October 28, 2013

TO: The Members of the Board of Regents of the Nevada System of Higher Education

FROM: John F. O’Reilly
Chairperson, UNLV Foundation

RE: The Annual Report to the Board of Regents concerning UNLV Foundation activities in Fiscal Year 2013

Fundraising Results for Fiscal Year 2013

The University of Nevada, Las Vegas (UNLV) and the UNLV Foundation had another successful fundraising year in fiscal year (FY) 2013. During the year, individuals, corporations, and foundations contributed $33,063,048 to UNLV and the UNLV Foundation in gifts, gifts-in-kind, and gifts of service.

In addition, the UNLV Foundation also received approximately $3.1 million in gift commitments and $1 million in estate gift commitments not counted in the number above. The UNLV Foundation typically does not count these commitments in formal reports or other materials because the standard practice nationally is not to do so. Nevertheless, it is worth noting that, for the fiscal year, the combined total of gifts received combined with gift commitments is over $37.1 million.

In all, 8,670 alumni and friends gave more than 17,104 gifts to UNLV during the fiscal year. That represents a 6% growth in donors and a 16% growth in the number of gifts over FY 2012.

Demonstrating to donors that their gift makes a difference is a strong motivation for future support. A new endeavor for the UNLV Foundation this past year was soliciting the help of students in writing personal thank-you notes to donors. During National Student Philanthropy Day in February, students could drop by a booth and express their gratitude by writing personal thank-you notes. In addition, leaders of student organizations teamed up to send thank-you cards to area businesses on a card designed by a UNLV work-study student whose position was funded by private support. Over 1,000 notes were penned by students during both the February National Student Philanthropy Day and the April UNLV Senior Send-Off. Many donors communicated their appreciation after receiving their note.
Financial Report

In April 2013, the UNLV Foundation re-engaged the accounting firm Grant Thornton LLP to provide audit services for the UNLV Foundation’s FY 2013 financial statements and review of the IRS forms 990, 990-T for 2013. The audit for FY 2013 resulted in an unqualified opinion, with no areas of concern, for the UNLV Foundation’s financial statements.

As required by NSHE policy, the audited financial statements and internal controls letter were included in the materials forwarded to the Chancellor’s Office for inclusion in the Board packets for the NSHE Board of Regents’ UNLV Foundation members meeting on December 5, 2013.

Investment Activity

As of June 30, 2013, the UNLV Foundation managed approximately $197.1 million for the benefit of UNLV including endowment funds and funds given by donors for immediate expenditure for student, program, and capital purposes. Management oversight of these funds in FY 2013 was provided by the UNLV Foundation’s Investment Committee which met four times during the year.

The Investment Committee worked diligently throughout the year to revise the investment policy statements for both the fiduciary and endowment portfolios and the structure of those portfolios. The endowment portfolio asset allocation and manager selection was completed in 2013, and the fiduciary portfolio will be the focus for 2014. The Investment Committee reviews the portfolio returns by manager at each meeting, evaluates the investment policy annually, and sets the annual payout rate in the fall of each year for the following fiscal year.

The overall return for UNLV Foundation managed endowment funds for FY 2013 was 12.76%, net of fees. Short-term funds held by the UNLV Foundation on behalf of the campus saw a net gain of 2.94%.

Activity Highlights

During the fiscal year, the UNLV Foundation held over 42 events to thank donors and cultivate new prospective donors. These events engaged more than 5,000 guests. In October 2012, the UNLV Foundation held its 24th annual dinner with special guest speaker, former President Bill Clinton. Support for the evening reached an all-time high for Foundation dinners with a significant increase in major sponsorships and over 1,000 guests. Partnerships with the William F. Harrah College of Hotel Administration, the College of Fine Arts, and the UNLV Admissions Office provided opportunities for the guests to be greeted and escorted by UNLV students and for high school National Merit Scholars to be guests of UNLV and meet the dean and students from the Honors College. The UNLV Foundation is especially appreciative that members of the Board of Regents took time to participate in our many activities throughout the year.
Expenses and Staffing

At the end of FY 2013, a total of 40 full time staff worked with the UNLV Foundation and university development, including both professional staff and classified employees. In addition, the UNLV Foundation employs 10 students who are vital in such areas as gift processing and information technology.

