

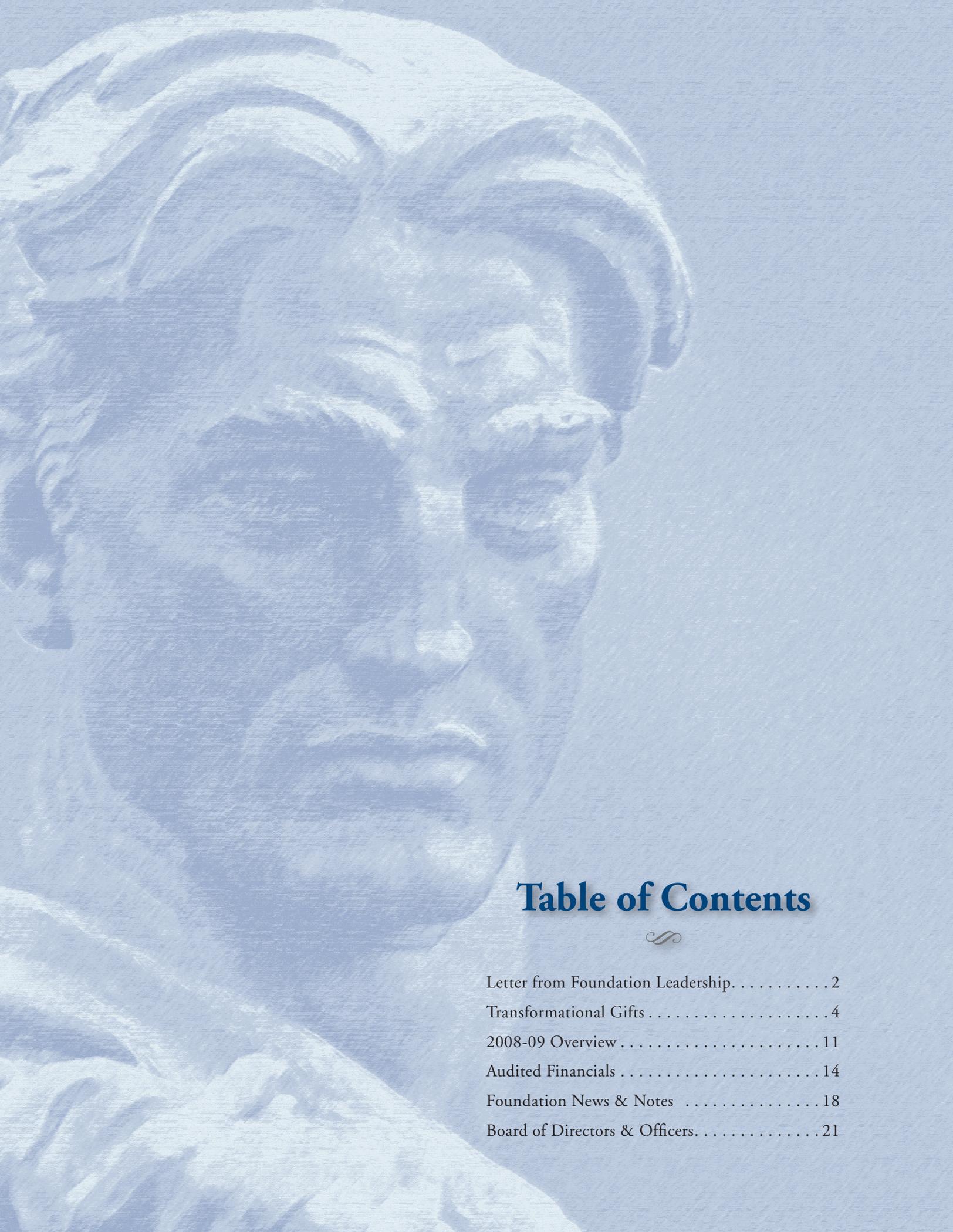
# West Virginia University Foundation

## Annual Report 2008-2009



**WVU**  
**FOUNDATION**

*Securing and Administering Private Support for West Virginia University*



## Table of Contents



Letter from Foundation Leadership . . . . .	2
Transformational Gifts . . . . .	4
2008-09 Overview . . . . .	11
Audited Financials . . . . .	14
Foundation News & Notes . . . . .	18
Board of Directors & Officers . . . . .	21

# Annual Report



*July 1, 2008 to June 30, 2009*

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The West Virginia University Foundation is an independent 501 (c) (3) corporation chartered in 1954 to generate, administer, invest and disburse contributed funds and properties given by individuals, corporations and philanthropic foundations in support of West Virginia University and its non-profit affiliates.

Its mission is to enrich the lives of those touched by West Virginia University by maximizing private charitable support and providing services to the University and its affiliated organizations.

The Foundation is governed by the Board of Directors, elected by the members. All serve without compensation. The Foundation's operating budget is financed entirely with private resources; no University or state funds are used. Each donor's gift is applied directly to the purpose for which it is given. No unrestricted gifts are used to fund operations.

The following pages contain information regarding the Foundation's activities during the fiscal year which ended June 30, 2009.

## **For further information, contact the WVU Foundation at:**

One Waterfront Place, Seventh Floor  
Morgantown, WV 26501

304-284-4000

e-mail: [info@wvuf.org](mailto:info@wvuf.org)

[www.wvuf.org](http://www.wvuf.org)



## Dear Alumni and Friends of West Virginia University:

The passion, loyalty and support of the Mountaineer faithful are nothing short of amazing.

