



YOUR PARTNER IN PHILANTHROPY



2013 ANNUAL REPORT • BALL STATE UNIVERSITY FOUNDATION

YOUR PARTNER IN PHILANTHROPY

Dear alumni and friends:

In our first year as chair and president, we have been moved by the **strong spirit of philanthropy** exhibited by those who are passionate about Ball State and its future. We are proud of the role that Ball State University Foundation plays in that process.

For more than 60 years, the foundation has partnered with alumni and friends who are creating personal and compassionate ways to help Ball State thrive. We and our colleagues in University Advancement are dedicated to building and nurturing those relationships—just as our donors are committed to creating life-changing experiences for our students.

Thanks to the generosity of our donors, good work of our partners in University Development, prudent investment policies, and sound financial management, foundation assets have grown to **more than \$216 million** in fiscal year 2013, and **\$18 million has been provided to support students, projects, and programs campuswide** during that time.

This year's annual report provides both a snapshot of fiscal year 2013 and a spotlight on the ways we serve and support our donors and the university.

We thank you for your ongoing support and commitment to the people, programs, and progress of Ball State.



Peter F. Campanella
Chair, Board of Directors
Ball State University Foundation

Cheri E. O'Neill
President and CEO
Ball State University Foundation



CARDINAL COMMITMENT

Developing Champions.



Our \$20 million Cardinal Commitment campaign includes thoughtful, strategic improvements for softball, baseball, men's and women's golf, football, men's and women's basketball, and men's and women's volleyball.

For more information or to give, go to bsu.edu/commitment.

Focusing on **WHAT WE DO**

Through the Ball State University Foundation, you have a direct impact on the quality of education available to students today and tomorrow.

Private gifts help the university and its students achieve levels of excellence not possible through state assistance alone. Our mission is to provide **the greatest sustainable support** for Ball State by promoting, accepting, and maximizing private contributions in many areas including scholarships, academic programs, and faculty compensation. We also prudently manage, invest, and steward the assets entrusted to us by you, our generous donors.

We are governed by a **dedicated 31-member board of directors**, comprised of individuals with varied backgrounds such as business, banking, investing, higher education, law, and nonprofit leadership. The board currently has six active committees: executive, investment, operations, philanthropy, audit, and committee on directors.

We help create a **POSITIVE GIVING EXPERIENCE**

Over the years, we have helped donors like you experience the joy of giving. Whether contributing to the Ball State Fund—to be used for the greatest needs of the university—or providing support for scholarships, academic programs, faculty, departments, programs, or Ball State's innovative immersive learning programs, we're here to offer **options, opportunities, resources, and personnel** to facilitate the gift-giving process. We also provide **professional counsel** for those wishing to **leave a legacy** through a planned or deferred gift.

Giving back to help others succeed can be very gratifying, and we strive to make your giving experience **simple, satisfying, and meaningful**.

To learn more, contact us, visit bsu.edu/bsufoundation, or like us on Facebook.

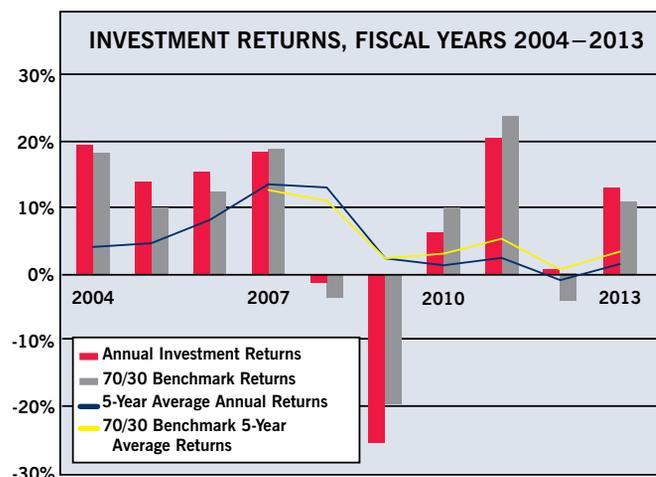
We provide **EXCEPTIONAL STEWARDSHIP**

The foundation is focused on **responsibly managing your generous gifts**. We strive to nurture and build lasting relationships between Ball State and those who assist the university with private support by **keeping you informed and engaged**.

