Dear alumni and friends:

In our first year as chair and president, we have been moved by the strong spirit of philanthropy exhibited by those who are passionate about Ball State and its future. We are proud of the role that Ball State University Foundation plays in that process.

For more than 60 years, the foundation has partnered with alumni and friends who are creating personal and compassionate ways to help Ball State thrive. We and our colleagues in University Advancement are dedicated to building and nurturing those relationships—just as our donors are committed to creating life-changing experiences for our students.

Thanks to the generosity of our donors, good work of our partners in University Development, prudent investment policies, and sound financial management, foundation assets have grown to more than $216 million in fiscal year 2013, and $18 million has been provided to support students, projects, and programs campuswide during that time.

This year’s annual report provides both a snapshot of fiscal year 2013 and a spotlight on the ways we serve and support our donors and the university.

We thank you for your ongoing support and commitment to the people, programs, and progress of Ball State.

Cherí E. O'Neill
President and CEO
Ball State University Foundation

Peter F. Campanella
Chair, Board of Directors
Ball State University Foundation

Our $20 million Cardinal Commitment campaign includes thoughtful, strategic improvements for softball, baseball, men's and women's golf, football, men's and women's basketball, and men's and women's volleyball.

For more information or to give, go to bsu.edu/commitment.
Focusing on WHAT WE DO

Through the Ball State University Foundation, you have a direct impact on the quality of education available to students today and tomorrow.

Private gifts help the university and its students achieve levels of excellence not possible through state assistance alone. Our mission is to provide the greatest sustainable support for Ball State by promoting, accepting, and maximizing private contributions in many areas including scholarships, academic programs, and faculty compensation. We also prudently manage, invest, and steward the assets entrusted to us by you, our generous donors.

We are governed by a dedicated 31-member board of directors, comprised of individuals with varied backgrounds such as business, banking, investing, higher education, law, and nonprofit leadership. The board currently has six active committees: executive, investment, operations, philanthropy, audit, and committee on directors.

We provide EXCEPTIONAL STEWARDSHIP

The foundation is focused on responsibly managing your generous gifts. We strive to nurture and build lasting relationships between Ball State and those who assist the university with private support by keeping you informed and engaged.

Driven by the principles of fiscal responsibility, accountability, and responsible stewardship, we proudly pledge the following commitments:

- Contributions are acknowledged in a timely, accurate, and appropriate manner.
- Donors are recognized in meaningful ways while adhering to any stated wishes of anonymity.
- Reports to donors are consistent and accurate and reflect the impact of their financial contributions.
- We collaborate with the university to ensure that donor gifts are used for purposes for which they were intended.

We have also adopted the national standard Donor Bill of Rights, which is available by request and on our website.

We help create a POSITIVE GIVING EXPERIENCE

Over the years, we have helped donors like you experience the joy of giving. Whether contributing to the Ball State Fund—to be used for the greatest needs of the university—or providing support for scholarships, academic programs, faculty, departments, programs, or Ball State’s innovative immersive learning programs, we’re here to offer options, opportunities, resources, and personnel to facilitate the gift-giving process. We also provide professional counsel for those wishing to leave a legacy through a planned or deferred gift.

Giving back to help others succeed can be very gratifying, and we strive to make your giving experience simple, satisfying, and meaningful.

To learn more, contact us, visit bsu.edu/bsufoundation, or like us on Facebook.

“Most people have more resources than they realize, and through the power of estate planning, they can reach their philanthropic goals, giving a larger gift than might be possible in their lifetime.”

Penny Ralston, ’71, Foundation Board Member and Bequest Donor
We make
SMART INVESTMENTS

To provide support for the students and programs of Ball State, we continue to refine our investment program and its governance process to adapt to the changing investment climate and its opportunities.

The objective of the foundation's investment policy is to provide a rate of return over inflation to allow the fund you have so generously established to continue to provide a high sustainable level of support to Ball State University. The policy balances attaining the highest total rate of return with a prudent level of risk, generating resources to meet the current and future needs of the university and its students.

This balancing act is accomplished through the teamwork of our Investment Committee, responsible for setting investment policy and objectives, along with an internal chief investment officer and external investment manager, who work together to manage our investment portfolio, oversee due diligence activities, monitor investment results, and develop new investment initiatives.

Our assets are invested in a broadly, globally diversified portfolio of public and private investment strategies in a process that allows us to adapt to dynamic investment markets.

The results are investment returns that consistently meet or outperform standard benchmarks. Please refer to the 2013 Financial Picture for more information on our investment returns.

