

AN EXTRAORDINARY YEAR...

the new reality

2009/2010 was an extraordinary year for The University of Winnipeg Foundation. A time of tumult and uncertainty, triggered by the market meltdown that began in September of 2008, but also a time of remarkable agility, adaptability and perseverance.

Navigating this turbulence and successfully staying ahead of the curve required, for the Foundation, a process of heightened donor stewardship and continued prudent and cautious management of our Endowment Fund.

Not only did we surpass our public campaign goal of \$70 million, we succeeded in making our \$1.1 million commitment to The University of Winnipeg for scholarships and bursaries. We built relationships with new donors and friends of the University and fostered longstanding ones with endowment fund donors. And, according to a December 2008 report of the Canadian Association of University Business Officers, The University of Winnipeg Foundation ranks 4th of 16 Canadian Universities in 1-year and 4-year annualized rates of return on the Endowment Fund.

To date the A World of Opportunity Capital Campaign has raised \$73 million towards university identified CASE projects and other University academic programs and student awards. Of this total, the Foundation realized over \$8.8 million in donations in 2009/2010.

Our sole mission is to serve the needs of our University and to do that, we must continue to invest in stewardship activities that help strengthen the University's relationship with its donors and build a stronger philanthropic climate in the University of Winnipeg community.

This report describes the results achieved by The University of Winnipeg Foundation during 2009/2010 from a number of perspectives. It also shares some on-going priorities and plans for the future.

The stock market volatility that began in September 2008 took a toll on our Endowment Fund, which dropped in market value from \$32.7 million in 2007 to \$29 million

at the close of fiscal 2008, despite new gifts to the Foundation totaling more than \$3 million.

We have been inspired by the generosity of donors at every level of giving who continue to support our University and its students, even during difficult times. For example, through the Campaign to Raise Current Funds over \$600,000 was raised for student awards.

At March 31, 2010 we are happy to report that the Endowment Fund has a market value of \$34.9 million. This successful recovery can be attributed to the work of our Investment Committee, whose cautious decision-making throughout this tumultuous period served our University, its students and our donors very well. The University of Winnipeg Foundation continues to maintain a conservative investment policy, developed to deliver long-term returns.

While the recovery thus far has been positive, the future is uncertain. We could not have predicted the scope of the downturn or its impact, and we cannot see what is around the corner. However, we are confident in our agility, our ability to adapt, and our prudent management style and will continue our work in the face of our new reality.



A World
of Opportunity
CAPITAL CAMPAIGN

CREATING A CULTURE OF PHILANTHROPY THROUGH RELATIONSHIPS...

the role of The University of Winnipeg Foundation

The Foundation has worked collaboratively to support the President and our institution's priorities since its inception in April 2003. While the primary vehicle for realizing that support has been the "A World of Opportunity" capital campaign, we have also addressed new initiatives for the purpose of enhancing funding for University projects and programs.

As a result of these immense efforts, The Foundation has achieved a remarkable return on investment of 10.4:1, based on the University's operating grant and Occupancy and Support Agreement.

Success in fundraising requires strong teamwork. One sign of this success is the tremendous increase in the number of University community members - faculty, staff, administration, retirees - the Foundation has welcomed to our office.

Whether to make a gift, ask a question, or provide an update, visits from our University community are highly valued. Our collaborative efforts with the University are strengthening the student experience and infrastructure of the University for years to come.

In addition to serving our University community through fundraising for Campaign priorities, the Foundation is pleased to assist donors and the University in achieving other philanthropic objectives, including:

Appeals and Other Fundraising

Examples include: targeted solicitations & direct mail, Faculty and Staff, UW Faculty Association, UW Retirees Association, alumni & departmental appeals, applications to foundations for grant funding, out-of-town solicitation strategies, Gala Dinners, class reunion appeals, alumni events and online fundraising.

Donor Stewardship Activities

Examples include: development and management of Terms of Reference and Gift Agreements, Endowment Fund reporting and accountability, donor/student receptions, dinners and luncheons; regular donor correspondence and responding to daily donor inquiries.

Donor Recognition Activities

Examples include: acknowledgment and thank you letters, congratulatory notes, project reports, website recognition, campaign news stories, the Annual Report to Donors and fulfillment of named recognition promises.

Planned Giving Functions

Examples include: solicitation of new bequests and planned gifts using gift instruments such as shares, life insurance and trusts, management of the Legacy Circle and stewardship of Planned Giving donors.

Finance Areas

Examples include: Preparation of monthly and annual financial statements, tax receipting, budgeting, gift coding and entry, pledge recording and follow up and Endowment Fund management, MSBI, corporate, foundation and donor initiated matching requirements, disbursement quota compliance and tax filing, CRA, AFP, CAGP guideline compliance.