Despite a fiscal year filled with unprecedented economic challenges, you responded. While many college and university foundations across the country reported significant declines in giving for the fiscal year ended June 30, 2009, the WVU Foundation is pleased to report it received \$58.5 million in private gifts and in-kind donations, a drop of just \$4.2 million from fiscal year 2008.

This amount marked the fifth largest yearly total in the history of the Foundation. Excluding in-kind gifts, cash donations and pledge payments for fiscal year 2009 actually totaled \$216,000 more than fiscal year 2008. The number of donors totaled 20,928, making 34,704 gifts.

The University requested \$40.3 million in support from the Foundation to fund programs and projects in accordance with donors' wishes. Total Foundation assets stood at \$754 million, including long-term investments valued at \$358 million.

Private gifts from a wide variety of sources and generous donors allow WVU to support numerous scholarships and fellowships; professorships and chairs; the creation and enhancement of programs; and upgrades to facilities.

For WVU, private funding is the margin between mediocrity and excellence. Our students deserve educational opportunities of the highest quality, and this is possible only through the generosity of our contributors. You are making a difference!

On behalf of everyone at WVU whom we serve, we extend our heartfelt and sincere appreciation for your continued support of our great University. Additionally, we invite you to become a part of this effort that will build the foundation of WVU's successes in this century and beyond.

A handwritten signature in black ink that reads "Dan R. Moore".

Dan R. Moore  
Chairman of the Board

A handwritten signature in black ink that reads "R. Wayne King".

R. Wayne King  
President and CEO



*“For WVU, private funding is the margin between mediocrity and excellence. Our students deserve educational opportunities of the highest quality, and this is possible only through the generosity of our contributors.”*



*~ R. Wayne King & Dan R. Moore*

# Expanding the Impact of Private Philanthropy



## *Year in Review*

*The \$58.5 million in private support in FY 2008-2009 from 20,928 alumni and friends provides opportunity and promise to all areas of our great university. The following is just a sampling of the many gifts received and how your generosity is making a difference at WVU.*

### **McGee gift to enhance WVU's new art museum**

John and Ruth McGee of Charleston, through the McGee Foundation, pledged \$1 million to the new art museum at WVU.

Their gift is in addition to a collection of acclaimed Shona (Zimbabwean) stone sculptures that will be displayed at the museum, as well as in other buildings on the WVU campus. WVU's new art museum will be a new, three-level building adjacent to the former Erickson Alumni Center. Plans call for it to be completed by 2012.

One of the exhibit galleries in the new building



*WVU President & CEO Wayne King thanks Ruth and John McGee for their contribution to the WVU art museum.*

will be named for the McGees, said Dean of the College of Creative Arts Bernie Schultz.

“John and Ruth McGee truly are citizens of the world and they understand the power of the arts to communicate a global perspective,” said Dean Schultz.

“They are most gracious and engaging people, and their philanthropic activities, literally, extend across our world. John and Ruth’s exceedingly generous gift is a cornerstone of the Art Museum at WVU, and it is difficult to find the words to express our heartfelt gratitude to them.”

### **Widmeyer family, PR firm establish endowed professorship, scholarship**

The P.I. Reed School of Journalism announced the establishment of one of the country’s first endowed professorships in public relations, as well as an endowed scholarship.

The Widmeyer Professorship in Public Relations and the Douglas and Ruth Ann Widmeyer Endowed Journalism Scholarship were established



*Scott (left), Ruth Ann and Douglas Widmeyer*

by Scott Widmeyer, his parents Douglas and Ruth Ann, and Widmeyer Communications.

Scott Widmeyer, chairman and CEO of Widmeyer Communications, said he hopes the gift will help the school achieve national prominence for its strategic communications programs.

“We are so fortunate to have friends like Scott and his wonderful parents,” said School of Journalism Dean Maryanne Reed. “Scott’s loyalty to WVU and his continued history of giving back to his alma mater make him an exemplary role model.”

### Gifts help to create park near new alumni center, offset construction costs

Generous donations from Ray Lane and Ben and Jo Statler totaling \$2.5 million will be used to help defray costs associated with construction of the

new WVU Erickson Alumni Center. Lane also contributed to the development of a park on green space adjacent to the Center.

The Statlers provided \$2 million to the Center, which opened in October 2008 on the Evansdale Campus. In recognition of the gift, the area housing the Center and the new park is named Statler Wilson Commons.

Lane donated \$1 million for the park that is named in his honor. Raymond J. Lane Park will include a pedestrian bridge across the ponds, plants, landscaping and benches. The area will accommodate large and small gatherings and provide scenic photo opportunities.

He also contributed an additional \$500,000 to help offset construction costs associated with the Center. In recognition of this separate gift, the roadway from University Avenue to the Alumni Center is named One Ray Lane.

### 2009 Foundation Scholars

Donor contributions once again helped the Foundation to award full four-year scholarships to five of the top high school seniors in West Virginia.

The University’s most selective scholarship, the Foundation Scholarship is valued at over \$65,000 and covers tuition and fees, books, room and



*The future site of Raymond J. Lane Park near the new Erickson Alumni Center*



*The 2009 WVU Foundation Scholars are, from left, Robert Guy, Rebecca Posa, Sara Swanson, Amanda Thorp and Lucas Pennock.*

board and expenses for four years. Recipients also qualify for a stipend of up to \$3,500 for academic enhancement opportunities, including travel, study abroad and internships.

