University Advancement Annual Report 2008-2009



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A Trajectory of Excellence

The global recession of 2008-2009, as expected, presented complex challenges for the University. Investment losses within our endowment, brought on by severe market volatility, prompted a one-time suspension of endowment distributions to prevent further erosion of the underlying capital and help distributions recover more quickly. Operating funds were found at great effort to offset suspended distributions and ensure the University's obligations, particularly to students most in need, were met.

Fundraising performance was down to 2005-06 levels, although results still exceeded \$100 million and annual giving held close to par with the previous year. Donors and alumni were naturally concerned and learned through regular, proactive communications from the University how the impact of these circumstances on the lives of students and faculty was minimized.

We weathered the worst of the economic downturn without sacrificing the University's standards for access, excellence, innovation and leadership. The Times Higher Education Supplement again ranked U of T in the top 10 internationally by academic reputation—a ranking that speaks volumes to the quality of our faculty, students, programs and research. In fact, the University remained on a strong and positive trajectory through a difficult year that in many ways underscored the relevance of the University's mission to society. This year, we have organized our annual report along the themes of engagement and transformation—a formulation that speaks to the essential purpose and impact of advancement.

In these pages you will encounter the many ways our alumni and friends are involved in university life as volunteers, mentors, advisors and benefactors, and witness how they are transforming research, teaching and learning through their interest, dedication and generosity. You will also see how University Advancement is working with advancement and academic leaders throughout the University to foster a culture of meaningful engagement that nurtures and bastains our aspirations through good times and bad.

As the economy recovers, we fully expect our giving programs to rebound and eventually allow us to reach new thresholds of sustainable annual support, commensurate with our stature as one of the world's leading research-intensive universities and our ambitions for innovation and growth.

I would like to close by thanking our alumni and friends, both past and present. The trajectory of excellence the University enjoys would not be possible without their support, involvement, commitment and passion for education.

David Palmer Vice-President, Advancement



ENGAGEMENT

With approximately 477,000 living alumni in more than 165 countries, the University of Toronto is at the centre of an incredible constellation of talent. Our alumni are active in virtually every walk of life and many are recognized as leaders in their fields. U of T alumni and friends are our most effective ambassadors and most generous and consistent donors. They make outstanding contributions to University governance, aid us in recruiting and mentoring our students and support our fundraising efforts. They enrich campus life and contribute to the University's highest aspirations.

University Advancement works with U of T's campuses, colleges, faculties and divisions to increase alumni participation and strengthen the sense of value and pride that comes with university engagement. Through our work, we help the University and its divisions build lifelong relationships with alumni at home and around the world. At the same time, we help alumni forge new relationships with the University and maintain the friendships, associations and interests they formed as students.

Through our various publications, events, programs and initiatives, we celebrate the success of our alumni, deepen the sense of kinship among our graduates, build a culture of interest and advocacy around our top institutional priorities and provide opportunities for alumni to get involved in the life of the University in meaningful ways. On the following pages, we highlight our efforts to broaden and diversity alumni participation.



ALUMNI ENGAGEMENT HIGHLIGHTS

Working with our divisional partners, University Advancement continued to increase the frequency, impact and relevance of alumni communications and raise the standards for publications across the University.

Last year, U of T Magazine won three prestigious awards from the Canadian Council for the Advancement in Education (CCAE), including gold for best magazine and silver and bronze for best writing/article (English language). We also launched a new online version of the magazine to match the previous year's successful print redesign and create new opportunities for interaction and feedback. Four months after the website launched, average monthly traffic was 85 per cent higher than the previous four months.