The total of all fundraising and development unit operating expenses for the UNLV Foundation for FY 2013 was approximately $5,263,000. This resulted in fundraising costs of less than 14% – that is less than 14 cents spent on fundraising, development, and foundation operations for every dollar raised. The UNLV Foundation and the campus continue to raise funds economically. The standard suggested by the National Association of College and University Business Officers (NACUBO) is 17% (17 cents spent on fundraising and operations for every dollar raised). The UNLV Foundation consistently beats this benchmark.

Affiliated Organizations

As required by Board of Regents policy, the UNLV Foundation works with the other UNLV affiliated foundations and organizations and provides comprehensive guidelines to help them comply with federal, state, NSHE, and campus operational requirements. A copy of these guidelines is available to the Board of Regents and to the public through the UNLV Foundation.

UNLV has four affiliated 501(c)3 organizations in addition to the UNLV Foundation-the UNLV Rebel Football Foundation, the UNLV Golf Foundation, the UNLV Alumni Association, and the UNLV Research Foundation.

As required by Board of Regent’s policy, the UNLV Research Foundation and UNLV Rebel Football Foundation have submitted to the UNLV Foundation audited financial statements for FY 2013 that resulted in unqualified opinions. The Rebel Golf Foundation and the UNLV Alumni Association both submitted review financial statements for FY 2013, as required.
UNLV Foundation Board of Trustees Activity

In addition to the central work of supporting fundraising and fund management, the UNLV Foundation and its Board of Trustees determined in the spring of 2011 that an important focus of its efforts would be to expand participation by community leaders through the identification and recruitment of members for a new advisory board. The Advisory Board meets twice yearly and is comprised of 42 members of the Las Vegas community.

Ken Alber
Lovee Arum
Cecilia “Cel” Avila
Randy Boesch ’90
Mark E. Brown
Dr. Raj Chanderraj
Anne D. Christenson
Cameron B. Conn
Richard T. Crawford
Ted Dake ’06
Rick Darnold ’85
Jennifer Dorsey ’94
Bill Drobkin
Jeffrey Fine
Greg Fullmer
Dan Hanneke
Chris Johnson
Tom Kaplan
Todd-Avery Lenahan
Richard C. MacDonald
Dominic Anthony Marrocco

Frank Martin
Seth Maurer
Kimberly Maxson-Rushton
Jim Medick
Alan Merrell
Joe Micatrotto Jr.
Gregory J. Morris ’85
Mike Novick
Jeff Oberschelp
Kevin T.Orrock ’76
Gina B. Polovina ’91,’94
Michael Rumbolz ’76
David J. Saltman
Tony F. Sanchez III ’88
Henry Schuck ’05
Stephen G. Siegel
Mathew Smith
Tom Thomas
John U. Tippins IV ’03
Daniel C. Van Epp
Johnnie M. Woodson Jr., M.D.

Nominees for re-appointment to the UNLV Foundation Board of Trustees

The UNLV Foundation Board of Trustees is pleased to present 14 individuals to the Board of Regents for formal appointment of additional three-year terms on the Board of Trustees:

MaryKaye Cashman ’82
Craig Cavileer
Mark Fine
Brian Greenspun
Bruce Hendricks ’77
Christina M. Hixson
Greg Lee

Marilyn Mack
Scott Y. MacTaggart
Greg McKinley ’80
Ted Quirk
Larry Ruvo
Blake L. Sartini ’82
Tito Tiberti
Nominees for appointment to the UNLV Foundation Board of Trustees

Six individuals are presented for consideration by the Board of Regents for formal appointment to the UNLV Foundation Board of Trustees, each for a three-year term:

Gary Ackerman  
Tina Lewis  
Michael J. Bonner ’78  
David Ross ’95, ’05  
Jerald M. Dick ’65  
Lindy Schumacher

UNLV Foundation Officers

Officers of the corporation are elected for two-year terms. However, the UNLV Foundation Board of Trustees may request that the chairperson remain in office for an additional year. John O’Reilly will remain as the Chairperson through May 2014. Additionally, the Board of Trustees added a 2nd Vice Chairperson in May 2013 as allowed by the UNLV Foundation’s Bylaws. The Board of Trustees elected the following officers to serve until May of 2014:

John F. O’Reilly ’74  
Chairperson  
Michael W. Yackira  
Vice Chairperson  
Greg Lee  
2nd Vice Chairperson  
Diana Bennett  
Treasurer  
Betty J. Mayer  
Secretary (ex officio)