AN EXTRAORDINARY TIME

2009 PRESIDENT’S REPORT
UNIVERSITY OF DAYTON
## Contents

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>INTRODUCTION: We thought buying the farm was gutsy</td>
</tr>
<tr>
<td>4</td>
<td>REPUTATION: The stuff we’re made of</td>
</tr>
<tr>
<td>6</td>
<td>RESEARCH: $49.5 million for fuels and a cleaner future</td>
</tr>
<tr>
<td>10</td>
<td>MARIANIST IDENTITY: Live in community, serve the schools</td>
</tr>
<tr>
<td>16</td>
<td>ON CAMPUS: 26:13.3 and headed for victory</td>
</tr>
<tr>
<td>20</td>
<td>FACULTY: Going up</td>
</tr>
<tr>
<td>24</td>
<td>INTERNATIONAL: Five weeks half-a-world away</td>
</tr>
<tr>
<td>26</td>
<td>FINANCIALS: Making possible extraordinary opportunities</td>
</tr>
</tbody>
</table>
WE THOUGHT BUYING THE FARM WAS GUTSY.  
Then we acquired a Fortune 500 headquarters.

In 1850, the University of Dayton bought the farm — acres of orchards and vineyards that blossomed into a major Catholic university with a global outlook.

In 2009, the University purchased NCR Corp.’s former world headquarters in another forward-thinking move.

The gleaming five-story former corporate headquarters will become the high-profile home of the University of Dayton Research Institute, which conducts nearly $100 million annually in sponsored research. It will provide classrooms for graduate students and a highly visible spot for a proposed alumni center.

This is an extraordinary moment. “We believe this is the first time a university has ever bought a Fortune 500 headquarters,” President Daniel J. Curran says. “This is a bold move for a private Catholic university.”

The board of trustees endorses this kind of upward momentum and the leadership necessary to continue the University’s international rise in prominence. In December, the board extended President Curran’s contract until 2015, with the opportunity for successive one-year renewals.

Curran says he’s “humbled and privileged to be the steward of a remarkable legacy” and credits the campus community for asking challenging questions, seeking out answers together and engaging the world in transformative ways.

It’s a philosophy that began 160 years ago with an act of faith — and the purchase of a farm.
We Made the List

- One of the nation’s best institutions for undergraduate education and one of the highest quality of life ratings, The Princeton Review’s 2010 “The Best 371 Colleges”
- No. 2 overall and No. 1 among Catholic universities, 2009 “Savior of Our Cities” report ranking of universities helping to save America’s cities from blight
- One of the top 25 most influential people of the decade in Dayton, awarded to President Daniel J. Curran, Dayton Business Journal
- One of the best campus ministry programs in the nation for our “Perspectives on Faith and Life” series, The Catholic Campus Ministry Association
- A top-10 entrepreneurship program ranking for the fourth year in a row by The Princeton Review and Entrepreneur magazine; highest-ranked undergraduate program among Catholic universities nationwide
- One of the profession’s highest distinctions, fellow of the European Academy of Sciences, awarded to professor Danny Eylon, the world-renowned titanium expert in an elite group that includes 54 Nobel Prize winners
- No. 62 nationally and second among Catholic universities for engineering graduate programs, U.S. News & World Report
- Top-tier institution in 2010 U.S. News & World Report ranking; remained on the list of schools that warrant a closer look; ranked 36th on the “Great School, Great Prices” list

But Who’s Counting?

- 115 acres Land added to campus with the December acquisition of NCR’s former world headquarters, bringing campus acreage to 373
- 94 percent 2009 passage rate for law students taking the bar for the first time
- B+ Grade on the 2010 Sustainability Report Card, a full letter grade jump from the previous year
- $10.5 million The amount of endowment money to be invested by the Flyer Fund, one of the country’s 15 largest investment funds managed by undergraduate students
- A top-10 entrepreneurship program ranking for the fourth year in a row by The Princeton Review and Entrepreneur magazine; highest-ranked undergraduate program among Catholic universities nationwide
- One of the profession’s highest distinctions, fellow of the European Academy of Sciences, awarded to professor Danny Eylon, the world-renowned titanium expert in an elite group that includes 54 Nobel Prize winners
- No. 62 nationally and second among Catholic universities for engineering graduate programs, U.S. News & World Report
- Top-tier institution in 2010 U.S. News & World Report ranking; remained on the list of schools that warrant a closer look; ranked 36th on the “Great School, Great Prices” list