How you can
MAKE A DIFFERENCE

There are many ways to form your own partnership with Ball State. No matter how you choose to give, your generosity will make a difference in the lives of our students and the future of the university. Gifts to Ball State are tax deductible, and planned gifts, such as bequests, gifts of real estate, beneficiary designations of life insurance and retirement plans, and life income plans, offer many more attractive tax-savings and personal benefits.

We are pleased to recognize the many alumni, friends, organizations, and corporations whose gifts reflect commitment and loyalty to Ball State and its future with membership in one of our giving societies.

To learn more about these opportunities, visit bsu.edu/giving.

Ways to Give
Annual Gifts • Annual or Multiyear Pledges • Endowed Gifts • Expendable Gifts • Planned or Deferred Gifts • Corporate Matching Gifts • Donor Advised Funds • Honorary and Memorial Gifts

How to Give
Cash • Credit Card • Stock • Securities • Savings Bonds • Real Estate • Tangible Personal Property • Retirement Plan Assets • Life Insurance

University Priorities
Ball State Fund • Student Scholarships • Faculty Compensation • Academic and Immersive Learning Programs • Colleges • Departments • Facilities • Technology • Athletics

“Private funding has given me the opportunity to research in the areas of storytelling and science. I would not have been able to present at the national conference without that assistance.”

Linda Taylor, Assistant Professor
Department of Elementary Education
Fiscal Year 2013

FINANCIAL PICTURE

Investments
In fiscal year 2013, the present and future impact of donor funds was magnified by investment returns of 13.4 percent. During the past 10 years of volatile markets, our investment returns averaged 7.2 percent, slightly ahead of the benchmark of 70 percent global equities and 30 percent global fixed income, but with less volatility.

Assets and Contributions
Foundation assets total more than $216 million. In fiscal year 2013, alumni and friends made contributions of $17.9 million; total contributions since the foundation was established in 1951 surpassed $402 million. Future gifts, such as bequests, life insurance policies, property, and life income plans, have grown to more than $93.8 million.

Thanks to the generosity of our donors, along with our prudent investment policy and sound financial management, the foundation is a vital partner for the university, providing support in many areas. During fiscal year 2013, the foundation provided $18 million in support to the university with total assistance exceeding $324 million since the foundation was established.

New Endowments, Fiscal Year 2013
TJ Ault Business Management Scholarship
Emens Scholarship in honor of David W. Bahlmann
Terry L. Hunsucker Scholarship
Laura Kraska Scholarship
Barbara H. Lowe Scholarship
Fred F. Lowe Scholarship
Fred Meyer Lectureship
Muncie Lions Club Scholarship
Jim & Rita Myers Fund for Accounting Excellence
Dr. Robert R. and Mrs. Harriet M. Pinger Award for Student Travel
Jeff and Susanne Prather International Travel Scholarship
Marshall E. Rinker Sr. Foundation Study Abroad Scholarship
Harlan H. Roepke Field Studies Award
Judith Roepke Scholarship
Shawger Scholarship

“My scholarships allows me to pursue many rich and varied experiences, which have ultimately made me a stronger actor and a stronger person. I spent the past two summers in the United Kingdom taking extra theatre courses and working to use theatre with those who have learning disabilities—both of which were life-changing experiences. No other school could have provided me with the combination of resources and financial support to make these experiences happen.”

Talley Gale, Acting
Recipient of the Ed Strother Award
## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

### Total Foundation

<table>
<thead>
<tr>
<th>Revenue, Gains, and Other Support</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and promotional activities</td>
<td>$17,930,649</td>
<td>$9,164,035</td>
</tr>
<tr>
<td>Investment income, including net realized and unrealized gains</td>
<td>20,708,929</td>
<td>1,733,084</td>
</tr>
<tr>
<td>Rental and other income</td>
<td>591,922</td>
<td>139,702</td>
</tr>
<tr>
<td><strong>Total revenue, gains, and other support</strong></td>
<td><strong>$39,231,500</strong></td>
<td><strong>$11,036,821</strong></td>
</tr>
</tbody>
</table>

### Expenses

| University programs, including capital projects | 15,645,886 | 11,107,665 |
| Management and general | 2,009,594  | 1,715,899  |
| Fundraising | 3,546,563  | 3,598,425  |
| **Total expenses** | **$21,202,043** | **$16,421,989** |

| Change in net assets | $18,029,457 | ($5,385,168) |

### Unrestricted

<table>
<thead>
<tr>
<th>Revenue, Gains, and Other Support</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and promotional activities</td>
<td>$916,406</td>
<td>$799,208</td>
</tr>
<tr>
<td>Investment income, including net realized and unrealized gains</td>
<td>7,241,643</td>
<td>(1,003,990)</td>
</tr>
<tr>
<td>Rental and other income</td>
<td>591,922</td>
<td>139,702</td>
</tr>
<tr>
<td>Operating support fees</td>
<td>1,222,096</td>
<td>1,133,948</td>
</tr>
<tr>
<td>Net assets released from restrictions and reclassifications</td>
<td>13,027,389</td>
<td>9,099,354</td>
</tr>
<tr>
<td><strong>Total revenue, gains, and other support</strong></td>
<td><strong>$22,999,456</strong></td>
<td><strong>$10,168,222</strong></td>
</tr>
</tbody>
</table>

