



# FY 2012 ANNUAL REPORT BRIEF

Dear Friends of the USG Foundation,



Last fiscal year, the University System of Georgia Foundation adopted a new strategic plan to align the Foundation's goals with the University System's Strategic Plan. This year, the Board's efforts were focused on four

goals, resulting in significant accomplishments to better support the University System, its faculty and staff, and the more than 300,000 students we serve. This work is shared with you now.

**Goal 1. Cultivate private support for scholarships to be awarded to all USG institutions:**

Trustees and staff reached out to the corporate community and their response was tremendously supportive. Corporate, private and institutional generosity to the Foundation has enabled more than 60 students to attend a USG college or university this past year.

**Goal 2. Provide professional, financial and administrative support to institutions, the System Office, the Office of the Chancellor and the Board of Regents:**

The USG Foundation created the University System Advancement Fund to strengthen our financial commitment and support for activities that advance the work of the University System. This effort includes staff recognition events and awards, strategic investments in USG projects, expense support when state funding is unavailable, fund-raising initiatives and professional development training.

**Goal 3. Promote relationship building and collaboration between USG institutions and financial supporters:**

The mission of the USGF, a cooperative organization of the Board of Regents, is to support and advance the work of the University System of Georgia consistent with the University System's Strategic Plan.

This year's Gala boasted a new name, a new look and an increased emphasis on networking. Once again the evening was a tremendous success, with an exceptional turnout from educational and community leaders as well as our elected officials.

**Goal 4. Demonstrate a high level of fiduciary responsibility and maximize fund growth at an acceptable risk:**

The Board of Trustees took steps to further secure the Foundation's financial future by adopting a comprehensive investment policy and adding a staff member to oversee all financial and investment transactions on a daily basis. This was accomplished while preserving our commitments, awarding more than \$350,000.00 in scholarships and awards, and building our corpus to our founding trustees' original objective.

The Foundation Board of Trustees has set clear directives to uphold the legal and ethical standards that are essential to our work, while achieving desired results. More importantly, we have helped people, our state's best resource. This overview is brief, but we encourage you to learn more about how the USG Foundation is changing lives and creating an economically stronger and more educated Georgia.

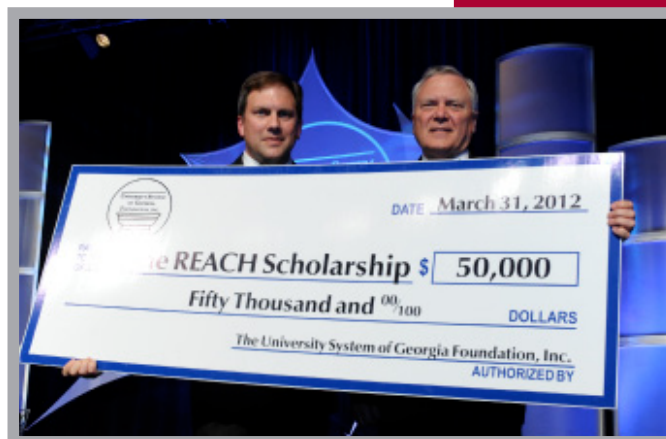
Sincerely,

Kenneth R. Bernard, Jr.  
2012 Chairman

## Scholarships and Awards FY 2012

- ★ **\$25,000** was awarded to five outstanding USG faculty recipients of the Felton Jenkins, Jr. Hall of Fame Faculty Award.
- ★ **\$15,000** was awarded to provide professional development opportunities to USG Chief Advancement Officers.
- ★ **\$176,000** in Regents' President's Choice Scholarships was awarded to USG institutions for need- and merit-based scholarships.
- ★ **\$84,000** in Regents' Foundation Scholarships was awarded to fourteen colleges and universities in fulfillment of a commitment of need-based scholarships.
- ★ **\$50,000** was contributed to Governor Deal's REACH Program to support this state-wide initiative to increase college enrollment and success for an under-served student population.
- ★ Ten students entered a USG college or university as a SunTrust Scholar with their full tuition paid through the SunTrust Foundation grant awarded in FY 2011.

**\$350,000** equals the total scholarships and awards given in Fiscal Year 2012.



Governor Nathan Deal accepts a \$50,000 contribution to the REACH Program at the 2012 Regents' Salute to Education

## FY 2012 BOARD OF TRUSTEES

### EXECUTIVE COMMITTEE

CHAIRMAN - Kenneth R. Bernard, Jr.  
 SECRETARY & TREASURER - Gita Hendessi Gardner  
 CHANCELLOR - Henry M. Huckaby  
 DEVELOPMENT CHAIR - Philip A. Wilheit

### BOARD MEMBERS

Hugh A. Carter, Jr.  
 Dwight H. Evans  
 R. A. "Rusty" Griffin, Jr.  
 Julie E. Hunt  
 Donald M. Leebern III  
 Elridge W. McMillan  
 Neil L. Pruitt, Jr.  
 James D. Yancey

### FY 2012 STAFF

Candace Sommer, Executive Director  
 Ben Riden, Assistant Treasurer  
 Rob Roy, Finance and Grant Operations Director