Members of the 2009 class are: Robert Guy, Wheeling, Wheeling Park High School; Lucas Pennock, Mineral Wells, Parkersburg South High School; Rebecca Posa, Kearneysville, Jefferson High School; Sara Swanson, Mount Clare, Bridgeport High School; and Amanda Thorp, Weirton, Weir High School.

## 2009 Foundation Outstanding Teachers

Six WVU professors whose teaching, research and service efforts create an atmosphere of excitement about learning received the 2009 WVU Foundation Outstanding Teacher Awards.



*Gouge*



*Janson*



*Kershner*



*Nolan*



*Sarwari*



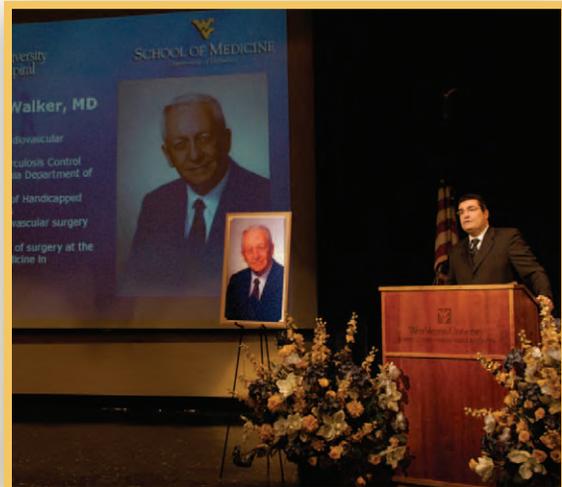
*Temple*

They are Catherine Gouge, assistant professor of English, Eberly College of Arts and Sciences; Deborah Janson, associate professor of German, Eberly College of Arts and Sciences; Ruth Kershner, associate professor of community medicine, School of Medicine; James Nolan, associate professor of sociology and anthropology, Eberly College of Arts and Sciences; Dr. Arif Sarwari, associate professor of infectious diseases, School of Medicine; and John Temple, associate dean and assistant professor of journalism, P.I. Reed School of Journalism.

Each received a \$5,000 cash award.

## Walker bequest helps creation of Pediatric Research Institute

A \$6.4 million bequest from former WVU physician and professor Dr. James H. Walker will help fund development of the WVU Pediatric Research Institute.



*Dr. Giovanni Piedimonte talks about Dr. James Walker's impact on children's health in West Virginia.*

"We are exhilarated to be able to take our research to the next level to serve the needs of children throughout West Virginia," said Dr. Giovanni Piedimonte, chair of the Department of Pediatrics and physician-in-chief at WVU Children's Hospital. "Whenever we invest in children, we invest in our future."

Part of the gift also is funding the James H. Walker Chair in Pediatric Cardiology.

“My father was very passionate about WVU. He became passionate about education and about children with cardiac disease,” Dr. Rome Walker said of his late father.

WVU pediatric cardiologist Dr. William A. Neal is the inaugural recipient of the Walker Chair.

## Research Trust Fund nets \$6.5 million in donations, state matches

In its inaugural report to the state, WVU officials announced that efforts from the first year will translate into at least a \$6.5 million investment from private donor contributions and state matching funds for the Research Trust Fund. The money not only establishes a firm foundation for further research initiatives, but it represents a tangible investment in the future of West Virginia, said WVU President James P. Clements.

The state of West Virginia established the Trust Fund in 2008 with an initial appropriation of \$50 million, and a focus on economic development, job growth and health care. Both WVU and Marshall are able to tap into this fund to double private gifts. At WVU, the funds will be used for biomedical sciences, energy, biometrics and nanotechnology.

“Raising private dollars to match the state appropriation remains a top priority of our team,” said R. Wayne King, WVU Foundation president and CEO. “Advancing research is a major focus of the University, and the Foundation is committed to the success of the Research Trust Fund initiative.”

## Second year of Pride Travel Fund nets over \$90K

The 2008 Pride Travel Fund received over \$90,000 from more than 800 donors, helping defer travel costs for the WVU Marching Band, known as the “Pride of West Virginia.”



The private funding, combined with financial support provided by the University and the athletic department, enabled the band to make trips to football games at Connecticut and Pittsburgh, as well as several exhibition performances across the region.

“I want to thank everyone who contributed to this fundraising effort,” said Jay Drury, marching band director. “Without the generosity of so many alumni and supporters, we just wouldn’t be able to take our 380-plus member band on the road. I would also like to express our sincere gratitude as well to the WVU Foundation for doing such a great job in organizing this effort.”

In 2007, the first year of the Pride Travel Fund, over \$93,000 was raised.

“We work hard to represent them (fans and supporters),” Drury said. “Our hope is that they will continue to support the travel fund each year.”



## Massey Energy contributes \$500K to engineering programs

Massey Energy pledged \$500,000 to the mining and civil engineering programs at WVU and WVU Institute of Technology at Montgomery. The funds will be used to provide scholarships and other academic enhancements.

“We hope our donation will help WVU attract the best and brightest engineering students from throughout Central Appalachia,” said Don Blankenship, Massey Energy Chairman and CEO. “We believe this donation will have a lasting positive impact on improving educational opportunities in our state. It is the best investment we can make in the future of West Virginia.”

The Massey Energy Scholarship Fund in Mining and Civil Engineering for WVU and WVU Tech will provide \$36,000 annually for five years (\$180K) for scholarships for students enrolled in WVU’s College of Engineering and Mineral Resources (CEMR), and \$12,000 (\$60K) for students enrolled in the Leonard C. Nelson College of Engineering and Sciences at WVU Tech. Massey is providing an additional \$260,000 over five years for outreach programs and academic enhancements at the two schools.

