

## University at Albany Foundation Annual Report 2002-2003

### Helping to Build Brain Power for the 21st Century

Established in 1967 to encourage and manage philanthropic support, the University at Albany Foundation today helps to advance the University's strategic goals through a range of initiatives.

Besides recording, reporting and managing gifts and grants, the Foundation fosters the ongoing growth of the East Campus, which the Foundation owns and manages for the University, and sponsors efforts to build the University's ties to the community. The Foundation also provides stewardship for assets held in trust, maintains endowment and other donor and departmental accounts, and oversees asset investment and real property management.

During 2002-2003, the University attracted \$37.7 million in private support, primarily from corporate sources. Of that amount, the Foundation logged \$7.307 million in gift commitments. Much of the overall amount went directly to campus units engaged in instructional and research activities; the University's Institute for Materials and its associated units received the greatest portion of this support in the form of scientific and technological equipment. Additional corporate and foundation grants received through the SUNY Research Foundation supported a variety of institutional purposes.

### Gift Highlights

The generosity of donors established endowments and professorships, and helped to strengthen programs and develop facilities. Support from individuals totaled \$5.885 million, including \$1.475 million in bequest intentions.

Professor Emeritus Pauline Vaillancourt and her sister, Murielle Vaillancourt, made a \$500,000 commitment to establish a named professorship in medical research. Alumna Mary Nicholaou, M.L.S. '61, committed \$500,000 in memory of her parents, Procopios and Kalliope Grimanelli Nicholaou, for the teaching of Hellenic studies. Interim School of Business Dean Paul Leonard, B.S. '75, M.B.A. '76, and his wife, Kristine G. Leonard, B.A. '75, M.A. '76, have

made a major bequest to endow a scholarship fund that will benefit students who transfer to the University from community colleges. In their desire to assist students, the wife, family, and friends of the late Dean of Education



Alice Hastings Murphy, M.L.S. '40, has made a \$500,000 estate commitment to support the University Libraries.

Ralph Harbison have raised almost half of the \$500,000 required to establish a graduate fellowship in his name for a student from a developing nation. Meanwhile, a \$500,000 estate commitment from former Director of University Libraries and alumna Alice Hastings Murphy, M.L.S. '40, will support the libraries, an institutional resource she oversaw in the 1950s and '60s as UAlbany transformed itself from a college to a university.

Other estate commitments have already come to fruition. The University received the \$276,000 remainder portion of a trust set up by Professor Emeritus Arvid J. Burke '28 and his wife, Mary, to support an education scholarship and a biology fellowship, bringing to \$500,000 the Burkes' total contribution. With a \$445,000 second distribution from her estate, Carla V.R. Delray '42 benefited the University's life sciences program; her bequest totals \$1.3 million. In addition, the Foundation's Charitable Gift Annuity Program attracted more than \$1.52 million from 26 new gift annuities.



Corporations and foundations have likewise continued to express support for the University. Corporate contributions totaled \$739,000, while foundation support equaled \$505,000 for a total of \$1.244 million from these two sources.

Pfizer, Inc., donated \$100,000 to the Life Sciences Research Initiative, while BBL Construction Services committed \$100,000 for a scholarship fund for exceptional undergraduates in financial need. The William Randolph Hearst Foundation augmented its Hearst/School of Public Health Minority Fellowship Fund with a \$150,000 endowment grant. In-kind support totaling \$180,200 came from WRGB-TV, which co-produces the Sunday morning program "Business Matters" with UAlbany.

Other organizations donated \$209,000, and the University's Annual Fund attracted \$1.38 million in outright support from over 13,600 donors through both mail and telephone solicitation. Details on donor categories and contribution designation are shown in the accompanying charts.

## East Campus

The East Campus — the home of the George Education Center, where the University's School of Public Health is located, and a hive of activity for biotechnological and biomedical research — continued to grow this past year. In June, New York State Senate Majority Leader Joseph L. Bruno joined President Karen R. Hitchcock and Gen\*NY\*Sis Center for Excellence in Cancer Genomics Director Paulette McCormick to break ground for the center. The state has committed half of the projected cost of the \$45 million Gen\*NY\*Sis (Generating Employment Through New York Science) Center, which is slated for completion in October 2004.