Driven by the principles of fiscal responsibility, accountability, and responsible stewardship, we proudly pledge the following commitments:

- Contributions are acknowledged in a timely, accurate, and appropriate manner.
- Donors are recognized in meaningful ways while adhering to any stated wishes of anonymity.
- Reports to donors are consistent and accurate and reflect the impact of their financial contributions.
- We collaborate with the university to ensure that donor gifts are used for purposes for which they were intended.

We have also adopted the national standard **Donor Bill of Rights**, which is available by request and on our website.



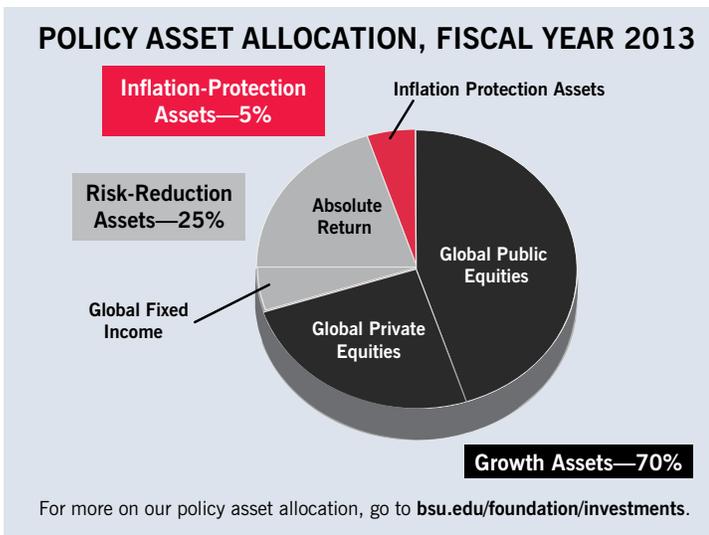
“Most people have more resources than they realize, and through the power of estate planning, they can reach their philanthropic goals, giving a larger gift than might be possible in their lifetime.”

Penny Ralston, '71, Foundation Board Member and Bequest Donor

We make SMART INVESTMENTS

To provide support for the students and programs of Ball State, we continue to refine our investment program and its governance process to adapt to the changing investment climate and its opportunities.

The objective of the foundation's investment policy is to provide a rate of return over inflation to allow the fund you have so generously established to continue to provide a high sustainable level of support to Ball State University. The policy balances attaining the highest total rate of return with a prudent level of risk, generating resources to meet the current and future needs of the university and its students.



This balancing act is accomplished through the teamwork of our Investment Committee, responsible for setting investment policy and objectives, along with an internal chief investment officer and external investment manager, who work together to manage our investment portfolio, oversee due diligence activities, monitor investment results, and develop new investment initiatives.

Our assets are invested in a broadly, globally diversified portfolio of public and private investment strategies in a process that **allows us to adapt to dynamic investment markets**.

The results are investment returns that consistently meet or outperform standard benchmarks. Please refer to the 2013 Financial Picture for more information on our investment returns.

How you can MAKE A DIFFERENCE

There are many ways to form your own partnership with Ball State. No matter how you choose to give, **your generosity will make a difference** in the lives of our students and the future of the university. Gifts to Ball State are tax deductible, and planned gifts, such as bequests, gifts of real estate, beneficiary designations of life insurance and retirement plans, and life income plans, offer many more attractive tax-savings and personal benefits.

We are pleased to recognize the many alumni, friends, organizations, and corporations whose gifts reflect commitment and loyalty to Ball State and its future with membership in one of our giving societies.

To learn more about these opportunities, visit bsu.edu/giving.

Ways to Give

Annual Gifts • Annual or Multiyear Pledges • Endowed Gifts • Expendable Gifts • Planned or Deferred Gifts • Corporate Matching Gifts • Donor Advised Funds • Honorary and Memorial Gifts

How to Give

Cash • Credit Card • Stock • Securities • Savings Bonds • Real Estate • Tangible Personal Property • Retirement Plan Assets • Life Insurance

University Priorities

Ball State Fund • Student Scholarships • Faculty Compensation • Academic and Immersive Learning Programs • Colleges • Departments • Facilities • Technology • Athletics



“Private funding has given me the opportunity to research in the areas of storytelling and science. I would not have been able to present at the national conference without that assistance.”