## Fellowship in memory of alumna established at College of HR&E

A WVU alumnus established a graduate fellowship through the College of Human Resources & Education in memory of his wife.

Jay Slaughter and family donated land to the Foundation in memory of Phyllis Slaughter, also a WVU alum and supporter of early childhood



*Phyllis and Jay Slaughter*

development who died in 2006. Proceeds from the sale of the property have been used to set up the Phyllis and Jay Slaughter Family Fellowship.

“Our family wanted to continue the contributions Phyllis made by establishing the fellowship in her name,” said Slaughter, who earned a graduate degree from WVU in 1965. “Phyllis would be so very pleased that the fellowship is now in place, and the effect it will have on so many children through teaching and providing knowledge in the child development field.”

## Cornwells make bequest to support 4-H statewide

A Harrison County couple who say 4-H was such a defining part of their youth plan to give back to the organization.

Creel Cornwell, now an accomplished doctor, and his wife Cheryl, an equally accomplished therapist, have left a generous legacy gift through their will that will support West Virginia 4-H, a program of the WVU Extension Service.



*Creel and Cheryl Cornwell*

“I felt that we should give back as much as possible, particularly to these programs that are very important to the young people,” Creel said.

Cheryl said, “We see the state’s children as our children, so this will be our legacy.”

Their bequest to WVU also includes support for health sciences.

## Potomac State receives largest gift in college history

Nursing students at Potomac State College of WVU will benefit from the school’s largest single gift ever. The contribution comes from Ruth Ann Davis, professor emeriti of biology and chemistry who retired in 2001 after 18 years of service. Dr. Davis died in September 2009.

Her income producing gift totals nearly \$1 million, and the funds have been endowed to support nursing scholarships in memory of her late mother, Mrs. Ruth Ward Davis.

“Dr. Davis’ donation will assist students interested in providing a service to others through a nursing career and will ensure that Dr. Davis’ never-ending devotion and commitment to her students becomes her lasting legacy.”



## Former football player endows lecture series

In 1983, Johnathan Holifield entered Mountaineer Field as a walk-on straight out of high school, knowing that if he wanted to play football at WVU, he would have to prove he deserved a scholarship.

Three years later, he achieved success on the field as senior captain, gaining leadership skills that would take him to the pros and later be invaluable in his professional life.

Holifield encourages students and citizens to use the same drive for success that he learned on the field in their lives.

Recently, Holifield provided an endowment that will fund the Johnathan M. Holifield Leadership Seminar in WVU’s Eberly College of Arts and Sciences. Former WVU student-athletes and graduates who have pursued a successful career path will be invited to present a seminar on leadership. The seminar will explore how athletic skills, like team-building and competitiveness, can be translated to life skills, career success and professional leadership opportunities.



*Johnathan Holifield*

## Grant helps fund J-School multimedia outreach program

Six WVU journalism students are providing multimedia training to small, rural newspapers thanks to an \$85,000 two-year grant from the McCormick Foundation.

As part of a new upper-level class, students and journalism faculty will provide multimedia training sessions at five weekly newspapers, covering Website development, interactive journalism and multimedia production.

“The students will be training journalists at rural newspapers in ways to integrate new media into their coverage, and they’ll be producing multimedia packages for the papers,” said School of Journalism Associate Dean John Temple.

The project is called “West Virginia Uncovered: Multimedia journalism from the Mountains.”



*School of Journalism students with professor John Temple (back, right)*

# Donor Recognition



## Woodburn Circle Society

Named for the original three buildings on campus – Woodburn, Martin and Chitwood – the Society recognizes those who have made gifts of \$100,000 or more to benefit the University and its affiliated organizations.

## Irvin Stewart Society

Named for WVU’s 13th president, the Society honors those individuals whose planned gifts provide for the future of the University.

## Foundation Partners & Associates

Foundation Partners honors alumni and friends who provide WVU with a solid base of ongoing private financial support by contributing \$1,000 or more each year. Foundation Associates acknowledges donors who for five consecutive years have made gifts to the Foundation to benefit WVU.

## Endowment Club

The Club recognizes those who have made financial investments in the future of WVU by creating an endowed fund through the Foundation.

## Scholarship, Fellowship & Student Award Bricks

The brick program honors the donors of endowed funds benefiting students in a visible and permanent way. The Foundation engraves the name of each endowed scholarship, fellowship and student award at WVU into a brick. These bricks serve as the pathway of the Ernest L. Hogan Scholars Walk located directly in front of the University’s Downtown Library Complex.

# By the Numbers



## *FY 2008-09 Development, Finance, Investment Overview*

### Asset Management

Total Foundation assets were \$754 million as of June 30, 2009. Included in total assets is \$309 million in endowed assets, \$116 million in non-endowed assets for the benefit of WVU, and \$272 million managed by the Foundation as investment agent for WVU affiliated agencies including WVU Hospitals and WVU Research Corp.

### Gifts and Revenues

Gifts received/committed for the fiscal year totaled \$58.5 million, including \$2.0 million in gifts in-kind, which were passed through directly to the University and accordingly are not included in reported revenue.

The combined gifts/commitments were made by 20,928 donors in 34,704 transactions.

