



Strengthening UConn
one
[*relationship*]
at a time

2016 Endowment Report

Strengthening UConn One Relationship at a Time

[Our Mission



"I know firsthand the power of philanthropy to change lives."

It's all about relationships

I am pleased to share with you the 2016 Endowment Report for the UConn Foundation. Thank you for making our success this year possible through your continued support and friendship.

I chose this career path because I know firsthand the power of philanthropy to transform lives. I am forever grateful to the donors who supported my aspiration to earn a college degree. I couldn't think of a better way to channel my skills and energy than to work side by side with like-minded benefactors like you to support higher education.

It is truly my privilege to work with donors who are deeply dedicated to our great University and eager to invest in perpetuity to ensure its continued excellence. Your long-term endowment is symbolic of your strong ties to UConn and your vision for its future.

On behalf of the UConn Foundation and the University, I extend our sincerest thanks. We share your passion.

With gratitude,

Joshua R. Newton
President and CEO



Phyllis and Gary Gladstein '66 '08H

“**All civilizations must learn** to share and respect the human rights of others. The true differences around the world are not between different religions or races, but more about those who embrace peace and those who would destroy it. We can all do much better when we work together.”

Gary Gladstein '66 '08H

donors *and* alumni

Philanthropy is transforming human rights at UConn

Long-time colleagues and friends joined forces to make the largest donation ever to the UConn Human Rights Institute, positioning UConn—already renowned for its human rights program—as the world’s foremost center for researchers to uncover new knowledge and effect change around the globe, and for students seeking to become the next generation of human rights experts. Alumnus Gary Gladstein '66 '08H and his wife, Dr. Phyllis Gladstein, teamed with philanthropist and business magnate George Soros to donate \$4 million for scholarships and programming.

But the story doesn’t end there. To inspire and engage others in the effort to support human rights programming and education, Soros added a challenge that the UConn Foundation needs to raise another \$2 million in matching funds. We are grateful for his help in encouraging more alumni and friends to give and build a relationship with the UConn Human Rights Institute. Together the funds will establish a \$6 million endowment that supports undergraduate scholarships, graduate fellowships, internships, and programming.

The magnitude of this gift and of 20 years of increasing giving by Gary and Phyllis Gladstein as well as Gary’s late wife, Judi, cannot be overstated. Gary, while celebrating his 50th reunion this year, maintains a steadfast bond with his alma mater that has strengthened not only UConn but also the field of human rights. The Gladsteins’ and Soros’s call to action will undoubtedly make a difference in the lives of vulnerable persons worldwide.



UConn students studying in Guatemala.



George Soros

“I was a child in Hungary when the Nazis invaded.

I then lived under Soviet rule, so I know what it is like to live under brutal regimes that deprive people of their basic human rights. I am pleased to support UConn’s critical work in researching and promoting human rights. I am glad to partner with Gary to help build UConn’s program.”

George Soros



Regenerating a human limb

“In addition to support for my work from the Van Dusen Chair, the Institute of Regenerative Engineering receives critical funding from Raymond and Beverly Sackler. That generosity fuels our advances, and we are so very grateful. In 2015, we started a new initiative called the Hartford Engineering a Limb (HEAL) project to regenerate complex tissue structures such as a knee or whole limb.”

Cato T. Laurencin, MD, PhD
Albert and Wilda Van Dusen Chair

On Veterans Day 2015, UConn announced a research challenge led by Dr. Laurencin to regenerate a human knee within seven years and an entire limb within 15 years. In recognition of his pioneering work in the new field of regenerative engineering, Dr. Laurencin was presented the 2015 National Medal of Technology & Innovation by President Barack Obama on May 19, 2016. He also was awarded the 2016 Connecticut Medal of Technology from the Connecticut Academy of Science and Engineering.

donors *and* faculty

Investing in the innovators

The bedrock of any great institution is a superb faculty and a strong foundation of philanthropic support to help professors do what they do. At UConn, top-flight faculty are the backbone of nationally recognized academic, research, and patient care programs thanks in large part to enduring relationships between donors and the University. With the long-term support of their endowed positions, chair and professorship holders across UConn make strides in their fields that earn them an impressive array of awards in recognition of their groundbreaking research that is improving the human condition.