### Expenses

| University programs, including capital projects | $15,645,886 | $11,107,665 |
| Management and general | 2,009,594  | 1,715,899  |
| Fundraising | 3,546,563  | 3,598,425  |
| **Total expenses** | **$21,202,043** | **$16,421,989** |

| Change in net assets | $1,797,413 | ($6,253,767) |

### Temporarily Restricted

<table>
<thead>
<tr>
<th>Revenue, Gains, and Other Support</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$16,506,253</td>
<td>$6,661,744</td>
</tr>
<tr>
<td>Investment income, including net realized and unrealized gains</td>
<td>13,116,863</td>
<td>2,710,656</td>
</tr>
<tr>
<td>Operating support fees</td>
<td>(1,216,859)</td>
<td>(1,117,583)</td>
</tr>
<tr>
<td><strong>Total revenue, gains, and other support</strong></td>
<td><strong>$28,406,257</strong></td>
<td><strong>$8,254,817</strong></td>
</tr>
</tbody>
</table>

| Net assets released from restrictions and reclassifications | (12,970,590) | (8,711,130) |

| Change in net assets | $15,435,667 | ($456,313) |

### Permanently Restricted

<table>
<thead>
<tr>
<th>Revenue, Gains, and Other Support</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$507,990</td>
<td>$1,703,083</td>
</tr>
<tr>
<td>Investment income, including net realized and unrealized gains</td>
<td>350,423</td>
<td>26,418</td>
</tr>
<tr>
<td>Operating support fees</td>
<td>(5,237)</td>
<td>(16,365)</td>
</tr>
<tr>
<td><strong>Total revenue, gains, and other support</strong></td>
<td><strong>$853,176</strong></td>
<td><strong>$1,713,136</strong></td>
</tr>
</tbody>
</table>

| Net assets released from restrictions and reclassifications | (56,799) | (388,224) |

| Change in net assets | $796,377 | $1,324,912 |

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The audit for the fiscal year ending June 30, 2013, has been performed by BKD, LLP and a report is available upon request.
### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

#### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments in marketable securities</td>
<td>$183,118,477</td>
<td>$170,131,041</td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>16,215,568</td>
<td>12,663,328</td>
</tr>
<tr>
<td>Beneficial interests in perpetual and external trusts</td>
<td>3,569,526</td>
<td>3,501,435</td>
</tr>
<tr>
<td>Investments in split-interest agreements</td>
<td>2,197,928</td>
<td>2,213,581</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>8,871,580</td>
<td>4,075,907</td>
</tr>
<tr>
<td>Other assets</td>
<td>2,391,513</td>
<td>4,262,182</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$216,364,592</strong></td>
<td><strong>$196,847,474</strong></td>
</tr>
</tbody>
</table>

#### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$6,238,867</td>
<td>$4,990,441</td>
</tr>
<tr>
<td>University grants payable</td>
<td>—</td>
<td>741,508</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>177,970</td>
<td>179,741</td>
</tr>
<tr>
<td>Line of credit</td>
<td>6,550,000</td>
<td>4,454,000</td>
</tr>
<tr>
<td>Term note payable</td>
<td>5,300,000</td>
<td>6,300,000</td>
</tr>
<tr>
<td>Bond payable</td>
<td>10,000,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Annuity and trust obligations</td>
<td>3,048,860</td>
<td>3,162,346</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$31,315,697</strong></td>
<td><strong>$29,828,036</strong></td>
</tr>
</tbody>
</table>

#### Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>(3,924,889)</td>
<td>(5,722,302)</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>118,403,404</td>
<td>102,967,737</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>70,570,380</td>
<td>69,774,003</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>185,048,895</strong></td>
<td><strong>167,019,438</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$216,364,592</strong></td>
<td><strong>$196,847,474</strong></td>
</tr>
</tbody>
</table>
Ball State University Recognition Societies