Linda Taylor, Assistant Professor
Department of Elementary
Education

Fiscal Year 2013

FINANCIAL PICTURE

Investments

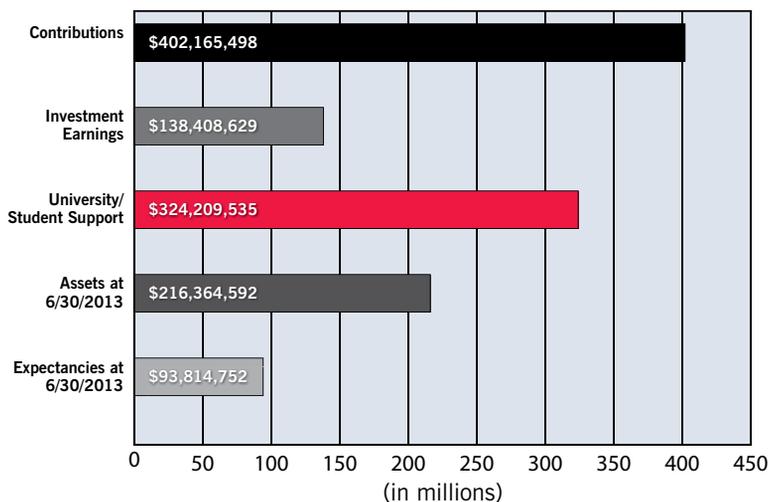
In fiscal year 2013, the present and future impact of donor funds was magnified by investment returns of 13.4 percent. During the past 10 years of volatile markets, our investment returns averaged 7.2 percent, slightly ahead of the benchmark of 70 percent global equities and 30 percent global fixed income, but with less volatility.

Assets and Contributions

Foundation assets total more than \$216 million. In fiscal year 2013, alumni and friends made contributions of \$17.9 million; total contributions since the foundation was established in 1951 surpassed \$402 million. Future gifts, such as bequests, life insurance policies, property, and life income plans, have grown to more than \$93.8 million.

Thanks to the generosity of our donors, along with our prudent investment policy and sound financial management, the foundation is a vital partner for the university, providing support in many areas. During fiscal year 2013, the foundation provided \$18 million in support to the university with total assistance exceeding \$324 million since the foundation was established.

SUMMARY OF FINANCIAL ACTIVITY 1951–2013



New Endowments, Fiscal Year 2013

- TJ Ault Business Management Scholarship
- Emens Scholarship in honor of David W. Bahlmann
- Terry L. Hunsucker Scholarship
- Laura Kraska Scholarship
- Barbara H. Lowe Scholarship
- Fred F. Lowe Scholarship
- Fred Meyer Lectureship
- Muncie Lions Club Scholarship
- Jim & Rita Myers Fund for Accounting Excellence
- Dr. Robert R. and Mrs. Harriet M. Pinger Award for Student Travel
- Jeff and Susanne Prather International Travel Scholarship
- Marshall E. Rinker Sr. Foundation Study Abroad Scholarship
- Harlan H. Roepke Field Studies Award
- Judith Roepke Scholarship
- Shawger Scholarship



“My scholarships allows me to pursue many rich and varied experiences, which have ultimately made me a stronger actor and a stronger person. I spent the past two summers in the United Kingdom taking extra theatre courses and working to use theatre with those who have learning disabilities—both of which were life-changing experiences. No other school could have provided me with the combination of resources and financial support to make these experiences happen.”