Richard Wilson, PhD

Building international cooperation for human rights

“The Gladstein Chair supports the excellent work of the Human Rights Institute, which continues to forge ahead at the forefront of research, outreach, and education in human rights. In a year when Gary and Phyllis Gladstein provided significant additional support, we can only express our sincere gratitude for their profound generosity and longstanding commitment. Gary and Phyllis: We thank you and salute you!”

RICHARD WILSON, JUDI AND GARY GLADSTEIN DISTINGUISHED CHAIR IN HUMAN RIGHTS

Wilson founded the Human Rights Institute at UConn in 2002. Last year he was awarded a fellowship from the Institute for Advanced Study at Princeton to study propaganda and hate speech in the Balkans, Kenya, and Rwanda. The new knowledge derived from his social science research will help international criminal courts better understand what constitutes hate speech and what constitutes inciting violence or genocide.



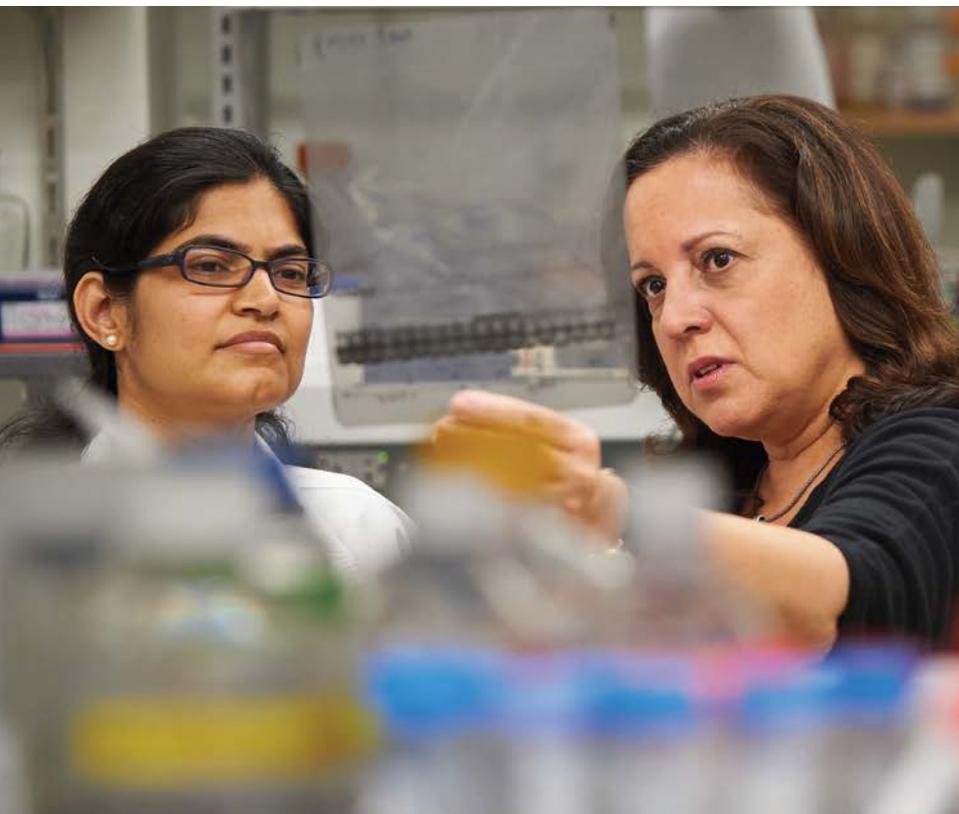
Jerzy Weyman, PhD

Solving mathematics puzzles and advancing science

“I am really grateful to the Sidney family for all that their gift helps achieve. The professorship allows me to organize various kinds of scholarly activities as well as support my coauthors, postdocs, and graduate students.”