A highlight of the groundbreaking was the presentation of a \$65,000 check to the Fund for Memory and Hope by Mary Polsinello Hanley in memory of her late son, James.

McCormick and her Gen\*NY\*Sis Center colleagues are already conducting research that will benefit those battling the disease. Their work includes the study of the use of both natural and synthetic derivatives of Vitamin A, or retinoids,

in therapy, as well as the role of cell-surface lysosomal associated membrane pattern (LAMP) in tumor progression and metastases. Taconic Biotechnology, already located at the East Campus, plans an expansion; its researchers will join University scientists at the center. Other firms also will likely seek space in the facility.

## Councils Build UAlbany's Ties to Community

The Council for Economic Outreach, chaired by Robert Schwartz, and UAlbany produced "Business Matters," the only business program in the U.S. produced and sponsored by a university and broadcast on commercial television. Airing Sundays at 11 a.m. on WRGB, Channel 6, the show features interviews of Capital Region entrepreneurs and profiles of their businesses. Ranked second in its time slot — viewership has increased by 200 percent since its debut two years ago — "Business Matters" has hosted more than 200 guests to date. The Troy Savings Bank, the New York Business Development Council (NYBDC), WRGB, and the Council for Economic Outreach (CEG), the program's original sponsors, were joined last year by Hudson River Bank & Trust and the Dorfman-Robbie Group.

Several other events supported by the Council for Economic Outreach also helped build UAlbany's partnerships with the business community. The sixth annual Technology Symposium, Shifting Gears to Gain



From left, Mary Polsinello Hanley, Murray Blair and President Karen Hitchcock at the groundbreaking of the Gen\*NY\*Sis Center for Excellence in Cancer Genomics. Hanley presented a \$65,000 check to the Fund for Memory and Hope in memory of her son James.



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Market Share, co-hosted with the American Marketing Association's Capital Region chapter, was held February 27 at The Desmond Hotel & Conference Center in Albany. At a reception at UAlbany hosted by President Hitchcock before the main program, the University at Albany Excellence in Entrepreneurship Award was presented to Robert Higgins of Trans World Entertainment, one of the nation's largest specialty music and video retailers.

In March, council members David Pollitzer of the Herzog Law Firm and Arlen Olsen of Schmeiser, Olsen & Watts underwrote a spring speaker series event at the Crowne Plaza in Albany. Daniel Walsh, president and CEO of the Business Council of New York State, spoke. At a Community Forum Lunch and program at the Crowne Plaza June 2, SUNY Chancellor Robert King was the featured speaker.

### Community Council

The Community Council, chaired by James Pantan, has undertaken a review of its charge in an effort to avoid duplication of effort with similar community outreach activities sponsored by various campus units. The Council has exercised leadership in the past in implementing the Foundation's annual Citizen Laureate Program and been involved with University Art Museum activities.

### Fiduciary Management

The assets of the Foundation grew to \$37.5 million and the investment portfolio stood at \$15.4 million as of June 30, 2003. Montag and Caldwell and Victory Asset Management manage the Foundation's equity investments that represent approximately 70 percent of the portfolio. The remaining 30 percent is invested in fixed income instruments managed by the Common Fund.

The Foundation's Pooled Income Fund, valued at \$501,000, is administered by Fleet National Bank, and Fiduciary Trust Company International manages the Charitable Gift Annuity Program, valued at \$3.9 million.

Total Foundation revenue was \$11.25 million, and general and administrative expenses were \$699,000 or 6.2 percent. Philanthropic support totaled \$7.307 million, while fund-raising expenses were \$688,000, or 9.4 percent. Expense recovery fees charged to cash gifts and grants totaled \$518,000.



Chemistry Professor Igor Lednev and students work together during a laboratory class session.

The expense recovery fee schedule was revised for 2003-2004 to more equitably allocate fee revenue to the various gift categories. The reductions affected Annual Fund contributions, deferred gifts, and donations from corporations and foundations.