Talley Gale, Acting
Recipient of the Ed Strother Award



Holden Strategic Communications Center

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Total Foundation	2013	2012
Revenue, Gains, and Other Support		
Contributions and promotional activities	\$17,930,649	\$9,164,035
Investment income, including net realized and unrealized gains	20,708,929	1,733,084
Rental and other income	591,922	139,702
Total revenue, gains, and other support	\$39,231,500	\$11,036,821
Expenses		
University programs, including capital projects	15,645,886	11,107,665
Management and general	2,009,594	1,715,899
Fundraising	3,546,563	3,598,425
Total expenses	\$21,202,043	\$16,421,989
Change in net assets	\$18,029,457	(\$5,385,168)
Unrestricted		
Revenue, Gains, and Other Support		
Contributions and promotional activities	\$916,406	\$799,208
Investment income, including net realized and unrealized gains	7,241,643	(1,003,990)
Rental and other income	591,922	139,702
Operating support fees	1,222,096	1,133,948
Net assets released from restrictions and reclassifications	13,027,389	9,099,354
Total revenue, gains, and other support	\$22,999,456	\$10,168,222
Expenses		
University programs, including capital projects	\$15,645,886	\$11,107,665
Management and general	2,009,594	1,715,899
Fundraising	3,546,563	3,598,425
Total expenses	\$21,202,043	\$16,421,989
Change in net assets	\$1,797,413	(\$6,253,767)
Temporarily Restricted		
Revenue, Gains, and Other Support		
Contributions	\$16,506,253	\$6,661,744
Investment income, including net realized and unrealized gains	13,116,863	2,710,656
Operating support fees	(1,216,859)	(1,117,583)
Total revenue, gains, and other support	\$28,406,257	\$8,254,817
Net assets released from restrictions and reclassifications	(12,970,590)	(8,711,130)
Change in net assets	\$15,435,667	(\$456,313)
Permanently Restricted		
Revenue, Gains, and Other Support		
Contributions	\$507,990	\$1,703,083
Investment income, including net realized and unrealized gains	350,423	26,418
Operating support fees	(5,237)	(16,365)
Total revenue, gains, and other support	\$853,176	\$1,713,136
Net assets released from restrictions and reclassifications	(56,799)	(388,224)
Change in net assets	\$796,377	\$1,324,912



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

	2013	2012
Cash and investments in marketable securities	\$183,118,477	\$170,131,041
Contributions receivable	16,215,568	12,663,328
Beneficial interests in perpetual and external trusts	3,569,526	3,501,435
Investments in split-interest agreements	2,197,928	2,213,581
Property and equipment	8,871,580	4,075,907
Other assets	2,391,513	4,262,182
Total assets	\$216,364,592	\$196,847,474

Liabilities

Accounts payable	\$6,238,867	\$4,990,441
University grants payable	—	741,508
Accrued expenses	177,970	179,741
Line of credit	6,550,000	4,454,000
Term note payable	5,300,000	6,300,000
Bond payable	10,000,000	10,000,000
Annuity and trust obligations	3,048,860	3,162,346
Total liabilities	\$31,315,697	\$29,828,036

Net Assets

Unrestricted	(3,924,889)	(5,722,302)
Temporarily restricted	118,403,404	102,967,737
Permanently restricted	70,570,380	69,774,003
Total net assets	185,048,895	167,019,438
Total liabilities and net assets	\$216,364,592	\$196,847,474

Ball State University Recognition Societies

Giving Society

Levels of Giving

Annual Giving

President's Circle	\$1,000 and above
Cardinal Circle	Gifts of any amount for two or more consecutive years
Cardinal Varsity Club	Provides additional benefits for alumni and friends whose contributions help create success for athletes on the field and in the classroom
Discovery	Group of women pooling annual contributions of \$1,000

Lifetime Giving Recognition

Fellows Society	
Bronze level	\$20,000–\$49,999
Silver level	\$50,000–\$74,999
Gold level	\$75,000–\$99,999
Quadrangle Society	\$100,000–\$249,999
Carillon Society	\$250,000–\$499,999
Wings Society	\$500,000–\$749,999
Five Columns Society	\$750,000–\$999,999
Founders Society	\$1 million+

Planned Giving Recognition

Beneficence Society	Future commitment of any amount through a bequest or other planned gift
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How to MAKE A GIFT

Online

bsu.edu/give

Mail

Ball State University Foundation
P.O. Box 672
Muncie IN 47308-0672

Phone

Office of University Development: 765-285-8261 or toll free 866-953-2653
Ball State University Foundation: 765-285-8312 or toll free 888-235-0058

Please direct more detailed discussions on giving to:

Major Gifts

Office of University Development
765-285-8261 or toll free 866-953-2653
Fax: 765-285-1218
E-mail: giving@bsu.edu

Planned Gifts

Ball State University Foundation
765-285-8312 or toll-free 888-235-0058
Fax: 765-285-7060
E-mail: ppurcell@bsu.edu



"The Miller and Emens scholarships made the out-of-state option affordable, providing full tuition for my undergraduate career as well as a travel abroad experience. While this is a great benefit for simply studying and performing in the academic setting, it also allowed me to maximize my time outside of the classroom that I would have spent working. I can only hope that one day I will be able to give another student the same opportunity that I had."