Fundraising Management

Examples include: reporting, prospect management, ongoing research into prospect linkage, interest and affluence, database management, development and implementation of required policies and procedures, volunteer management and expansion and elevation of the donor base.

The Foundation's focus is on generating long-term support to achieve both the University's objectives and fulfill the donor's philanthropic interests.

Fundraising is ultimately about relationships. More than anything, a culture of philanthropy is an attitude that embraces relationship building. People give to The University of Winnipeg because they want to see students succeed and they want to support transformative capital improvements in downtown Winnipeg. They give because they want to be part of success.

It is important to recognize that the Foundation is only engaged in support that is of a philanthropic and charitable nature. This is relevant for two reasons:

1. The most effective fundraising is donor-centered and the Foundation's role is to help donors fulfill their philanthropic aspirations through their gifts to the University. While we may ask donors to give to certain projects and priorities, it is ultimately their decision as to how much to give, and to what areas of interest. This is the best way to maximize a donor's philanthropic support.

2. Certain undertakings are predominantly sponsorship or partnership in nature and require little or no involvement from the Foundation, yet are critically important to the University's revenue generation objectives. A recent and important example is the

partnership with CISCO that resulted in much needed technology infrastructure, teleconference and distance education infrastructure, research and teaching lab support.

INVESTING IN RELATIONSHIPS...

fulfilling our commitment to The University and its students

In November 2008, we advised donors that the global economic downturn had depleted our Endowment Fund Reserve, and we asked donors for a gift of current, rather than endowed funds to help students in the coming school year. We also requested support from over 26,000 alumni, The University of Winnipeg Faculty Association and Retirees Association. Further to these efforts Dr. Axworthy requested University of Winnipeg Senior Administration and Staff to make contributions of both days without pay and donations to the Campaign to Raise Current Funds - an extraordinary effort was realized by all.

This campaign saw over 500 donors contribute gifts and pledges totaling \$600,000 and resulted in closer ties with a revitalized interest from Endowment Fund donors.

In addition to the Campaign to Raise Current Funds, the Foundation embarked on a process to re-designate an unrestricted endowed fund (8001) so that \$600,000 in current

funds could be made available to the University. A further \$300,000, realized from a reduction in the Foundation's operating grant from the University helped us surpass our fundraising goal by \$400,000 and made the \$1.1 million gift allocation to the University possible.

Of the \$400,000 surplus, \$200,000 was immediately reinvested in fund 8001 making the actual draw on the re-designated fund \$400,000; \$200,000 less than expected; and a further \$200,000 in pledges due will be reinvested in 8001 as they are received.

Presently, market conditions are such that it is difficult to project the financial position of the Endowment Fund in the months ahead. With the unpredictable world markets in mind the Foundation has advanced \$500,000 of the \$1.1 million gift allocation to the University to be held in trust for endowed student awards for the 2010/11 fiscal year.

ENDOWMENT FUND PERFORMS IN TOP PERCENTILE

While we endured the challenges of a volatile market over the last 18 months, our Endowment Fund performed above benchmark in comparison (CAUBO) to other universities across Canada.

staying ahead of the curve

Endowment Fund Performance to April 30, 2009

	1 Yr	2 Yrs	4 Yrs
UWF Endowment Fund (McLean Budden)	-13.3	-7.3	1.6
All CDN Universities' Endowment Funds (CAUBO Report)	-15.1	-7.3	1.5

The Endowment Fund has experienced a significant recovery since the market crash in September 2008 and as of March 31, 2010 has a market value of \$34.9 million. This is a growth of 54% since the establishment of the University of Winnipeg Foundation in April 2003. At that time, the Endowment Fund had a market value of \$21 million in contributed capital.

Rate of return for the year was 19.45% (benchmark 19.69%).

The Endowment Fund is broken down as follows:

Contributed Capital (Cost)	\$32,646,130
Reserve Fund (Market)	\$2,280,504

A total of \$821,019 in cash and payments on pledges was received in 2009/2010 toward endowed funds. Some of the funds that benefited from these cash gifts and pledge payments include:

H.S. Riley Fellowship in Canadian History
 Opportunity Fund
 Duff Roblin Scholars
 Louis Riel Bursary

It is important to note that, with the consent of The University of Winnipeg Foundation Board, the Foundation's advancement of \$500,000 in December 2009 places us well ahead of schedule. These funds are traditionally disbursed 10% in April, 80% in September, and 10% in January of each fiscal year. Pending direction from the Board, a further \$600,000 will be advanced in September 2010. This decision ensures the University has funding for 2010/2011 endowed awards while markets continue to be volatile.