## The University System of Georgia Foundation, Inc. Including Real Estate Foundation LLCs

### ASSETS

|  |                      |
|--|----------------------|
| Cash and Cash Equivalents                  | \$ 699,642           |
| Agency Fund Assets                         | 312,928              |
| Pledges Receivable                         | 35,070               |
| Accrued Interest Receivable                | 1,310,528            |
| Investments                                | 4,926,075            |
| Net Investments in Direct Financing Leases | 273,119,173          |
| Construction in Progress                   | --                   |
| Debt Issuance costs, net                   | 4,584,691            |
| Assets Limited as to Use                   | 12,710,477           |
| <b>Total Assets</b>                        | <b>\$297,698,584</b> |

### LIABILITIES AND NET ASSETS

|   |                       |
|---|-----------------------|
| Accounts Payable                        | \$ 84,303             |
| Construction Payable                    | 688,666               |
| Agency Funds Payable                    | 312,928               |
| Bonds Payable, Net                      | 287,140,730           |
| Accrued Interest Payable                | 584,020               |
| <b>Total Liabilities</b>                | <b>\$ 288,810,647</b> |
| <b>Total Net Assets</b>                 | <b>\$8,887,937</b>    |
| <b>Total Liabilities and Net Assets</b> | <b>\$ 297,698,584</b> |

*The financial figures presented here are taken from an audited financial statement with an unqualified opinion.*

## USG Foundation Statement of Activities (Excluding the Real Estate Foundation LLCs)

### REVENUES AND OTHER SUPPORT

|   |            |
|---|------------|
| Regents' Event and Other Contributions          | \$ 977,638 |
| Registration Fees                               | 305,240    |
| Management Fee Income                           | 233,475    |
| Investment Income                               | 117,567    |
| Net realized and unrealized gain on investments | (5,754)    |

**Total Revenue and Other support** **\$1,628,166**

### EXPENSES

|                           |            |
|---------------------------|------------|
| Scholarships and awards   | \$ 241,119 |
| R & D programmatic grants | 135,810    |
| USO & BOR support         | 326,840    |
| GHEFA support             | 8,008      |
| General & administrative  | 301,205    |
| Fundraising               | 352,834    |

**Total Expenses** **\$1,365,816**

**Change in Net Assets** **\$262,350**

## The USG Foundation Funds and Capital Balance (Excluding the Real Estate Foundation LLCs)

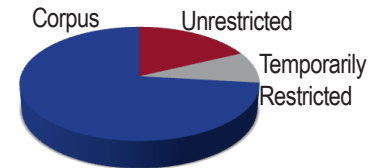
### ASSETS AND LIABILITIES

|                                  |             |
|----------------------------------|-------------|
| Total Assets                     | \$5,960,787 |
| Liabilities                      | \$ 384,303  |
| Total Net Assets                 | \$5,576,484 |
| Total Liabilities and Net Assets | \$5,960,787 |

### TOTAL CAPITAL

#### Capital Balances

|                        |                    |
|------------------------|--------------------|
| Unrestricted           | \$1,001,146        |
| Temporarily Restricted | \$ 494,210         |
| Corpus                 | \$4,081,128        |
| <b>Total</b>           | <b>\$5,576,484</b> |



**Unrestricted:** Non-grant related funds, general operating funds, and indirect funds from grants

**Temporarily Restricted:** Scholarships and grant monies with donor-specific requirements

**Corpus:** Proceeds from the Gala designated by the Board of Trustees to be held in perpetuity for the support of the USG through scholarships and awards

# Regents' Salute to EDUCATION

March 31, 2012

In 2004, the University System of Georgia Foundation, Inc. established an annual event to recognize the contributions and achievements of its students, faculty, alumni and supporters. Each year at this prestigious event the University System of Georgia Foundation Board presents the Regents' Hall of Fame Awards and the McMillan Lifetime Achievement Award to honor faculty and alumni of the University System of Georgia. The event also raises funds to advance the work of the University System and the Regents' President's Choice Scholarships, which provide merit- and need-based scholarships for students attending USG colleges and universities.

The Regents' Salute to Education held on March 31, 2012 at the Atlanta Marriott Marquis marked the eighth year that many of Georgia's most ardent supporters of Georgia's public colleges and universities gathered to pay tribute to those who bring excellence to higher education. As in past years, guests included the Regents, Foundation Trustees, USG institution presidents, honored alumni and faculty, corporate and community leaders, and elected officials.

Besides a new name and a new look, the event featured an enjoyable and highly profitable live auction, thanks to Foundation Trustee and Regent Philip Wilheit and generous contributions from Governor and Mrs. Deal, renowned artist Steve Penley, Regent Dink NeSmith and Delta Airlines. The event also hosted a post-dinner reception which was attended by hundreds of guests.

The center and highlight of the evening was the awards ceremony which honored outstanding alumni and faculty. This year's recipients represented twelve different institutions across the state. The University System of Georgia Foundation congratulates these deserving recipients.