**Giving Society**

**Levels of Giving**

### Annual Giving
- **President’s Circle** $1,000 and above
- **Cardinal Circle** Gifts of any amount for two or more consecutive years
- **Cardinal Varsity Club** Provides additional benefits for alumni and friends whose contributions help create success for athletes on the field and in the classroom
- **Discovery** Group of women pooling annual contributions of $1,000

### Lifetime Giving Recognition
- **Fellows Society**
  - Bronze level $20,000–$49,999
  - Silver level $50,000–$74,999
  - Gold level $75,000–$99,999
- **Quadrangle Society** $100,000–$249,999
- **Carillon Society** $250,000–$499,999
- **Wings Society** $500,000–$749,999
- **Five Columns Society** $750,000–$999,999
- **Founders Society** $1 million+

### Planned Giving Recognition
- **Beneficence Society** Future commitment of any amount through a bequest or other planned gift

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**How to MAKE A GIFT**

**Online**
bsu.edu/give

**Mail**
Ball State University Foundation
P.O. Box 672
Muncie IN 47308-0672

**Phone**
Office of University Development: 765-285-8261 or toll free 866-953-2653
Ball State University Foundation: 765-285-8312 or toll free 888-235-0058

Please direct more detailed discussions on giving to:

**Major Gifts**
Office of University Development
765-285-8261 or toll free 866-953-2653
Fax: 765-285-1218
E-mail: giving@bsu.edu

**Planned Gifts**
Ball State University Foundation
765-285-8312 or toll-free 888-235-0058
Fax: 765-285-7060
E-mail: ppurcell@bsu.edu

"The Miller and Emens scholarships made the out-of-state option affordable, providing full tuition for my undergraduate career as well as a travel abroad experience. While this is a great benefit for simply studying and performing in the academic setting, it also allowed me to maximize my time outside of the classroom that I would have spent working. I can only hope that one day I will be able to give another student the same opportunity that I had."

**Joe Fazio**, ’13, pursuing his MBA on a football scholarship, Ball State Football Free Safety
“I hope what I give back to Ball State can join with the gifts of other alumni to help students complete their degrees and experience different opportunities that will not only prepare them for future endeavors but remember their time at Ball State fondly.”

Laura (Dragoo) Mickler, ’06 MA ’08, Ball State Fund Donor
BALL STATE UNIVERSITY FOUNDATION
Alumni Center
P.O. Box 672
Muncie, IN 47308-0672
765-285-8312 • toll free 888-235-0058

Administrative Team
Cheri E. O’Neill  President and CEO
Carol S. Young  Executive Secretary to the President and
  Assistant Secretary to the Board of Directors

Communications Team
DeAnna L. May  Associate Vice President for Communications
Peggy S. Hensley  Communications Coordinator

Financial Team
Thomas B. Heck  Chief Investment Officer
Jeffrey R. Lang  Vice President for Operations and Treasurer
Tracy L. Curtis  Associate Vice President for Operations
  and Controller
Jason A. Lipps  Assistant Controller
Sunny S. Reed  Gift Processing Coordinator
Penny J. Cahoe  Gift Processor
Antoinette M. Hatzell  Senior Financial Assistant
Lindsay M. Russell  Financial Assistant
B. Kathy Poe  Receptionist and Administrative Assistant
to Vice President for Operations

Planned Giving and Endowment Stewardship Team
Philip M. Purcell  Vice President for Planned Giving and
  Endowment Stewardship
Valerie Hurwitz  Coordinator for Planned Gift Stewardship
Lori L. Kinnett  Administrative Coordinator for Planned Giving
  and Endowment Stewardship

UNIVERSITY ADVANCEMENT
Administration Building
Ball State University
Muncie, IN 47306-0082
765-285-1633

T.W. Hudson Akin  Vice President for University Advancement
Candy Dodd  Assistant to the Vice President for University
  Advancement and Director of Special Projects
Jane Allerton  Secretary to the Vice President for
  University Advancement

Ball State University Development
Alumni Center
Ball State University
Muncie, IN 47306-0082
765-285-8261 • toll free 866-953-2653

Charles “Chip” Jaggers  Interim Executive Director
Sylvia Ewert  Assistant Director for Administration
Derek Berger  Director of Development
Andrea Bordenkecher  Director of Foundation Relations
Gina Bradburn  Director of Development and Athletics
Jean Kramer Crosby  Director of Donor Relations
Melissa Daniels  Assistant Director of Annual Giving
Brenda Davis  Northern Region Director
Brad Edmondson  Executive Director of Cardinal Varsity Club
Christy Huston  Southern Region Director
Louise Jackson  Director of Development
Sarah Jenkins  Director of Development
Darleen Lugenburg  Director of Development
Lola Mauer  Director of Annual Giving