Good Works

- $1 million Gift from Ron McDaniel ’69 to endow Flyer Angels, an undergraduate angel investment group
- $120,000 Lifetime gifts and bequests from Anthony Pozelnik ’35, the bulk of which will endow scholarships for chemical engineering students like himself — from poor families with few financial resources
- 2,300 Items of sports memorabilia donated by the family of James “Rocky” Whalen ’47, including one of the world’s largest collections of college football programs, appraised at more than half a million dollars; an additional gift from James and Tammi Whalen established the new James “Rocky” Whalen Sports Library
- $650,000 National Science Foundation grant for the ETHOS scholars project, including scholarships for underrepresented minority and female engineering students who live in sustainable innovation learning communities

From scholarship endowments to sustainability ratings to quality-of-life rankings, the University of Dayton is advancing its promise to challenge minds, shape the future, and embrace faith and justice.
$49.5 MILLION: IT’S THE LARGEST SINGLE RESEARCH GRANT WE’VE RECEIVED, AND WE’RE THANKFUL.

Thankful that we were chosen in December by the U.S. Air Force to develop advanced jet fuels and combustion technologies. Proud that our ongoing fuels research will minimize impact on the environment and allow us to rely more on domestic fuel sources.

Through this six-year cooperative grant from the Air Force Research Laboratory’s Propulsion Directorate, we will develop synthetic, alternative and blended fuels and technologies to address emissions, thermal management and fuel efficiency.

Advances in jet fuels have implications for diesel and other fuels as well.

“Biofuels impact the energy security of our nation by allowing us to rely more on domestic fuel sources than foreign petroleum sources,” says Dilip Ballal, director of the von Ohain Fuels and Combustion Center and head of the UD Research Institute’s Energy and Environmental Division. “If we can develop new fuels ‘from the ground up,’ that is, at the molecular level, then we have the opportunity to tailor these fuels to meet a variety of needs.” They could run hotter — and more efficiently — or colder — to prevent freezing at high altitudes.

What’s All the Hubbub About?

Ohio Gov. Ted Strickland can’t get enough of the University of Dayton. And we like the attention.

First, Strickland designated the University of Dayton as the lead partner organization for the first Ohio Hub of Innovation and Opportunity. He recognized the Dayton region’s long-standing status as a leader in aerospace and aviation coupled with the UD Research Institute’s success in aerospace-related research and technology-based economic development.

Then, the governor picked the University of Dayton to be the only Ohio university to host two centers of excellence — the von Ohain Fuels and Combustion Center and a newly created center working with strategic energy and environmental informatics.

Our national and international expertise and a sustained record in the area of advanced energy are making some noise. Just listen.
OUR BREAKTHROUGHS ARE A BREATH OF FRESH AIR

LIGHTER, SAFER, MORE POWERFUL: Our breakthrough battery has something added — air holes to let oxygen in — and something taken away — the corrosive catalyst that can cause batteries common in consumer electronics to leak, ignite or explode.

UD Research Institute distinguished research engineer Binod Kumar helped create the first solid-state, rechargeable lithium-air battery, as featured in the Journal of the Electrochemical Society.

With a higher energy-to-weight ratio and a recharge cycle goal of 4,000, it could be used in everything from cell phones to electric cars, making possible safer alternatives to “greener” power options.

Biofuels and coal-derived fuel for jet engines continue to be developed by our fuels team, including our newest member, nationally recognized synthetic-fuels chemist Heinz Robota. An endowed chair funded through the Ohio Research Scholars Program, Robota is leading efforts at the Air Force’s new Assured Aerospace Fuels Research Facility. The Air Force broke ground Nov. 9 on the $2.5 million, 4,000-square-foot facility. Robota’s expertise will help fulfill our shared mission of finding affordable, efficient and greener domestic alternatives to foreign petroleum-based fuel.

And that’s a breath of fresh air.