University Advancement assisted various divisions, faculties and colleges with alurmi marketing communications, including materials for Spring Reunion. A number of divisions redesigned their alurmi publications. The Rotman School of Management launched an online newsletter and the Faculty of Information, the Lawrence S. Bloomberg Faculty of Nursing and the Leslie Dan Faculty of Pharmacy redesigned their alurmi magazines.

public relations professional and Trinity grad, has spearheaded alumni activity in San Francisco by hosting quarterly events for U of T alumni. These creative outings have included jazz concerts, a pinball night and a trip to vofunteer at a local food bank. Engaging alumni through various social media was another important focus for University Advancement last year. The Alumni Circle website, a major initiative launched in 2007-2008, continued to gain visibility and momentum. The site received 431,200 visits with approximately 1.5 million page views last year and the Rotman School alumni portal alone attracted 19,863 logins. University Advancement also made more extensive use of other social media such as LinkedIn, Facebook and Twitter to raise U of T's profile, find "lost" alumni and re-engage our constituency.

Reaching out to diverse audiences and supporting alumni who seek to form communities of interest outside traditional division-based affinities continued to be a priority. Last year, on the occasion of Barack Obama's election as US president, we helped the Black Alumni Association host a highly successful panel for alumni and students featuring prominent U of T faculty members, renowned journalists and political commentators. In addition, we also continued to support events and initiatives for the newly formed LGBTQ (Lesbian, Gay, Bisexual, Transgender and Queer) alumni group.

Alumni participation and attendance at events continued to rise in 2008-2009. The number of regional alumni volunteers also increased, bringing the number of regions represented to 5.3. More than 800 alumni attended events hosted by Chancellor David Peterson outside Toronto and 48 events were held in the Asia-Pacific region. Our international alumni responded enthusiastically to invitations to attend student recruitment activities and "Next Stop U of T" events for students about to embark on their studies. Our young alumni events were a tremendous success this past year. The popular "Life After Graduation" series sold out and our "Shaker" networking events for young alumni continued to attract interest and participation.

50 81.021 2007-08 -2008-09 — - 100,248

75

Participation in Affinity Programs

Thousand ____

Active accounts held by alumni, faculty, staff and students.

UNIVERSITY ADVANCEMENT PARTNERSHIPS

The University Advancement Partnerships program is the largest non-philanthropic revenue-generating program of its kind at a Canadian university, offering a broad range of products, services and affinity programs to alumni, faculty, staff and students. These programs include home and car insurance, as well as alumni travel activities and convocation services. Revenue generated from these partnerships have created programs such as the "Pillar Sponsorship"-a critical source of support for a variety of alumni and student activities both on and off campus.

The Pillar Sponsorship program provided approximately \$350,000 to more than 70 projects last year, including events for the Black Alumni Association, LGBTQ and Young Alumni. Other examples include: a celebration of U of T's diversity initiatives sponsored by TD Insurance Meloche Monnex; a VIP reception for the Festival of Excellence, featuring Olympic champion sprinter Usain Bolt, supported by MBNA; and a recent U of T alumni school building project in Kenya, including building materials, meals and textbooks, sponsored by Manulife Financial.

Expedit Luce, currently working on his Master's of Visual Studies, is a curat at the U of T Art Centre. During the past year, Bogdan and his fellow curators have benefited from Manulife Financial sponsorship, which has helped to attract more exhibitions to campus.





Alumni Facts and Figures 2008-2009





Fundraising Performance

\$ Million					
ψ minion	0	50	100	150	200
2004-05			- \$90.5		
2005-06	·		\$101.7		
2006-07					\$163.6
2007-08					\$183
2008-09			\$106.3		

With \$106,323,951 in charitable gifts and piedges for 2008-2009, our overall fundraising performance fell close to 2005-2006 levels. The economic recession was the driving factor, leading to a sharp decline in principal gifts of \$5 million or more.

The University of Toronto's annual philanthropic giving totals are based on newly confirmed pledges, one-time only gifts, realized planned gifts, gifts of securities and gifts-in-kind (GIKs) received during the fiscal year.

TRANSFORMATION

Philanthropy plays a transformative role in University life, providing critical support to our mission of teaching, research and public service. Thanks to the generosity of alumni and friends, we are able to recruit and retain top faculty, support cutting-edge research and maintain our leadership across a broad spectrum of fields. Private giving also helps us strengthen the undergraduate experience, promote campus diversity and inclusion and provide scholarships to exceptional students who might not otherwise be able to afford a university education.

