Faculty	37	0	0	25	0	62
Staff	116	11	0	67	2	196
Totals	198	17	0	96	4	315

A total of sixty-two (62) students received fellowship awards that were funded with endowment proceeds (Table 4). During fiscal year 2007-08, U of L did not have any scholarships funded from the Endowment Match Program, other than graduate fellowships, displayed as a separate category.

**Table 4: Gender and Race of Match Program Financial Aid Recipients
For Awards Made During Fiscal 2007-2008**

	<u>White</u>	<u>Black</u>	<u>Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
<u>Scholarship Recipients</u>						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Sub Total	0	0	0	0	0	0
<u>Fellowship Recipients</u>						
Male	28	0	0	15	2	45
Female	11	4	0	2	0	17
Sub Total	39	4	0	17	2	62
Totals	39	4	0	17	2	62

With regard to gender, out of the sixty-two (62) fellowship recipients, forty-five (45) or 73% were male and seventeen (17) or 27% were female.

Areas of Concentration:

Table 5 - Match Program Funds Dedicated to Council Priority Areas for All Matched 2002-04 Appropriation Funds:

The 2002-04 Endowment Match Program Guidelines stipulate that at least 70 percent of program funds at the research institutions must be used to support Research Challenge programs or new economy disciplines. As of June 30, 2008, U of L received its total \$33,333,000 allocation. That amount was matched with \$33,841,098 in cash gifts and pledges, bringing the total amount of 2002-04 program funds to \$67,174,098. Since U of L's Research Challenge Programs and the CPE new economy areas overlap, the percentage of funding indicated in Table 5 for Research Challenge Programs is understated. All new economy disciplines will receive support.

Sources of Funds, Earnings, and Expenditures:

Table 6 - Endowments Established or Expanded with State Funds During FY 2007-08:

Table 6 shows that during the 2007-08 fiscal year, U of L received \$2,154,000 in state matching funds through the Endowment Match Program. Gifts totaling \$1,754,000 and pledges totaling \$400,000 were also recorded. With the addition of new state funds, gifts and pledges, \$4,308,000 will be added to the endowment of the University of Louisville Foundation. These funds were used to create three (3) new endowments and expand two (2) existing endowment during the fiscal year.

Earning and Expenditures:

Table 7 - Components of Change in Endowment Market Value from Beginning to End of FY 2007-08:

As of June 30, 2008, U of L has received \$2,154,000 in state funds and \$3,924,047 in gift funds. Foundation records show an outstanding balance of \$2,794,900 in unpaid pledges on these accounts. The total market value of the 129 endowments established through the Endowment Match Program was \$257,507,617 on June 30, 2008. Over \$9,000,000 was expended for program activities during the fiscal year ending June 30, 2008.

Table 8 - Sponsored Program Funding FY 2007-08

Table 8 is a supplementary report entitled Endowment Match Program, Sponsored Program Funding. It shows FY08 extramural awards totaling \$47,581,621 to those endowed chairs and professors funded from the Endowment Match Program. To date this program has been an overwhelming success. Clearly this influx of research dollars to the Commonwealth responds directly to the call to improve the State's economy and the quality of life for its citizens by providing high-tech, high-paying jobs. The extramural funding success to date is substantial (\$210M) and future growth is certain, as more outstanding researchers fill endowed chair positions. This is an important metric to follow as we measure success into the future.

Pledge Payment Schedule

Table 9 - Pledge Commitments, Payments and Anticipated Payments as of 6/30/2008 for FY 2007-08:

This report reflects **only** the commitments that are still outstanding. Each outstanding pledge has a payment schedule that fulfills the CPE requirement for fulfillment within a five-year time period. The report shows the individual cash payments received through June 30, 2008 and the anticipated future payments for each of the affected endowment funds. During the 2007-08 fiscal year, \$6,605,100 was paid on outstanding pledges of \$9,400,000. Outstanding pledges of \$2,794,900 remain to be paid over the next several years.

Donors

Table 10 - Donor Cash Gifts, Estate Settlements and Pledge Payments:

This report shows the amount of actual funds collected through June 30, 2008, from outright cash gifts, proceeds from estate settlements and cash payments on pledges for endowments created from the Endowment Match Program. To date, the University of Louisville has collected \$92,339,972.