By the Numbers

96.5 Millions of dollars in sponsored research received during fiscal year 2009, a 10.5 percent jump from 2008

6 Consecutive years the University has ranked No. 2 in the nation among all colleges and universities for sponsored materials research, according to the National Science Foundation

1 Our ranking among all Catholic universities in the nation for sponsored nonmedical and engineering research

42,000 Square feet of innovation space in Dayton’s Creative Technology Accelerator, dedicated Aug. 31 and home to the UD-led IDCAST, a center of excellence in remote sensing and sensing technology (pictured above)
Lisa Baute ‘04 got a great job offer from her all-girl Catholic high school: come home and serve as Campus Minister. The family-oriented, theology-minded education graduate didn’t have to think twice. She turned it down. “The resources and attention that inner-city kids are lacking is too great,” says Baute, campus minister at Cardinal Ritter High School on Indianapolis’ west side. “I went on faith, trusting that it was where God wanted me to be.”

And this is where Lalanne prepared her to be.

The Lalanne program, part of our Center for Catholic Education, is a two-year master’s degree program in education. It prepares its teachers to serve urban Catholic schools and their low-income families. Lalanne participants live in community while pursuing professional and spiritual development.

In 2009, the program celebrated 10 years of success. Started in 1999 with six students teaching in Dayton-area schools, the program now has cohorts in four cities — Dayton, Cleveland, Indianapolis and San Antonio — and a corps of 82 teachers.

Its mission: to meet the needs of beginning Catholic schoolteachers and to improve retention in Catholic education.

The program is looking to the future, placing teachers on the edges of cities as schools merge and demographics change. Lalanne Director Jacinta Mergler plans to expand the program to a fifth city. And Lalanne is growing in other ways, too. Three of Baute’s former students at Cardinal Ritter now attend UD, and one is interested in the Lalanne program.

Of the program’s 92 graduates, 78 are still teaching, 58 of them in Catholic schools.

All but four of the 92 are still in the field of education, having taken jobs such as principals, campus ministers and school counselors.

Of the program’s 92 graduates, 78 are still teaching, 58 of them in Catholic schools.

All but four of the 92 are still in the field of education, having taken jobs such as principals, campus ministers and school counselors.
So said Mark Ensalaco, director of the University of Dayton’s program in human rights, to a standing-room-only audience on the opening night of the Dayton Human Trafficking Accords conference, which brought victims of human trafficking, their advocates and law enforcement officials to the University of Dayton to take action to stop this highly profitable and growing crime.

"Human trafficking," he added, "is the modern name of an ancient evil: slavery."

At the heart of the November conference — convened by Ensalaco, sociology professor Claire Renzetti and alumnus Phil Cenedella ’84 — was an afternoon session that included Ohio Attorney General Richard Cordray, law enforcement officials and victims’ advocates. They spent time in a private working session to assess Ohio’s nascent efforts to eliminate human trafficking and assist victims, as well as develop recommendations for next steps.

The conference is one outcome of our institutional commitment to being a national leader in human rights. We see this commitment every day in our human rights studies program, one of the first in the nation, and our students’ commitment to engaging social justice issues locally and nationally.

Other conference speakers highlighted the importance of this work. Author Benjamin Skinner, an anti-trafficking activist, described negotiating to buy a 12-year-old girl in Haiti. The asking price was $100. He got it down to $50.

When human beings are bought and sold, talk can’t also be cheap. At the University of Dayton, we’re backing it up with action.
WE DON’T PLAY WITH OUR FOOD

WE REMOVED ALL THE TRASHCANS FROM OUR CAFETERIAS. We don’t need them. We also kicked out Styrofoam and plastic straws.

Our composting and recycling project is designed to eliminate 90 percent of items that used to go to a landfill. By using starch and paper-based alternatives instead of polystyrene and plastic, our to-go containers are composted to return benefits to the soil, not add trash to the planet. China dine-in dinnerware replaces single-use options.

And leftovers don’t get left out either. We’ve created the largest institutional food scraps recycling effort in Ohio. It’s also one of the biggest university food composting processes in the nation. All cafeteria waste is sorted on site and sent out to get a second life: leftover potato salad is becoming potting soil, as processed by Garick Corp. in South Charleston, Ohio.