During this past fiscal year, the University received \$106,323,951 in new commitments and gifts from 26,644 donors. While significantly down from the highs of the previous year, the result was largely attributable to a decline felt across North America of principal gifts of \$5 million or more, usually driven by appreciated assets in personal and company holdings. Annual giving on the other hand, despite a stressful economy that deeply affected alumni families, held close to par with the previous year, and the Annual Fund itself—a critical source of unrestricted giving to our divisions—actually increased nine per cent over the previous year.

Despite these challenging circumstances, the University received transformative gifts to management, Buddhist studies, urban education, athletics and astronomy and astrophysics—benefactions that will provide vital support to students and play a powerful role in ensuring U of T's leadership in these disciplines for years to come. Student support was also a major theme of the past year: 88 new scholarships were established and many donors came forward to top up existing awards out of concern for ther recession's impact on students.

These gifts, made against the backdrop of the worst economic crisis in recent memory, speak to the remarkable commitment of our alumni and friends and the confidence they have in the University's capacity to generate the next wave of ideas, innovation and talent that will lead Canada to recovery and long-term prosperity.

2006-07 \$499.78 Average Gift

Annual Giving Summary

 2007-08
 \$15,061,763 (30,033 donors)

 2008-09
 \$556.08 Average Gift
 \$14,702,226 (26,439 donors)

While the number of donors in the annual giving category decreased this year, the average gift increased from \$501 in 2007-2008 to \$556 in 2008-2009-al 10 per cent increase. At the same time, the Annual Fund (shown below) increased nine per cent from the previous year.

ANNUAL GIVING

Annual Giving refers to all unique donations made to the University below the \$25,000 threshold. During this past fiscal year, 26,439 of our friends, faculty, staff and alumni contributed at this level, generating \$14,702,226 for a range of priorities.

The impact of annual giving is pervasive. Such gifts provide funding to programs and initiatives that have an immediate and profound influence on the quality of the student experience at the University. Annual giving supports student financial aid, creates excellence in teaching through faculty awards and program support and enriches learning by providing funds to upgrade classrooms, laboratories and common spaces.

PRESIDENTS' CIRCLE

The Presidents' Circle is the University's foremost recognition society for donors who give annually at the leadership level. Membership is based on annual contributions of \$1,827 or more for individuals and \$10,000 or more for corporations, foundations and other organizations. Presently, the Presidents' Circle includes approximately 3,800 members, of whom 2,000 are regular annual donors.

ANNUAL FUND

- \$14,911,680 (29,836 donors)

\$ Million 0	5	10
2006-07 -		\$7,158,484
2007-08 -		\$7,279,474
2008-09		\$7 944 692

The Annual Fund, a subset of annual giving, is the University's main conduit for gifts less than \$25,000 and a primary source of unrestricted funds for its divisions, colleges and faculties. Unrestricted funds are absolutely vital to the University, especially in the current environment where operating budgets are constrained. These funds allow principals, deans and other academic leaders to respond to immediate needs and opportunities and continually invest in the projects, ideas and people that sustain academic quality and excellence.

This past year, the Annual Fund generated \$7.9 million in crucial support toward such ends—a nine per cent increase from the previous year. This enabled the University to continue funding projects such as the restoration of Convocation Hall, while also responding to the more immediate challenges posed by the economic recession. The number of students requesting financial aid increased last year, for example, and the Annual Fund provided critical funds to relieve some of that pressure.

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Through donations to the Annual Fund, menish Amin (BSc 1996) supports athletics and the library at the U of T Mississauga campus. "As a graduate, I feel a sense of ownership. I want to help maintain U of T and make it great for future students. That's my legacy."