#### FY 2009 Gifts by Source Donors

Category	Donors
Alumni.....	51.2%
Friends.....	36.2%
Corporations.....	11.4%
Foundations/Trusts.....	1.0%
Estates.....	0.1%
Other.....	0.1%

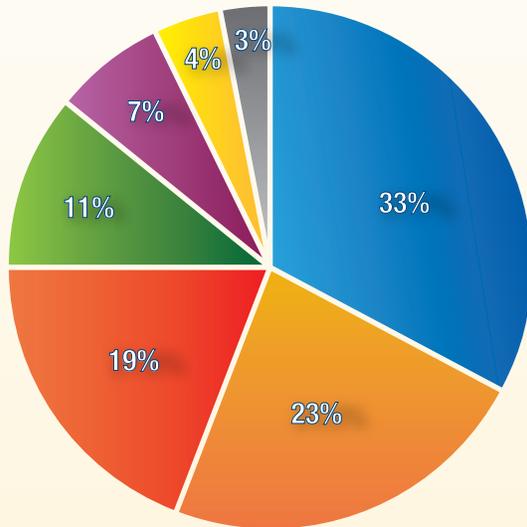
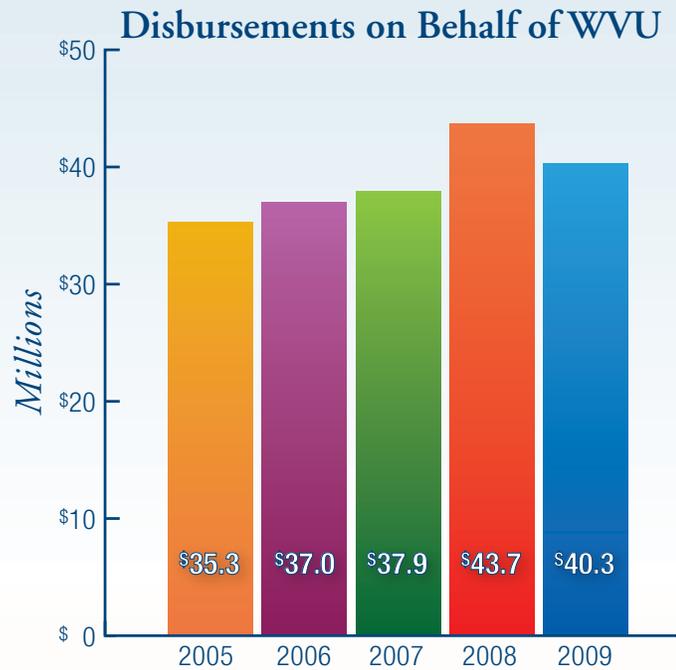
#### FY 2009 Gifts by Source Dollars

Category	Donors
Alumni.....	23.1%
Friends.....	10.9%
Corporations.....	37.9%
Foundations/Trusts.....	24.8%
Estates.....	3.0%
Other.....	0.3%

## Support

Donor gifts enabled the Foundation to disburse \$40.3 million in funds on behalf of the University to support many purposes, including scholarships and fellowships; academic program development; chairs and professorships; faculty development and research; equipment and facilities; and libraries. Over the past five years, the Foundation has provided the University with \$196 million in direct support.

Of the \$40.3 million disbursed in fiscal 2009 to the University, \$13.1 million (or 33%) was directed toward student scholarship support, which made attendance at WVU a reality for many students by easing the financial burden. Another \$7.7 million (or 19%) was directed toward salaries and benefits, which enabled the University to attract and retain high caliber faculty for teaching, research and public service.



## Disbursements by Function

- Scholarships
- Capital Projects & Equipment
- Salaries & Benefits
- Other Support
- Meetings & Events
- Professional Services
- Travel

## Operating Expenses

The Foundation's annual operating expenses were \$8.5 million during the 2009 fiscal year, representing 1.1% of total assets under management. Each donor's gift is applied directly to the purpose for which it is given. No unrestricted gifts are used to fund Foundation operations.

With total annual operating expenses of \$8.5 million (including both fundraising and fund management expenses), the Foundation's revenue-to-expense ratio for the fiscal year was nearly 7 to 1. Direct fundraising costs for the year were \$4.4 million. Fundraising costs compared to gifts received of \$58.5 million generated a revenue-to-expense ratio of 13 to 1.

## Investment Management

The 2009 fiscal year was the most extraordinary investment period in the 55-year history of the WVU Foundation. Never before had the Foundation witnessed an environment in which there were such swift and severe market losses affecting most asset classes and regions globally. For the first eight months of the fiscal year (July – February), the S&P 500 Index lost almost 42% of its value before recovering during the final four months of the year to finish down 26%.

The Foundation’s long-term investments were \$358 million at June 30, 2009, a decline of \$129 million (or -26.5%) from the previous year. The value of the Foundation’s investment pool declined from \$417 million to \$315 million (-29%) for fiscal year 2009.



Because of the perpetual nature of the Endowment, the asset allocation is designed to ensure that it generates positive absolute returns over a ‘market cycle’ (or five years). While the most recent rolling five-year period was negatively impacted by the fiscal year 2009 return, the Endowment has consistently met its objective.



	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Endowed Investment Pool	17.4%	12.6%	6.7%	3.2%	3.3%	2.5%	6.0%	11.6%	10.9%	1.1%
60% S&P 500 / 40% Bond Index	16.8%	12.1%	5.7%	2.4%	1.8%	1.9%	3.8%	8.3%	6.2%	0.9%

The endowed pool was invested in 90 funds managed by 38 asset managers. As of June 30, 2009, 29% of the long-term investment portfolio was invested in equities, 24% in fixed income, 20% in private capital, and 28% in other alternative investments.