Our dedication to creating a greener campus has paid off with a letter-grade jump to a B+ in the 2010 College Sustainability Report Card. The University also is undertaking an initiative to reduce energy consumption by 10 percent, saving approximately $1 million a year. We have:

- Installed light occupancy sensors and shifted climate-control settings into reduced-power mode when buildings and rooms are not in use.
- Automated controls for the central boiler plant to ensure optimal performance.
- In Roesch Library, removed half the lights and upgraded the other half to high-efficiency double-life lamps and electronic ballasts to reduce energy consumption by more than 50 percent.

Learn. Lead. Conserve. It’s how we apply our institutional priorities to serve our planet and its population. Our convictions are more than just food for thought.
## WHAT A WAY TO START

**Tim Wabler Began His Tenure as University of Dayton Athletic Director in January 2009.** In his first year, the Flyers achieved unparalleled success, having one of the best sports years in school history.

Before a record-breaking hometown crowd, the men’s basketball program went undefeated at UD Arena and received an at-large bid to the NCAA tournament. Sophomore Chris Wright scored a career-high 27 points as the team defeated the sixth-seeded West Virginia Mountaineers before third-seeded Kansas ended Dayton’s tournament run.

Basketball set the stage; a host of other teams also delivered. Dayton was the only NCAA Division I program in the nation to win five conference championships in full sports: football, volleyball, men’s and women’s soccer, and women’s cross country. Volleyball and women’s soccer achieved NCAA tournament appearances. Baseball won its first A-10 regular season championship. And early in the 2009-10 season, women’s and men’s basketball garnered top-25 rankings.

Leadership was the key to success in 2009. Five coaches were named Atlantic 10 Coach of the Year: Tony Vittese (baseball), Adam Steinwachs (track and field), Ann Alyanak (women’s cross country), Dennis Currier (men’s soccer), and Mike Tucker (women’s soccer). Rich Davis (men’s cross country), Rick Chamberlin (football) and Tucker were named All-Oho coaches. Tucker was also named the NSCAA Mid-Atlantic Region Coach of the Year.

Fans cheered, teams celebrated and students graduated: none of our 12 A-10 sports had 100 percent graduation rates, with a 94 percent graduation success rate among all our student-athletes.

### Our Scorecard

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Pioneer Football League titles with the Flyers’ 2009 winning season</td>
</tr>
<tr>
<td>5</td>
<td>Atlantic 10 regular-season championships: baseball, women’s cross country, men’s soccer, women’s soccer, volleyball</td>
</tr>
<tr>
<td>Top 25</td>
<td>Women’s and men’s basketball team rankings</td>
</tr>
<tr>
<td>94</td>
<td>Graduation success rate for student-athletes</td>
</tr>
<tr>
<td>No. 1</td>
<td>Men’s basketball preseason coaches’ pick for the Flyers to finish in the A-10</td>
</tr>
<tr>
<td>2</td>
<td>A-10 tournament champions and NCAA tournament contenders: women’s soccer, volleyball</td>
</tr>
<tr>
<td>26:13.3</td>
<td>Chris Lemon’s first-place finishing time in the 8K cross country A-10 championship</td>
</tr>
<tr>
<td>1</td>
<td>Mandy Black, first women’s soccer Flyer to be named to NCAA Women’s NCAA Division I All-America First Team</td>
</tr>
</tbody>
</table>

Clockwise from top: Tariq Cherif (left) battles for the ball against Virginia Tech in the NCAA soccer tournament second round, Chris Wright makes a fast break against Creighton in UD Arena, Nathan Clancy serves up a win against Temple in the A-10 tournament opening round, and Drew Fasig (center) guards the defense in a home game vs. Butler.
IT’S THE CAMPUS VISIT THAT MAKES OR BREAKS A 17-YEAR-OLD’S COLLEGE DECISION. Sundar Kumarasamy knows this. As vice president of enrollment management, he uses evidence-based decision-making to understand how high school students go through the college selection process.

He knows that approximately 35 percent of those who come to campus enroll. “We do intensive marketing to bring 6,000 students to campus in order to get 1,800 deposits. If we can make a slight difference in the campus visit decision, we’ll have 100 more students,” he said.

For fall 2009, the University attracted an entering class of 1,710 plus a 25 percent increase in the number of transfer students, meeting the University’s overall enrollment goals. It’s the best academically prepared class in University history, with significant increases in college entrance test scores, high school GPAs and high school rankings. A selectivity rate of 73.3 percent is nearly a 9-percentage point improvement from 2007.