The John H. Daniels Faculty of Architecture, Landscape, and Design at the University of Toronto recently selected the Boston-based architectural firm Office dA to transform its facilities. The new design, illustrated above, will help address the accelerated growth of the Daniels Faculty's teaching and research programs, as well provide space for new technologies and laboratories to allow the Faculty to remain at the forefront of design education. University Advancement, in partnership with the Daniels Faculty, is mounting a campaign to engage donors and complete this important project. The global economic recession significantly slowed principal and major gift activity this past year—an inescapable repercussion of the near collapse of the world's financial markets. However, despite this difficult climate, the University received \$91,621,725 in newly committed major or principal gifts (gifts of \$25,000 or more) during fiscal 2008-2009.

Pledges \$	> \$25,000 and < \$1,000,000	> \$1,000,000 and < \$5,000,000	> \$5,000,000	m.t.l
%	\$33,878,506	\$21,868,259	\$35,874,960	Total \$91,621,725
/0	37%	24%	39%	7

GIKs & Realized Planned Gifts

PRINCIPAL AND MAJOR GIFTS

Principal and major gifts (gifts of \$25,000 or more) account for the majority of funds raised each year. Last year, the \$91.6 million in principal and major gifts accounted for 86 per cent of the \$106.3 million fundraising total.

The decline in fundraising performance for 2008-2009 is largely attributable to the drop in principal gift activity. In a strong fundraising year, principal gifts normally account for roughly 40 to 50 per cent of the total fundraising result. For instance, principal gifts accounted for 59 per cent (\$105.8 million) of the \$183 million raised during fiscal 2007-2008. This past year, principal gift activity fell to 33 per cent of the \$106.3 million total—a clear symptom of a weakened economy and falling stock indices, which typically drive the availability of principal gifts. Nonetheless, the University received several transformative gifts in 2008-2009-all the more remarkable given the state of the economy. These include Dr. Marcel Desautels' latest donation to the pioneering Desautels Centre for Integrative Thinking at the Rotman School of Management; the Buddhist Education Foundation for Canada's landmark gift to advance the study of Buddhism at U of T: William and Phyllis Waters' extraordinary gift in support of scholarships and urban education at the Ontario Institute for Studies in Education; the Davenport Family Foundation's second major gift in support of the University's ambitious varsity project; and a historic gift to establish the Dunlap Institute for Astronomy and Astrophysics. The impact of these benefactions is highlighted on the following pages.

Two U of T students gaze at the night sky from the rooftop observatory of the Department of Astronomy and Astrophysics. " The Dunlap Institute will build on Toronto's leadership in astronomy and astrophysics in the 21st century in the way the Dunlap Observatory did in the 20th century." Professor Meric Gertler

> THE DUNLAP INSTITUTE FOR ASTRONOMY AND ASTROPHYSICS

> The newly established Dunlap Institute is home to one of the world's most significant endowments dedicated to the study of astronomy and astrophysics. The endowment, generated by the University's sale of the 190-acre Dunlap lands in Richmond Hill, builds on the original gift from Jessie Dunlap in memory of her husband, David, an amateur astronomer. This latest

chapter in the Dunlap legacy will once again have a transformative impact on astronomy and astrophysics at U of T. By fostering investigation into the most fundamental questions about the universe, the Institute will consolidate the University's international reputation as a pioneer and world leader in astronomical research and education.



"We need business leaders who can think in new ways and break new ground, especially during this time of economic recovery. The Desautels Centre for Integrative Thinking is at the heart of the Rotman School's bid to revolutionize business education and place Canada at the forefront of modern management thought. Integrative Thinking should be a mainstay in business school curriculums around the world, and I am thrilled the Rotman School is leading the charge."