OVERVIEW OF 2009/2010 FUNDRAISING RESULTS

...achieving success

CAMPAIGN FUNDS RAISED:

Total \$ raised to March 31, 2010:	\$ 73,512,785
Total \$ raised to March 31, 2009:	\$ 64,663,637
TOTAL RAISED 2009/2010:	\$ 8,849,148

REVENUE SUMMARY:

- \$73,512,785 has been raised to March 31, 2010 in private and government funds. This represents 105% of the publicly announced \$70M goal
- \$42,064,395 raised to date in private funds
- Government of Manitoba contribution of \$25M and an additional \$6,448,390 in government funds including MSBI matching and Heritage Canada brings the total to \$73,512,785
- To date \$1,536,030 has been realized in planned gifts. Currently, the Foundation has additional documented expectancies of \$2,121,100 (minimum)
- Proposals, prospect calls and Terms of Reference for over \$14 million are currently in progress

CAMPAIGN FAST FACTS

- *The University of Winnipeg Foundation manages 6,700 donors representing over 31,500 gift transactions.*
- *An average of 10 contacts per donor was made in order to qualify, cultivate, solicit, finalize and steward these donors resulting in 67,000 touch points.*
- *Together the Foundation's development and financial staff have realized 98,500 contacts and transactions (an average of 14,000/year).*
- *Over 100 gifts over \$100,000 have been raised since 2003*
- *Over 13 gifts at \$1 million or over have been raised since 2003*

CAMPAIGN FUNDS RAISED BY CASE* PROJECT

Project	Priority	Goal	Achieved to March 31/10	To be Raised
Student Awards				
Opportunity Fund	3	\$6,477,448	\$1,988,893	\$4,488,555
University Scholarships/Bursaries - Wesley Fund	4	\$17,255,934	\$17,086,198	\$169,736
Roblin Scholars		\$1,064,015	\$475,950	\$588,065
Collegiate Scholarship/Bursaries		\$5,007,102	\$2,974,333	\$2,032,769
Undesignated Scholarships & Bursaries		\$430,352	\$449,788	
Sub-Total		\$30,234,851	\$22,975,162	\$7,279,125
Facilities Infrastructure				
Furby Campus:	1			
Science Complex		\$31,446,444	\$30,298,618	\$1,147,826
McFeetors Residence		\$4,350,991	\$3,002,891	\$1,348,100
Daycare		\$1,000,000		\$1,000,000
CanWest Theatre & Equipment		\$5,790,140	\$3,727,003	\$2,063,137
Faculty of Business	5	\$4,236,000	\$3,476,000	\$760,000
"Wesley Hall, Collegiate Capital, Convo Hall"		\$576,994	\$687,673	
General Capital		\$713,767	\$833,590	
Sub-Total		\$48,114,336	\$42,025,775	\$6,319,063
Academic Enhancements				
Community Learning	2	\$1,950,000		\$1,950,000
Model School (from Collegiate Capital)		\$125,000	\$125,200	
Innovative Learning Centre		\$887,674	\$958,846	
Global College		\$993,511	\$994,097	
H. Sanford Riley Centre for Cdn History		\$2,840,251	\$1,350,138	\$1,490,113
Centre for Sustainable Transportation				
School of Housing & Urban Studies				
Masters of Development Practice				
Sub-Total		\$6,796,436	\$3,428,281	\$3,440,113
Non-Campaign Priorities**				
Library (money raised, but not in CASE)		\$354,756	\$439,406	
TOTAL		\$90,081,535	\$73,512,785	\$17,038,301
		\$90M	\$73M	\$18M

Subject to ongoing review.

*CASE: A carefully prepared document that sets forth in detail the reasons why an institution or agency merits support and the areas and projects where such support is required.

** Centre for Rupert's Land Studies, Virtuosi, Journal of Mennonite Studies, Continuing Education Program, Spence Street Renewal, Water Research, Art Curator Department, Mine Sweeping Dog etc.

STRATEGIC PLANNING FOR...

2010/2011 and 2011/12



As a result of the December 2009 meetings of the Foundation Board, three Campaign Goal scenarios were discussed. Based on \$66.8M raised as at the September 2009 review, the Board identified three potential scenarios: pessimistic, realistic and optimistic; and Foundation staff has since added a fourth “super optimistic” scenario.

These scenarios correspond to a need for Campaign revenue projections to increase by amounts ranging from \$12 to \$33 million.

Following conversations related to staff resources and the Foundation’s operating budget, a consensus was reached to pursue the realistic goal amount of \$82 million and to still keep our sights on an optimistic goal of \$90 million.