This year, Kumarasamy is transforming the campus visit into a highly compelling, personal experience, customized for each potential student and fine-tuned for quality and effectiveness. We’ve spruced up sites on the route, revamped tour guide training, reduced the size of tours to one guide per family, and paired guides with prospective students who share hometowns, intended majors or areas of interest.

He’s also encouraging the entire campus — from faculty to groundskeepers to deans — to actively welcome prospective students into a university known for community, compassion and conviction.

“Welcome to UD,” we all say. “You’re going to love it here.”

MORE THAN A FRIENDLY FACE

Other Strategies

- Staffing the new University of Dayton Facebook page with six student “virtual ambassadors” who create authentic content and answer prospective students’ questions.
- “Success coaches” working with every enrolled student from six months before classes begin through their first semester to ensure they show up and weather everything from class scheduling to homesickness.
- Replacing rolling admission with an early action deadline to better shape the class, improve selectivity and create a sense of urgency among interested students.
Consecutive years our undergraduate entrepreneurship program has been ranked in the top 10 by Entrepreneur magazine and the Princeton Review.

Entrepreneurship majors accepted annually into the highly competitive entrepreneurship program.

Dollars in microbusiness start-up capital each sophomore new-venture team receives through the L. William Crotty Center for Entrepreneurial Leadership.

Dollars of annual revenue for Flyer Enterprises, the nation’s fourth-largest student-run enterprise.

Dollars per second earned by the winner of the one-minute elevator pitch in November’s elevator pitch stage of the UD Business Plan Competition.

Business Plan Competition, students get academic and real-world opportunities to improve skills and realize business dreams, even before graduating.

This year, the Business Plan Competition attracted a record 82 entries vying for $50,000 in prize money and included seven interdisciplinary student teams who partnered with community investors to tackle both the business and the engineering complexities of new ventures. One such team took second place in the 2008-09 competition for a software-driven LED grow-light system.

Adding angel investing to our portfolio keeps us in the top of entrepreneurship education, McFarlin said, and ensures our students have yet another hands-on opportunity to aim high and succeed.

Going up.
WE ADDED 44 TRIPLE THREATS TO THE ROSTER

RESEARCH. SERVICE. TEACHING. Forty-four new faculty members are bringing stellar credentials in academic excellence to the University of Dayton faculty along with increased diversity. During a time when other universities were freezing positions and cancelling faculty searches, we added to our growing prestige by attracting new faculty — some already with Hall of Fame credentials, others rising superstars. Here are a few highlights:

- Of our new STEM faculty, 48 percent are women, with five new women added to the natural sciences faculty.
- We recruited a national leader in geothermal energy for the new clean and renewable energy program.
- We’re adding to our diversity, including 14 international scholars and three African-American professors.
- Distinguished scholars of religious studies came to us from Georgetown, the College of the Holy Cross and Ave Maria University, strengthening our position as a leader in the study of U.S. Catholicism.
- A young professor of biomechanical engineering is an expert in the new and exciting area of wellness engineering.
- New hires in uroonanology and Chinese philosophy increase the depth of the University’s international curriculum and scholarship.
- An active energy and derivatives trader is bringing real-world experience to the School of Business Administration.

“We are attracting great faculty, and they truly are a great fit for the University of Dayton,” says Joe Uнтерener, associate provost for faculty and administrative affairs. “Once they visit campus, UD becomes their top pick.”

It’s not a one-year phenomenon. Recent hires from the last few years show a clear trend in attracting highly sought-after faculty from the nation’s top-flight doctoral programs and increasing faculty diversity at the same time.