The Foundation employed the services of the Charitable Asset Management Group of State Street Global Advisors for the life income accounts. These gifts are invested separately from the endowed portfolio in order to more closely match the needs and requirements of each individual donor. Two investment pools (equity and fixed income) have been established for this purpose and are diversified among several well-known mutual fund managers. Each life income portfolio is typically invested as a fixed percentage of each pool. Such gifts totaled approximately \$22.7 million at June 30, 2009.

## West Virginia University Foundation, Incorporated

### Condensed Statements of Financial Position

	June 30	
	2009	2008
	<i>(in Thousands)</i>	
<b>Assets</b>		
Cash and cash equivalents	\$ 25,457	\$ 38,503
Contributions receivable, net	34,405	24,020
Other receivables, net	4,845	5,403
Investments carried at fair value	632,087	848,991
Equity investment in limited partnership	4,089	4,164
Land, building, and equipment, net	23,337	24,493
Beneficial interest in external trusts at fair value	16,644	14,848
Other assets	<u>13,050</u>	<u>10,923</u>
Total assets	<u>\$ 753,914</u>	<u>\$ 971,345</u>
<b>Liabilities and net assets</b>		
Liabilities:		
Bonds payable, net	\$ 28,817	\$ 29,434
Accounts payable and accrued expenses	3,621	5,606
Accrued retirement benefits and deferred compensation	4,903	6,306
Annuities payable	10,387	11,576
Funds held in custody for others	<u>272,456</u>	<u>377,465</u>
Total liabilities	320,184	430,387
Net assets:		
Unrestricted	8,764	17,479
Net unrealized losses on donor restricted endowment assets below historical dollar value	<u>(39,358)</u>	<u>—</u>
Total unrestricted net (deficiency) assets	(30,594)	17,479
Temporarily restricted	192,352	261,695
Permanently restricted	<u>271,972</u>	<u>261,784</u>
Total net assets	<u>433,730</u>	<u>540,958</u>
Total liabilities and net assets	<u>\$ 753,914</u>	<u>\$ 971,345</u>

## West Virginia University Foundation, Incorporated

### Condensed Statements of Activity

	Years Ended June, 30	
	2009	2008
	<i>(in Thousands)</i>	
<b>Revenues and gains (losses)</b>		
Contributions	\$ 56,850	\$ 47,397
Investment earnings (losses)		
Net interest and dividends	6,429	11,378
Net realized (losses) gains	(7,299)	12,774
Net unrealized losses	<u>(121,461)</u>	<u>(33,512)</u>
Investment earnings (losses)	(122,331)	(9,360)
Revaluation of beneficial interests in external trusts	5,000	3,186
Lease revenue	1,975	1,975
Other revenue	<u>9,693</u>	<u>6,709</u>
Total revenues and gains (losses)	<u>(48,813)</u>	<u>49,907</u>
<b>Expenses and support</b>		
University Support		
Salaries and benefits	7,683	12,105
Scholarships	13,073	10,720
Travel	1,367	1,316
Meetings and events	3,000	3,301
Professional services	1,695	2,561
Capital projects and equipment	9,118	9,466
Other Support	<u>4,411</u>	<u>4,142</u>
	<u>40,347</u>	<u>43,611</u>
Foundation support	8,490	9,059
Interest and depreciation	<u>2,460</u>	<u>2,554</u>
Total expenses and support	51,297	55,224
Provision for uncollectible contributions	5,597	—
Net loss on revaluation of annuities payable	<u>1,521</u>	<u>1,037</u>
Total expenses and support	<u>58,415</u>	<u>56,261</u>
Change in net assets	(107,228)	(6,354)
Net assets at beginning of year	<u>540,958</u>	<u>547,312</u>
Net assets at end of year	<u>\$ 433,730</u>	<u>\$ 540,958</u>

## West Virginia University Foundation, Incorporated

### Condensed Statements of Cash Flows

	Years Ended June, 30	
	<u>2009</u>	<u>2008</u>
	<i>(in Thousands)</i>	
<b>Reconciliation of change in net assets to net cash</b>		
<b>(used in) provided by operating activities</b>		
Change in net assets	\$ (107,228)	\$ (6,354)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Actuarial gain on annuities payable	731	265
Amortization of discount on bonds payable	33	32
Increase in contributions receivable	(10,385)	(1,088)
Contributions restricted for long-term investments	(11,810)	(15,854)
Depreciation expense	1,296	1,302
Net realized losses (gains) on investments	7,299	(12,774)
Net unrealized losses on investments	121,461	33,512
Change in beneficial interest in external trusts	(5,000)	(7,488)
Changes in operating assets and liabilities	<u>(3,598)</u>	<u>(2,004)</u>
Net cash used in operating activities	<u>(7,201)</u>	<u>(10,451)</u>
<b>Cash flows from investing activities</b>		
Purchase of land, building, and equipment	(140)	(216)
Purchases of investments	(115,065)	(263,171)
Proceeds from sales and maturities of investments	<u>98,200</u>	<u>247,549</u>
Net cash used in provided by investing activities	<u>(17,005)</u>	<u>(15,838)</u>
<b>Cash flows from financing activities</b>		
Proceeds from contributions restricted for long-term investment	11,810	15,854
Payments on bonds payable	<u>(650)</u>	<u>(625)</u>
Net cash provided by financing activities	<u>11,160</u>	<u>15,229</u>
Decrease in cash and cash equivalents	(13,046)	(11,060)
Cash and cash equivalents at beginning of year	<u>38,503</u>	<u>49,563</u>
Cash and cash equivalents at end of year	<u>\$ 25,457</u>	<u>\$ 38,503</u>