THE DESAUTELS CENTRE FOR INTEGRATIVE THINKING

Dr. Marcel Desautels' latest \$10 million gift to the University of Toronto was announced at the official launch of the Rotman School of Management's new \$200-million fundraising campaign in October 2008. The campaign's centerpiece is a new building that will double the amount of research, teaching and study space available and build a prominent home for flagship research centres such as the Marcel Desautels Centre for Integrative Thinking and the Lloyd and Delphine Martin Prosperity Institute. Dr. Desautels is one of the Rotman School's most engaged and dedicated supporters. Through his involvement and benefaction, he has supported the School at every step and played a central role in shaping its vision and progress towards becoming one of the world's most enterprising business schools. His total giving to the Rotman School now stands at an extraordinary \$41 million. His latest gift will support ongoing initiatives at the Desautels Centre.

"Thanks to the Davenport Family, we can now offer our athletes some of the very best training facilities in the country and attract major high performance track and field events to the University." Bruce Kidd

Dean, Faculty of Physical Education and Health

THE DAVENPORT FAMILY FOUNDATION

The Davenport Family Foundation once again demonstrated extraordinary support for the University's Varsity Centre, donating \$600,000 towards the creation of a new internationally certified throws area for shot put, javelin, discus and hammer on Trinity Field. The gift builds on a previous \$1.7 million donation that created the John L. Davenport Track. Together, these gifts speak to the power of philanthropy to create world-class facilities that add enormous value to student life and the greater community. If the success of the University's recent Festival of Excellence, featuring Olympic champion sprinter Usain Bolt, is any indication, the Davenport track and throws area will play a major role in transforming the Varsity Centre into a major destination for national and international track and field competitions.





" At the heart of the Buddha's teachings is an understanding of how the mind affects health and happiness. Unlike most other Buddhist studies programs in the world, this initiative will integrate western sciences with the study of Buddhism. We are very pleased to be a part of this groundbreaking project."

Rev. Wu De Director & President The Buddhist Education Foundation for Canada

THE BUDDHIST EDUCATION FOUNDATION FOR CANADA

The Buddhist Education Foundation for Canada made an extraordinary \$1.8-million pledge to further enhance the study of Buddhism at the University of Toronto. The gift will provide financial stability to the Buddhism, psychology and mental health program housed at New College and will help to expand and encourage the development of new interdisciplinary teaching and research projects, as well as conferences, faculty exchanges and an annual speakers' series. While the majority of funds will be endowed, an annual commitment from the foundation will help start many of these proposed initiatives in early 2010.



" I work with at-risk young adults who have a troubled academic history and an overall negative perception of school. Many struggle with math and literacy skills and I want to understand how we, as teachers, can help them overcome their anxieties and frustrations. This award makes it possible to go back to school full-time and completely immerse myself in my chosen field of study. " Carol Fan

THE WILLIAM WATERS SCHOLARSHIPS IN URBAN EDUCATION

Through a \$1 million gift, William and Phyllis Waters endowed the William Waters Scholarships in Urban Education (OISE). A portion of the gift includes a five-year expendable fund of \$100,000 to top up the scholarships and support the William Waters Teacherin-Residence in Urban Education and the William Waters Symposium on Urban Education. This latest Waters gift builds on an impressive legacy of support for students and access to higher education, including benefactions to Woodsworth College, the Transitional Year Programme, the Faculty of Music and the Rotman School of Management.



Deferred and Realized Planned Gifts



24%

14%

Distribution of Realized Planned Gifts



Student Support 24%
Research Expendable 14%

Research Expendable 14% Chairs/Professorships /Fellowships 11.5%

46%

Chaits/Professorships/Fellowship

Capital 2.5%

GIFT PLANNING

Gift planning offers U of T supporters a number of innovative ways to make a lasting contribution to the University while meeting personal financial goals. Through bequests, gifts of insurance, gifts of securities and other vehicles, donors build a legacy of support for the academic priorities that interest them most, while potentially realizing significant income, estate and tax advantages.

Although the overall size of planned gift donations decreased during 2008-2009, the number of donors electing to donate through these vehicles increased 10 per cent. This increase was partly due to a highly effective marketing campaign mounted by University Advancement during the year.