JERZY WEYMAN, PHD, STUART AND JOAN SIDNEY PROFESSOR OF MATHEMATICS

Weyman received the prestigious 2016 Sierpinski Medal, which is awarded annually by the Polish Mathematical Society and the University of Warsaw to recognize Polish mathematicians for scientific achievement.



Curing heart disease and infertility

The groundbreaking research by Annabelle Rodriguez-Oquendo, MD (right) into the link between historically “good” HDL cholesterol and infertility is poised to help millions of women. The Linda and David Roth Chair for Cardiovascular Research was presented the Women of Innovation Award for Research Innovation and Leadership by the Connecticut Technology Council. Her research led to two patents for a test for this genetic trait and a startup company—part of the UConn Technology Incubation Program—that’s developing a drug to treat it.



your investment *and* our growth

Portfolio overview

Prepared by
Gerald J. Ganz, Jr., MBA, CPA, CGMA
Vice President of Finance and Administration

During a challenging year for investors, the UConn Foundation's long-term investment portfolio, which includes most of the Foundation's endowment, returned -0.30 percent. Fiscal year 2016 was marked by falling oil prices, exceptionally high stock market volatility, a slowing Chinese economy, and highly unpredictable monetary policy across the globe. However, the Foundation's portfolio outperformed its primary benchmark, which lost -1.81 percent. Moreover, early reports suggest that the Foundation's portfolio performed significantly better than peer universities.

The portfolio's strongest performance came from the fixed income asset class, which posted a surprisingly strong 8.68 percent return after the Federal Reserve pared back its interest rate hike plans. Private real estate investments posted exceptionally strong returns as well, with most managers generating double-digit performance. However, return from private real assets in total was weighed down by exposure to energy-related investments, which experienced significant losses as oil prices fell sharply during the fall months. Collectively, private real assets ended the year with a respectable 5.32 percent return. In addition, new investments in distressed credit strategies performed well as market volatility provided these funds with a number of market opportunities.

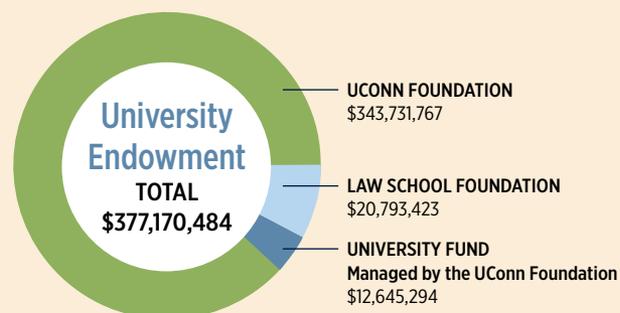
The worst performing portfolio holdings were marketable energy-related investments. These investments continued to be challenged by low oil prices and a contracting energy sector. Although they posted significant gains in the last few months of the fiscal year, they ended the period down -13.72 percent

**\$377.2
million**

Total University
Endowment

Total University Endowment

Here is the market value of the total endowment for UConn. Endowed funds are held by the UConn Foundation, the University, and the Law School Foundation (which supports the UConn School of Law exclusively). The UConn Foundation coordinates the investment and management of its portfolio and the endowed funds held by the University. The Law School Foundation manages its portfolio.



Endowed Support for Top Priorities

Endowed funds support key purposes like scholarships for undergraduate, graduate, and professional students; faculty support to recruit and retain eminent scholars and scientists and provide the resources they need to achieve excellence; and programmatic enhancements across UConn. Gifts to endowed funds are invested to provide vital support for UConn's mission in perpetuity.

TOP PRIORITIES	TOTAL ENDOWMENT
Scholarships	\$157,516,611
Faculty	107,186,332
Programs	112,467,541
TOTAL	\$377,170,484

Additional negative performance came from portfolio diversification strategies, which returned -3.76 percent. While this bucket had historically provided modest positive performance during negative markets, the environment during the last two quarters of the year was largely unaccommodating to trend-following and quantitative investment strategies.