Joe Fazio, '13, pursuing his MBA on a football scholarship, Ball State Football Free Safety

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Mark A. Ervin, '81 MA '85

Secretary

Anthony W. Smith, '68

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Stefan S. Anderson, HHD '93

President and CEO**

Cherí E. O'Neill, '89

Treasurer**

Jeffrey R. Lang

Assistant Secretary**

Carolyn S. Young

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Kelli S. Burrill, '75

Marsha J. Casey, '79 HSD '00

E. Renaé Conley, '80 MBA '82

J. Richard Emens

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Brian A. Gallagher, '81 HHD '03

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Jo Ann M. Gora

Richard J. Hall, '89

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Penny A. Ralston, '71

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Michael P. Smith, '73

Charles V. Sursa

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Ben E. Delk

Thomas L. DeWeese, '68, MBA '69

Ben E. Hancock Jr.

Marjorie L. Hiner, '66 MA '70

Richard W. Hutson,* '60 MA '62

Paul L. Kozel

Charles A. Lord, '49

J. Richard Marshall*

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Matthew J. Momper, '83

Kent C. "Oz" Nelson, '59 LLD '94

Don L. Park, '61 MA '62

John J. Pruis, LLD '84

Gregory A. Schenkel, '70

Anthony L. Schneider,* '80

James R. Schrecongost, '68 MA '72

Edwin D. Shipley, '68 MA '71

Mary R. Sissel,* MA '78

William L. Skinner*

A. Umit Taftali, '85

John E. Worthen



"I hope what I give back to Ball State can join with the gifts of other alumni to help students complete their degrees and experience different opportunities that will not only prepare them for future endeavors but remember their time at Ball State fondly."

Laura (Dragoo) Mickler, '06 MA '08,
Ball State Fund Donor

BALL STATE UNIVERSITY FOUNDATION

Alumni Center
P.O. Box 672
Muncie, IN 47308-0672
765-285-8312 • toll free 888-235-0058

Administrative Team

Cherí E. O'Neill President and CEO
Carol S. Young Executive Secretary to the President and Assistant Secretary to the Board of Directors

Communications Team

DeAnna L. May Associate Vice President for Communications
Peggy S. Hensley Communications Coordinator

Financial Team

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Jeffrey R. Lang Vice President for Operations and Treasurer
Tracy L. Curtis Associate Vice President for Operations and Controller
Jason A. Lipps Assistant Controller
Sunny S. Reed Gift Processing Coordinator
Penny J. Cahoe Gift Processor
Antoinette M. Hatzell Senior Financial Assistant
Lindsay M. Russell Financial Assistant
B. Kathy Poe Receptionist and Administrative Assistant to Vice President for Operations

Planned Giving and Endowment Stewardship Team

Philip M. Purcell Vice President for Planned Giving and Endowment Stewardship
Valerie Hurwitz Coordinator for Planned Gift Stewardship
Lori L. Kinnett Administrative Coordinator for Planned Giving and Endowment Stewardship

UNIVERSITY ADVANCEMENT

Administration Building
Ball State University
Muncie, IN 47306-0082
765-285-1633

T.W. Hudson Akin Vice President for University Advancement
Candy Dodd Assistant to the Vice President for University Advancement and Director of Special Projects
Jane Allerton Secretary to the Vice President for University Advancement

Ball State University Development

Alumni Center
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765-285-8261 • toll free 866-953-2653

Charles "Chip" Jagers Interim Executive Director
Sylvia Ewert Assistant Director for Administration
Derek Berger Director of Development
Andrea Bordenkecher Director of Foundation Relations
Gina Bradburn Director of Development and Athletics
Jean Kramer Crosby Director of Donor Relations
Melissa Daniels Assistant Director of Annual Giving
Brenda Davis Northern Region Director
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Christy Huston Southern Region Director
Louise Jackson Director of Development
Sarah Jenkins Director of Development
Darleen Lugenbuhl Director of Development
Lola Mauer Director of Annual Giving



The information presented here, correct at the time of publication, is subject to change. 10068-13 umc