11.5% 2.5% 2%

The growth of unrestricted giving through the Gift Planning program was another encouraging trend. Last year, an impressive 46 per cent of all estate gifts designated to 10 T's divisions, colleges and faculties were unrestricted—a 40 per cent increase from the previous fiscal year. Fiscal 2008-2009 also saw \$16.2 million in realized gifts, which continued to fund student support, research expenditures and academic chairs and professorships.



Private Giving Facts and Figures 2008-2009

Fundraising Performance

Pledges and Gifts * Million 0 50 100 150 2004-05 50 500.5 2005-06 5101.7 2006-07 5163.6 2007-08 5106.3



Donations Revenue

\$ Million	0	50	100	150	200
2003-04			\$80,627,6	56	
2004-05	;	\$93,774,986			
2005-06	i —	\$88,397,297			
2006-07				\$121,466,67	2
2007-08				\$141,5	59,687
2008-09	,			\$122.891.72	9





Gifts by Source







Gifts of Securities and Donors

Gifts of publicly traded securities such as shares, bonds and mutual funds are some of the many ways donors support excellence in teaching and research at the University. These types of contributions fell precipitously in 2008-2009 owing to market volatility.



Reconciliation with Audited Financial Statements 2008-2009

University of Toronto

UofT Monetary Gifts UofT Gifts-in-kind	\$91,481,973 \$38,804,742
Audited Subtotal:	\$130,286,715
Federated Universities	
University of St. Michael's College Victoria University University of Trinity College	\$3,092,976 \$5,616,825 \$5,236,689
Subtotal:	\$13,946,490
Other	
Other Affiliated Institutions Other	\$1,306 \$1,045,104
Subtotal	\$ 1,046,410
Donations included in 2007-08 report	-\$22,387,885

TOTAL

-\$22,387,885 \$ 122,891,730

The University's audited financial statements for donations are based on cash received and do not include any future pledges or cash received totals from the federated universities and other affiliated organizations. Accordingly, the audited financial statements for 2008-09 state that the University received \$130.3 million in donations revenue.

Gifts by Area

Division	2008-2009	2007-2008
Applied Science and Engineering	\$1,668,671	\$1,919,379
John H. Daniels Faculty of Architecture, Landscape, and Design	\$1,150,959	\$14,143,678
Arts & Science	\$29,869,654	\$30,815,433
Dentistry	\$935,398	\$1,675,166
Forestry	\$47,638	\$46,907
General University	\$5,145,889	\$2,865,545
Graduate Studies	\$126,061	\$97,925
Hart House	\$515,291	\$154,647
Information	\$41,496	\$121,179
Innis College	\$113,826	\$101,408
Institute of Child Study	\$374,111	\$175,417
Joseph L. Rotman School of Management	\$13,256,120	\$8,392,722
Law	\$1,985,678	\$10,245,399
Leslie Dan Faculty of Pharmacy	\$278,543	\$231,920
Library	\$5,983,567	\$32,233,748
Medical Alumni Association	\$1,250	\$11,591
Medicine	\$18,838,327	\$38,479,595
Music	\$1,000,240	\$1,231,233
New College	\$2,014,817	\$562,988
Lawrence S. Bloomberg Faculty of Nursing	\$643,260	\$151,100
OISE/UT	\$1,161,327	\$246,446
Physical Education & Health	\$1,879,000	\$3,999,990
School of Continuing Studies	\$5,209	\$23,552
Factor Inwentash Faculty of Social Work	\$363,808	\$15,936,088
Student Life	\$715	\$11,165
Toronto School of Theology	\$250	\$201,700
Transitional Year Programme	\$309,026	\$65,308
Trinity College	\$6,987,228	\$5,310,926
U of T Mississauga	\$560,694	\$1,471,093
U of T Scarborough	\$283,718	\$608,305
University College	\$1,886,043	\$1,233,151
University of St. Michael's College	\$2,833,280	\$5,443,363
Victoria University	\$5,675,923	\$4,478,564
Woodsworth College	\$386,934	\$359,193
Other		\$200
Total	\$106,323,951	\$183,046,024

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photography & illustration

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