## Condensed Reconciliations of Contributions

	Years Ended June, 30	
	2009	2008
	<i>(in Thousands)</i>	
<b>Contributions</b>		
Contributions received as gifts by the Foundation	\$ 58,516	\$ 63,390
In-kind gifts received directly by the University	(2,008)	(7,642)
Amounts reported as other revenue	(6,210)	(1,203)
Net impact of adjustments to contributions receivable	13,978	1,088
Life income gifts reclassified to annuities payable	(635)	(2,028)
Contributions from perpetual trusts reclassified to interest income	(716)	(976)
Life income gifts released from annuities payable due to termination of trust	502	218
Contribution recorded as agency liability	(6,577)	(5,450)
Contributions per statements of activity	<u>\$ 56,850</u>	<u>\$ 47,397</u>

## Independent Auditor's Report



We have audited, in accordance with auditing standards generally accepted in the United States of America, the statements of financial position of West Virginia University Foundation, Incorporated as of June 30, 2009 and 2008, and the related statements of activity and cash flows for the years then ended (not presented herein); and in our report dated November 2, 2009, we expressed an unqualified opinion on those financial statements.

In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated, in all material respects, in relation to the financial statements from which it has been derived.

*Dixon Hughes PLLC*

November 2, 2009



# News & Notes



2008-2009

## Foundation adopts new mission, vision statements and core values

New mission and vision statements, along with a set of core values, were adopted by the Foundation. They are designed to guide the organization and its employees in day-to-day operations.

The new mission statement reads, “The mission of the WVU Foundation is to enrich the lives of those touched by West Virginia University by maximizing private charitable support and providing services to the University and its affiliated organizations.”

The new vision statement is, “The WVU Foundation will be a model for excellence in fundraising, investment management and stewardship.”

The core values are integrity, service, professionalism, relationships, accountability and exceeding expectations.

All were developed with input from the Foundation’s Board of Directors, executive operating team and employee task force.

## Five WVU alums join Foundation board

Five WVU alums joined the WVU Foundation Board of Directors in August 2008. They are Irene C. Berger, Patrice A. Harris, Pamela M. Larrick, Benjamin M. Statler and Fred T. Tattersall.

Berger, of Charleston, has been a circuit court judge in Kanawha County since 1994, and was recently confirmed as a U.S. District Court Judge.

She earned her law degree from WVU in 1979 and a bachelor’s degree in mathematics in 1976.

Harris is medical director of the Fulton County Department of Mental Health, Developmental Disabilities and Addictive Diseases in Atlanta. She earned three degrees from WVU, including a bachelor’s degree in psychology in 1982, a master’s in counseling psychology in 1986 and a medical degree in 1992.

Larrick graduated from WVU in 1972 with a degree in journalism. She is an advertising and marketing consultant in New York City.

Statler is a retired coal executive from Naples, Fla. and McMurray, Pa. He earned his bachelor’s degree in mining engineering from WVU in 1973.

Tattersall is retired CEO of Tattersall Advisory Group (a Wachovia Bank subsidiary) and current chairman of 1607 Capital Partners LLC, an investment management company located in Richmond, Va. He graduated from WVU in 1970 with a bachelor’s degree in finance.

Each will serve a three-year term.



Berger



Harris



Larrick



Statler



Tattersall

## WVU board members honored at commencement

Three members of the WVU Foundation Board of Directors were recognized for extraordinary commitment to their alma mater at May 2009 commencement ceremonies.

Hank Barnette was inducted into the Order of Vandalia, WVU's highest honor for service, while Verl Purdy and Ben Statler were awarded honorary degrees for innovative and philanthropic efforts.

Barnette served on the WVU Board of Governors for several years, and has sat on numerous advisory boards for the University. Purdy is a pioneer in the field of chemical engineering. Statler and his wife Jo, who also received an honorary degree, have donated \$25 million to various programs at WVU.

## 2009 Outstanding Philanthropy Awards

**Dan and Betsy Brown** of Hilton Head Island, South Carolina, were honored for their commitment and generosity to WVU.

The Brown's support for the University includes creation of the Brown Family Faculty Development Funds for the College of Business and Economics and the Davis College of Agriculture, Forestry and Consumer Sciences. In 2002, the Browns endowed the Dan and Betsy Brown Lecture Series at WVU. They also have donated to funds supporting Mountaineer athletics, WVU's Adventure West Virginia program and renovations at Blaney House, home of WVU's president.

The Browns have been integral in the development of the WVU Creative Arts Center photography and computer-assisted design (CAD) laboratories – dedicated earlier this year as part of the Center's 40th anniversary celebration. The labs were named in honor of the Browns.

**Verl Purdy** was honored for his financial support of WVU and leadership as a volunteer.

A resident of Charlotte, North Carolina, Purdy serves alternate years as president and secretary of AGDATA, one of the largest agricultural, animal and human health data analysis and marketing companies in the world that he founded in 1984.



*From left, James Jasinski (representing Cogent and Ming Hsieh), Dan and Betsy Brown, and Verl Purdy*

He is currently vice chairman of the WVU Foundation Board of Directors and is an active member of the WVU Academy of Chemical Engineers. His generosity and leadership led to the renovation of the Alfred F. Galli Undergraduate Teaching Laboratory at WVU, and he made a personal commitment to teaching by establishing the Verl O. Purdy Faculty Chemical Engineering Fellowship. He also has supported the new Erickson Alumni Center and the Augusta Scholarship.