Dr. Betty Siegel is honored with the Elridge McMillan Lifetime Achievement Award. (L-R) Regent Emeritus Elridge McMillan, Regent Don Leebern, Dr. Betty Siegel, Regent Ken Bernard, and Chancellor Hank Huckaby



The Felton Jenkins, Jr. Hall of Fame Faculty Award recipients are honored for outstanding work. (L-R) Presenter Don Leebern, Dr. Thomas Pusateri, Dr. Mulatu Lemma, Dr. Jessica Damian, Dr. Sybilla Beckmann, Dr. Michael Metzler, and USGF Chairman Ken Bernard



The 2012 Regents' Hall of Fame Alumni Award recipients are honored for their contributions to their institutions. (L-R) Presenter Don Leebern, Ms. Pamela Cross, and Cameron and Dan DeLoach, Dr. Karl Peace, and USGF Chairman Ken Bernard

## 2012 SCHOLARSHIP RECIPIENTS

More than 60 students facing financial barriers were able to attend a USG college or university as recipients of a USG Foundation scholarship made possible through Gala sponsorships and contributions to the USG Foundation. Pictured left are three of the students who received USGF scholarships in FY 2012.



Kathryn Cain  
Georgia Institute of  
Technology



Alexis Fonte  
Southern Polytechnic  
State University



Shavon Austin  
Kennesaw State  
University



## WITH APPRECIATION TO USG FOUNDATION CONTRIBUTORS IN FY 2012

### **\$45,000 and above**

Georgia Crown Distributing Company  
The SunTrust Foundation

### **\$15,000 - \$44,999**

Anonymous  
The Coca-Cola Company  
Columbus State University Foundation  
Georgia Health Sciences Foundation  
Georgia Southern Foundation  
Georgia State University Foundation  
The Georgia Tech Foundation  
Mr. and Mrs. Robert F. Hatcher  
Kennesaw State University Foundation  
North Georgia College and State University Foundation  
SunTrust Bank  
The University of Georgia Foundation  
TIAA-CREF  
Wells Fargo

### **\$8,000 - \$14,999**

The Aflac Foundation  
Ajax Construction Company  
Allied Energy Services, Inc.  
Albany State University Foundation  
Anonymous  
Armstrong Atlantic State University Foundation  
Augusta State University Foundation  
BB&T  
Balfour Beatty  
Bank of North Georgia/Synovus  
Clayton State University Foundation  
Coleman Talley LLP  
Columbus State University Foundation  
Erroll and Elaine Davis Foundation  
Fort Valley State University Foundation  
Georgia College and State University Foundation  
Georgia Gwinnett College Foundation  
The Georgia Power Foundation  
Georgia Southern University Foundation

Georgia Southwestern State University Foundation

Jim and Judy Jolly  
Juneau Construction Company  
Kennesaw State University Foundation  
Merchant Capital  
Niles Bolton & Associates  
Parrish Construction  
Peck Shaffer & Williams  
Doreen and Alec Poitevint  
Willis and Glenda Potts  
The Potts Company  
Savannah State University  
Southern Polytechnic State University Foundation  
Total System Services, Inc.  
The University Financing Foundation (TUFF), Inc.  
The University of Georgia Athletic Association  
The University of Georgia Research Foundation  
University of West Georgia Foundation  
UHS-Pruitt Corporation  
The UPS Foundation  
Valdosta State University Foundation  
W.C. Bradley Company

### **\$4,000 - \$7,999**

Abraham Baldwin Agricultural College  
Hugh and Glenna Carter/Darby Printing Company  
Citi Business Services  
College of Coastal Georgia Foundation  
Dalton State College Foundation  
Gainesville State College Foundation  
Georgia Perimeter College  
Gordon College Foundation  
R. A. "Rusty" Griffin  
Julie E. Hunt  
Lord, Aeck & Sargent  
Macon State College Foundation  
McKenna, Long and Alridge  
Middle Georgia College Foundation  
Oracle America, Inc.

Dr. and Mrs. Fazlur Rahman  
Betsy and Ben Tarbuton III  
Richard Tucker Family Foundation  
James D. and Ruth Yancey

### **\$500 - \$3,999**

Alston and Bird, LLP  
Atlanta Metropolitan College Foundation  
Bainbridge College Foundation  
Ken and Carolyn Bernard  
Community Newspapers  
Darton College Foundation  
East Georgia College Foundation  
Larry Ellis  
The Joel and Geraldine Cowan Fund  
Georgia Highland College Foundation  
Greater Carolina Ear, Nose and Throat, PA  
JP Morgan Chase  
KSI Structural Engineers  
Dr. and Mrs. C. Thomas Hopkins  
Mauldin and Jenkins  
Elridge W. McMillan  
Dink NeSmith  
Edward R. Nichols  
Peak Performance Technologies  
Scott Design  
Skidaway Marine Science Foundation  
South Georgia College Foundation  
Kessel Stelling  
Waycross College Foundation  
Larry Walker  
Philip and Mary Hart Wilheit  
Steve and Lynne Wrigley

### **Other donations and gifts**

The Atlanta Braves  
The Atlanta Falcons  
Delta Airlines  
Georgia Crown Distributing Company  
Steve Penley