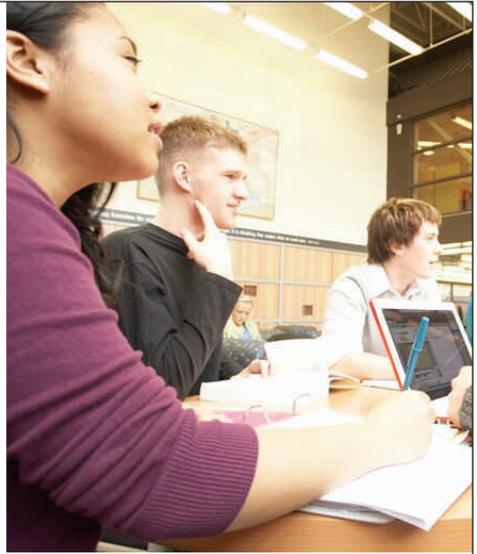
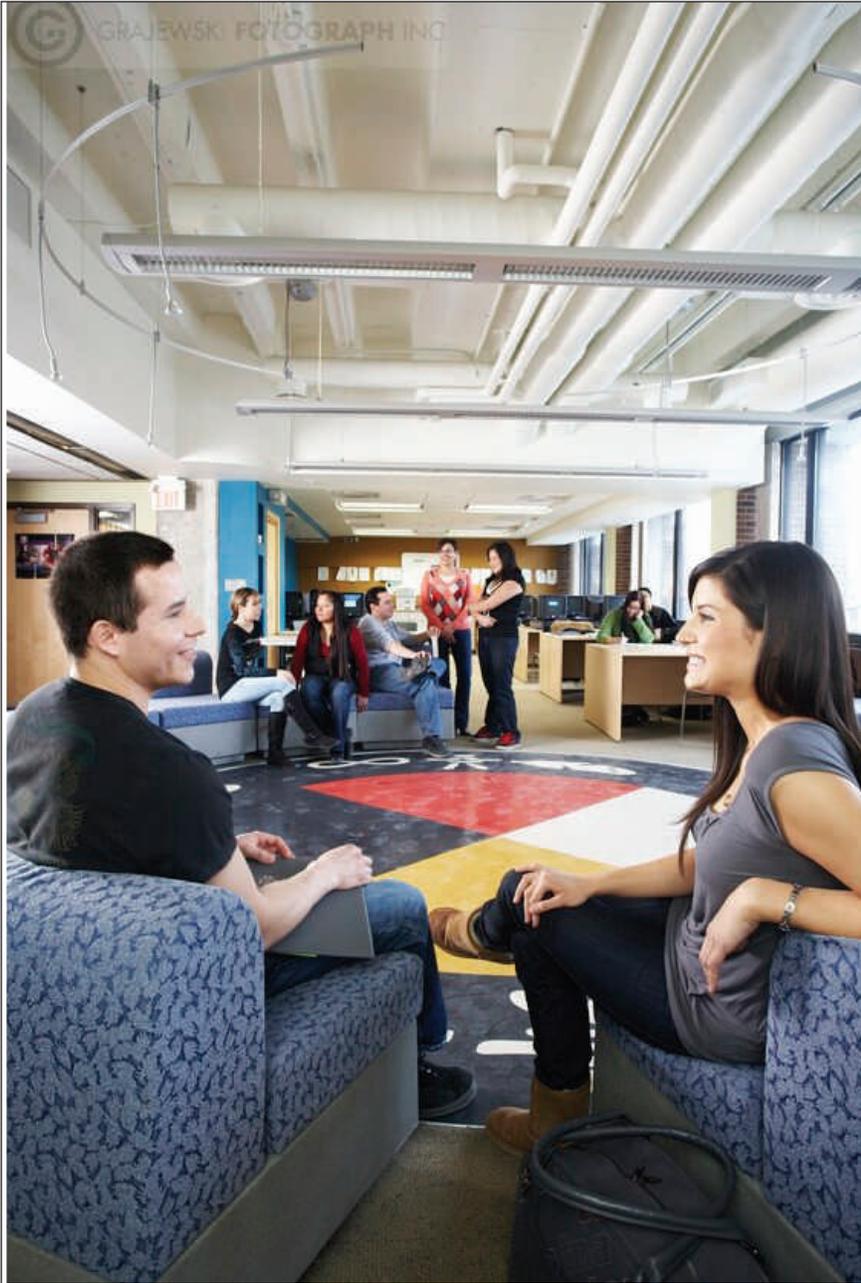
A Campaign Plan and Transition Plan have been developed to take us through the next two years, on the basis of

the optimistic goal. The plan is aimed at keeping the University and the Foundation’s sights on the optimistic goal and taking advantage of exceptional opportunities currently available.

CONCLUSION:

After an 18-month period of historic market volatility, swift action, adaptability and adjustments amidst the largest capital campaign in University of Winnipeg history we submit this annual report to our University with the substantive results required from us.

*We are proud
to serve our University
and our donors.*



UNIVERSITY OF WINNIPEG

FOUNDATION

705 - 491 Portage Avenue
Winnipeg, Manitoba Canada R3B 2E4
Tel. 204.786.9995 Fax. 204.775.2356
www.uwinnipegfoundation.ca