For the year ending June 30, 2003, the fee applied to Annual Fund contributions was 26 percent, with an additional reduction to 24 percent effective for the fiscal year beginning July 1, 2003 and a further reduction to be considered as of January 1, 2004. Expense recovery fees are applied to various types of deferred gifts and to other donations from individuals on a declining scale of 15 percent, 10 percent, and 5 percent as the gift value increases, with no fee beyond a set cap. The fees for corporate and foundation contributions are applied on a declining scale of 10 percent and 5 percent as the gift value increases, with no fee beyond a set cap.

### Endowment Performance Summary

Period	Total Return
1 year	1.94%
3 year	-3.31%
5 year	1.25%
10 year	8.43%

**Balance Sheet**

Unaudited, June 30, 2003

**ASSETS**

Cash & cash equivalents	\$2,889,068
Accounts receivable	1,101,562
Prepaid expenses & other current assets	77,403
Long-term investments	17,225,561
Pledges receivable	1,495,435
Property, plant & equipment, net of accumulated depreciation	13,884,193
Artwork collections	793,952

**TOTAL ASSETS** **\$37,467,174**

**LIABILITIES AND NET ASSETS**

Accounts payable & accrued expenses	\$828,723
Discount for future interest	204,383
Long-term debt	6,032,601
Net assets	\$30,401,467

**TOTAL LIABILITIES & NET ASSETS** **\$37,467,174**

**Statement of Activities**

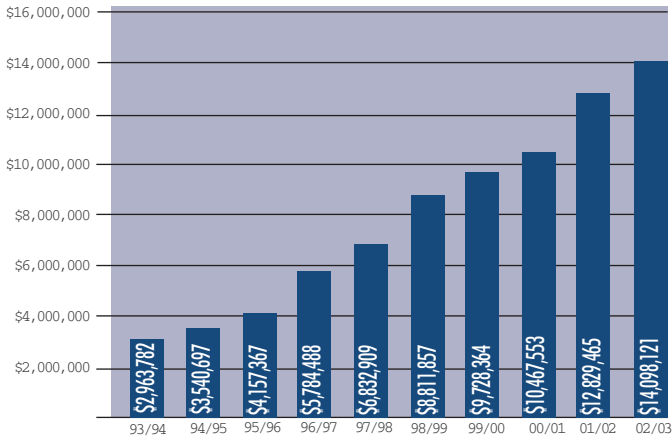
Unaudited, June 30, 2003

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT AND REVENUE:</b>				
Contributions, gifts & grants	\$3,132,524	\$546,907	\$1,753,857	\$5,433,288
In-kind services	805,789	—	—	805,789
Program activities revenue	184,823	223,527	—	408,350
Administrative fee income	309,964	—	—	309,964
Rental income	4,018,807	—	—	4,018,807
Investment income & net depreciation	206,391	525,907	(451,018)	(281,280)
Net assets released from restrictions	1,117,400	(1,117,400)	—	—
<b>TOTAL SUPPORT &amp; REVENUE</b>	<b>9,775,698</b>	<b>178,941</b>	<b>1,302,839</b>	<b>11,257,478</b>
<b>EXPENSES &amp; EQUITY TRANSFERS:</b>				
Program services	2,608,279	—	—	2,608,279
Real Estate	5,175,736	—	—	5,175,736
Fund-raising activities	688,408	—	—	688,408
General & administrative	699,118	—	—	699,118
Equipment transfers	552,954	—	—	552,954
<b>TOTAL EXPENSES &amp; EQUITY TRANSFERS</b>	<b>9,724,495</b>	<b>—</b>	<b>—</b>	<b>9,724,495</b>
<b>CHANGE IN NET ASSETS</b>	<b>51,203</b>	<b>178,941</b>	<b>1,302,839</b>	<b>1,532,983</b>
<b>Net assets, beginning of year</b>	<b>9,850,920</b>	<b>7,562,111</b>	<b>11,455,453</b>	<b>28,868,484</b>
<b>Net assets, end of year</b>	<b>\$9,902,123</b>	<b>\$7,741,052</b>	<b>\$12,758,292</b>	<b>\$30,401,467</b>