The triple threats

- Mark Jacoba, Assistant Professor, MIS/Operations Management
- Jessica Biddle, Assistant Professor, Psychology
- Yaping Zhao, Assistant Professor, Physics and Electric-Option
- Matthew Avent, Professor, Biology and Molecular Biology
- Joseph Lyons, Assistant Professor, Management and Marketing
- William Meek, Assistant Professor, Management and Marketing
- Jessica Biddle, Assistant Professor, English
- Joanella Barron, Orthopedic Coordinator and Assistant Professor, Health and Sport Science
- Susan Yelling, Associate Professor, English
- Mary Michael, Assistant Professor, Philosophy
- Omer Bilgin, Assistant Professor, Civil and Environmental Engineering and Environmental Mechanics
- David O’Brien, Distinguished Visiting Professor and University Professor of Faith and Culture, Religious Studies
- Amy Magee-Hall, Lecturer, Religious Studies
- Zhengmin Yan, Assistant Professor, Computer Science
- Marcin Kowalski, Lecturer, Philosophy
- Judith McKeen, Clinical Professor and Visiting Director of the Hanley Group Derivatives Trading Center, Economics and Finance
- Michael Sweeney, Professor
- William Bowers Lecturer, Donated Chair in Laser and Free Space Optical Communications, Electric-Option
- Laura Grimes, Lecturer, Religious Studies
- Paul MacPherson, Assistant Professor, Music
- David Bernardine, Lecturer, Theater
- Barbara Miller Hansen, Assistant Professor, Biology
- Terence Smith, Lecturer, Computer Science
- Nicole Work, Assistant Professor, Languages
- Paul Leonard, Lecturer, Political Science
- Michael Sango-Seng, Assistant Professor, Biology
- Steve Miller, Professor and Graduate Chair in Catholic Theology and Culture, Religious Studies
- Jean Hong, Assistant Professor, Communications
- Lynne Yengulalp, Assistant Professor, Communications
- Theodore Wildman, Assistant Professor, Biology
- David Bark, Lecturer, Engineering Technology
- Patricia Reid, Assistant Professor, History
- Tudor Taha, Associate Professor, Electrical and Computer Engineering
- Leonardo Cussi, Lecturer, English
- Simoni Duggan, Lecturer, Sociology, Anthropology and Social Work
- Nancy Parks, Assistant Professor, Visual Arts
- Kristo Hinkowski, Assistant Professor, Electrical and Computer Engineering
- Jennifer Ricks, Lecturer, Languages
- Christopher Hunsdie, Lecturer, English
- Kimberly Bigrig, Assistant Professor, Mechanical and Aerospace Engineering
- Tony Celik, Lecturer, Assistant Professor, Economics and Finance
- Deborah Aronchack, Assistant Professor, Accounting
- Andrew Calin, Assistant Professor, Mechanical and Aerospace Engineering
- Madhuri Kango-Singh, Lecturer, Languages
- Alex Michael, Lecturer, English
How do you learn what’s not in the book?

Meaningful experience is the basis of true education. Senior Eric Krissek, like generations of teachers in training, learned this core insight of early 20th-century reformer John Dewey in a campus classroom.

Five weeks half-a-world away drove the lesson home.

In the summer of 2009, Krissek and four other University of Dayton Berry Scholars spent more than a month at Our Lady of Nazareth Primary School in the Mukuru slum on the outskirts of Nairobi, Kenya. In the last five years, 2,998 UD students like him traveled abroad for study or service.

The Berry Scholars went to Kenya to provide professional development for OLN’s teachers, particularly math and science lessons, an area of need identified in a systems design course they’d taken as an honors seminar with James Rowley, the James Leary Professor of Education.

Krissek came back a different learner and future high school mathematics teacher.

“I realize even more that I have to create experiences for students that are as meaningful as I’ve experienced when I went to Kenya.”

Reading, writing and arithmetic help from half-a-world away came to children of the Mukuru slum of Nairobi, Kenya.
To take advantage of extraordinary opportunities, we must plan wisely and stay focused on our mission. For generations, the University of Dayton has done that, weathering challenging economic times with prudent and effective management of financial resources. In Fiscal Year 2009, we saw:

- An 11 percent increase in revenue, driven by a record level of enrollment and an increase in gifts and grants;
- Research revenues at a record-high $96 million;
- Ability to provide planned faculty salary increases while maintaining expense growth at rates below the increase in revenues;
- Change in net assets from operations of $50.9 million, continuing our historical trend of positive operating results; and
- Maintenance of our strong credit ratings of A (S&P) and A2 (Moody’s).

We are not immune to the challenges in our world. The market value of the University’s endowment and investment portfolio declined by approximately 23 percent last fiscal year, in line with other universities and institutions against whom we benchmark and faring better than the broader market, as evidenced by a 28 percent decline in the S&P 500 index.