**Cogent Systems and CEO Ming Hsieh** have been generous contributors to WVU, especially in the area of forensic science.

Founded by Hsieh in 1990, Cogent has established itself as a global leader in providing biometric identification solutions to governments, law-enforcement agencies, and commercial enterprises.

Hsieh was drawn to WVU because of its world-class forensic and investigative sciences program. To benefit WVU, Cogent and the Hsieh Family Foundation, under Hsieh's direction, funded construction and outfitting of Ming Hsieh Hall and established two endowed professorships in the Eberly College of Arts and Sciences.



*More than 1,000 alumni, donors and friends took part in two tent parties prior to Mountaineer football.*

Cogent's gift of equipment provided the WVU forensic program with the finest laboratory available for automated fingerprint/palm print identification system (AFIS) teaching, training and research. State-of-the-art equipment includes fingerprint livescans and a fully functional AFIS with the latest generation of Cogent's Programmable Matching Accelerator server. Cogent also provided 25 AFIS workstations that allow students to conduct fingerprint editing and searches.

## Dale Hunt succeeds Dorothy Dotson as WVU Foundation VP for investments, CIO

Dale Marie Hunt became the WVU Foundation's new vice president for investments and chief investment officer in January 2009. She succeeded Dorothy "Dottie" Dotson who stayed on with the Foundation as senior advisor for investments. Hunt has served as the Foundation's associate vice president of investments. Also, Jennifer Cunanan, director, investments, was promoted to senior director.

Hunt joined the WVU Foundation in 2003. She spent 21 years as an investment banker in New York at Smith Barney, S.G. Warburg and Prudential Securities, and was most recently managing director of U.S. private placements at NatWest Markets and ABN AMRO. Hunt has a master's in business administration degree in finance from Pace University and a bachelor's degree from Boston College.

Dotson holds a political science degree from WVU. She spent 30 years on Wall Street as an investment banker before joining the Foundation in 1998. A Wellsburg, W.Va. native, she was inducted into WVU's Academy of Distinguished Alumni in



From left, Jen Cunanan, Dale Hunt and Dottie Dotson



Student athletes took part in a "Thank-a-thon" in the Foundation's call center to let donors to the Mountaineer Athletic Club know their support is appreciated.

1989 and conferred an Honorary Doctor of Law degree in 1991.

Cunanan began work with the Foundation in 2004. Prior to that, she worked as an investment consulting associate at Cambridge Associates in Boston and served as associate director, graduate programs, in WVU's College of Business and Economics. Cunanan earned her master's degree in business administration from WVU and a bachelor's degree in business administration from the University of Richmond.

## Mountaineer Line call center remodeled

The Foundation's Mountaineer Line call center was remodeled to include additional call stations, improved software and a fresh new look.

Established in 1999, Mountaineer Line employs students who call alumni and friends to solicit private support for WVU. It's a component of The University Fund, the Foundation's annual giving program. The Mountaineer Line is an integral part of the Foundation's fundraising efforts and is essential to maintaining donor relations.



The remodeled Mountaineer Line call center

# 2008-2009 Board of Directors & Officers



Members of the 2008-09 Foundation Board of Directors included, front row from left, Vivien P. Woofter, Craig H. Underwood, Marshall S. Miller, Janet Griffith Rogers, H. Smoot Fahlgren, Pamela M. Larrick, C. Peter Magrath. Middle row from left, James H. Chamberlain, Gary R. Pell, Dan R. Moore, Joan Corson Stamp, Sue Seibert Farnsworth, Ralph J. Bean, David W. Hamstead, C. Richard Daniel, Benjamin M. Statler, Verl O. Purdy. Back row from left, Robert A. McMillan, J. Franklin Long, John C. Harmon, Fred T. Tattersall, G. Ogden Nutting, Patrice A. Harris, Peter S. White, John C. Allen, Thomas E. Potter, R. Wayne King and Curtis H. Barnette. Not pictured: Irene C. Berger, Glen H. Hiner, E.G. "Ken" Kendrick, Thomas E. Messmore, and Robert L. Reynolds.

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J.F. Allen Company  
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Circuit Judge, State of West Virginia  
Charleston, WV

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Parkersburg, WV

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Atlanta, GA

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Arizona Diamondbacks  
Phoenix, AZ

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WVU Foundation  
Morgantown, WV

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Bluefield, WV

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Morgantown, WV

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Jefferson Distributing Company  
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Marshall Miller & Associates  
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Jackson Kelly  
Charleston, WV

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AGDATA  
Charlotte, NC

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Concord, MA

**Janet Griffith Rogers '60, '63**  
Thoughtfulness, Inc.  
Granville, WV

**Joan Corson Stamp '73**  
Wheeling, WV

**Benjamin M. Statler '73**  
Naples, FL & McMurray, PA

**Fred T. Tattersall '70**  
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Richmond, VA

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Underwood Partners  
Boston, MA

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The White Planning Group  
Charleston, WV

**Vivien Perrine Woofter '52, '98 Hon.**  
U.S. Department of State  
Arlington, VA

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## Our Mission



*“To enrich the lives of those touched by West Virginia University by maximizing private charitable support and providing services to the University and its affiliated organizations.”*



West Virginia University Foundation  
One Waterfront Place, Seventh Floor  
Morgantown, WV 26507-1650  
304.284.4000 • 800.847.3856  
[www.wvuf.org](http://www.wvuf.org)