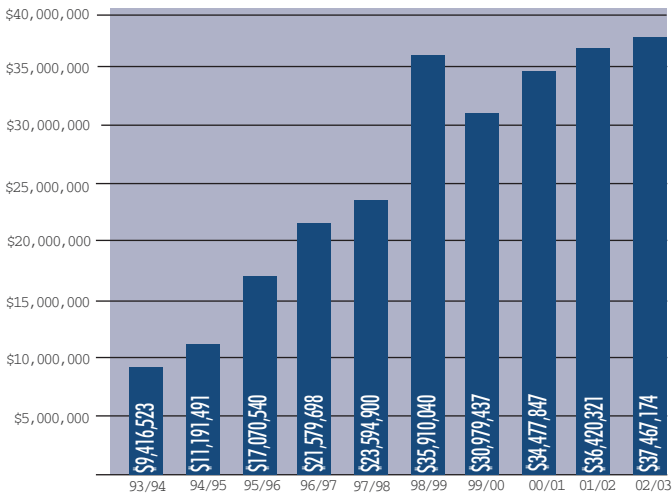


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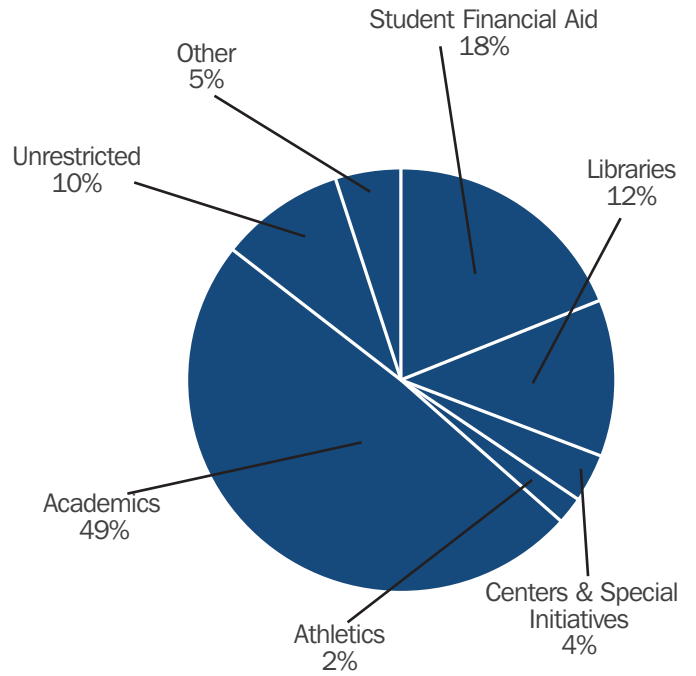
## Endowments Funds



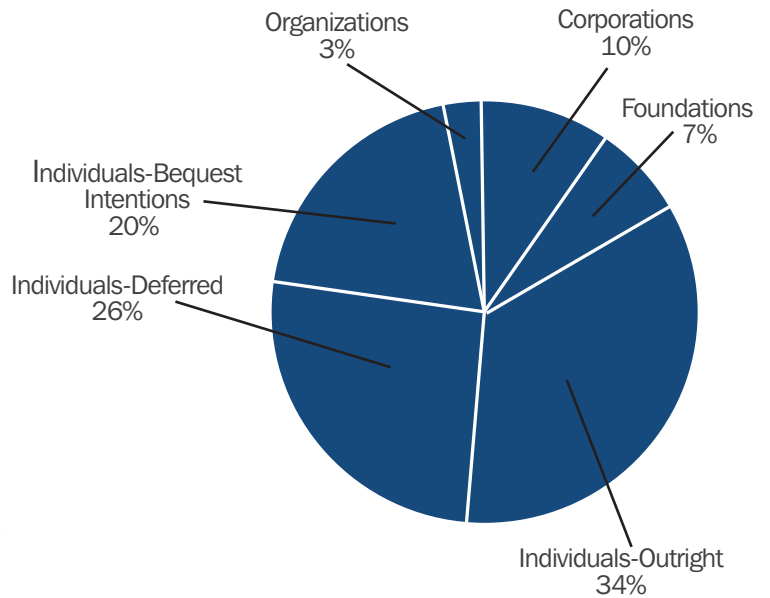
## Total Assets



## Private Support by Purpose



## Private Support by Source





# The University at Albany Foundation

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