We continue to be a university making transformative decisions that positively impact our community, a university with a mission supported by thousands of individual donors, foundations, corporations and other organizations. Their support is a testament of their faith in us to educate the whole person and ask the big questions that make our community and world a better place to live.

University condensed financial positions, as of June 30 (in millions)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledges and notes receivable</td>
<td>$26.2</td>
<td>$36.4</td>
<td>$40.3</td>
</tr>
<tr>
<td>Accounts receivable, inventories and other current assets</td>
<td>42.7</td>
<td>99.9</td>
<td>78.9</td>
</tr>
<tr>
<td>Cash and investments, at market value</td>
<td>707.1</td>
<td>614.9</td>
<td>509.8</td>
</tr>
<tr>
<td>Land, buildings and equipment, net</td>
<td>385.3</td>
<td>397.8</td>
<td>410.8</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$1,161.3</strong></td>
<td><strong>$1,149.0</strong></td>
<td><strong>$1,039.8</strong></td>
</tr>
<tr>
<td>Bonds and long-term indebtedness</td>
<td>$317.8</td>
<td>$284.5</td>
<td>$303.0</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>143.6</td>
<td>204.8</td>
<td>180.4</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$461.4</strong></td>
<td><strong>$489.3</strong></td>
<td><strong>$483.4</strong></td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>$699.9</strong></td>
<td><strong>$659.7</strong></td>
<td><strong>$556.4</strong></td>
</tr>
</tbody>
</table>

University condensed operating results, as of June 30 (in millions)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, beginning of year</td>
<td>$606.9</td>
<td>$699.9</td>
<td>$659.9</td>
</tr>
<tr>
<td><strong>REVENUE, INVESTMENT INCOME AND OTHER SUPPORT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student tuition and fees, net</td>
<td>$142.3</td>
<td>$149.4</td>
<td>$164.6</td>
</tr>
<tr>
<td>Private gifts and grants</td>
<td>34.4</td>
<td>44.9</td>
<td>50.7</td>
</tr>
<tr>
<td>Investment income and available endowment income</td>
<td>31.0</td>
<td>32.2</td>
<td>29.0</td>
</tr>
<tr>
<td>Other operating revenue</td>
<td>139.1</td>
<td>149.3</td>
<td>166.3</td>
</tr>
<tr>
<td><strong>Total revenue, investment income and other support</strong></td>
<td><strong>$346.8</strong></td>
<td><strong>$375.8</strong></td>
<td><strong>$410.6</strong></td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total expenditures</td>
<td>$316.7</td>
<td>$333.7</td>
<td>$359.7</td>
</tr>
<tr>
<td>Change in net assets from operations</td>
<td>$30.1</td>
<td>$42.1</td>
<td>$50.9</td>
</tr>
<tr>
<td>Gain (loss) in investments</td>
<td>72.0</td>
<td>(87.3)</td>
<td>(154.2)</td>
</tr>
<tr>
<td>Other non-operating gains (losses)</td>
<td>(9.1)</td>
<td>5.0</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total change in net assets</strong></td>
<td><strong>$93.0</strong></td>
<td><strong>$(40.2)</strong></td>
<td><strong>$(103.3)</strong></td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>$699.9</td>
<td>$659.7</td>
<td>$556.4</td>
</tr>
</tbody>
</table>
Commitments by constituent type, as of June 30

<table>
<thead>
<tr>
<th>Constituent type</th>
<th>Commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals</td>
<td>$25,663,992</td>
</tr>
<tr>
<td>Corporations</td>
<td>$6,862,162</td>
</tr>
<tr>
<td>Foundations</td>
<td>$2,387,379</td>
</tr>
<tr>
<td>Other Organizations</td>
<td>$661,171</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$35,374,704</td>
</tr>
</tbody>
</table>

Commitments by purpose, as of June 30

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>$21,252,587</td>
</tr>
<tr>
<td>Capital</td>
<td>$5,387,530</td>
</tr>
<tr>
<td>Endowment</td>
<td>$3,988,237</td>
</tr>
<tr>
<td>To be determined</td>
<td>$4,966,300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$35,374,704</td>
</tr>
</tbody>
</table>