The Foundation's long-term portfolio is now \$326.6 million. UConn's total endowment—including endowed funds held by the UConn Foundation as well as endowed gifts to the University and the Law School Foundation—is now \$377.2 million. Despite challenges in recent years, the UConn Foundation's portfolio seven-year annualized return is 6.75 percent.

Strengthening UConn One Relationship at a Time *[through Endowments]*



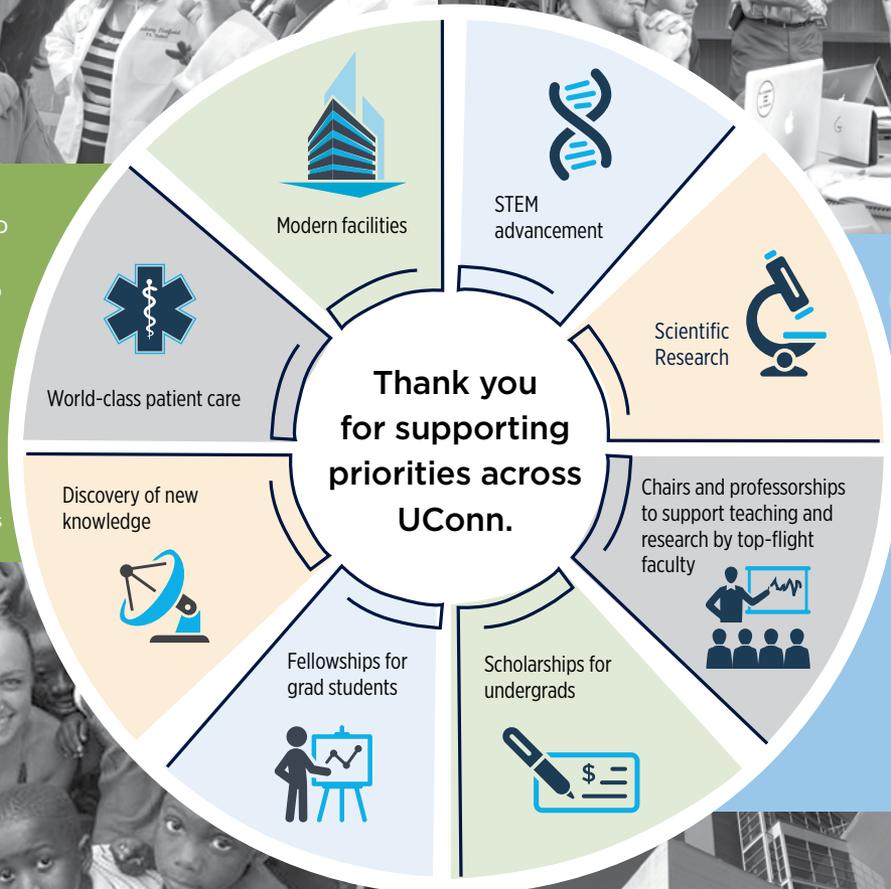
“The GE Professorship has provided me the resources to develop degree programs and research collaborations in China, India, Turkey, and France.”

Ram Gopal, PhD
GE Professor of Business



“The support of the Murray-Heilig Endowment has been fundamental to our effort to advance knowledge and human health, and we are tremendously grateful.”

Andrew Arnold, MD
Murray-Heilig Chair in Molecular Medicine



“The Friar Chair has provided support for me and my PhD students to work with NASA on how to best compose long-duration flight crews, and train them to be self-sustaining and adaptable for potential Mars Missions.”

John E. Mathieu, PhD
Friar Chair in Leadership and Teams



You and UConn,
*a vital relationship
that strengthens
community
and transforms
lives.*

A personalized summary of your
endowment activity is enclosed.

UConn Recreation Climbing Center

Students build strength and relationships as they tackle different levels of the rock wall.

UConn
FOUNDATION

STRENGTHENING UCONN
ONE RELATIONSHIP AT A TIME

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