



DUKE UNIVERSITY  
2005-06 Development Annual Report

Between July 1, 2005 and June 30, 2006, Duke University received **\$341,894,326** in charitable gifts.

Thanks to the generous support of **95,614** donors, this annual philanthropic giving total is the largest in Duke history.

F R O M   T H E   P R E S I D E N T

This report tells a story of record-breaking philanthropy that benefits people in every corner of the Duke campus and supports projects that extend beyond campus bounds. To all the Duke alumni, parents, students, and friends who made contributions this past year, I am most grateful. Your generosity gives continuing strength to the university and furthers every good thing that we aspire to do.

Inside you will get a glimpse of the wide range of interests of our donors. Like our faculty and students, they have many passions, and it is exciting to see how supporters connect with the projects and priorities that are most meaningful to them. I am particularly pleased to report that Duke's Financial Aid Initiative is prominent among our shared priorities: this three-year effort aims to build \$300 million in new financial aid endowment to help Duke meet the cost of supporting thousands of deserving students each year.

The generosity and loyalty of Duke's supporters says much about what makes this university great. As we move forward to create new opportunities for our students and address the important issues of our time, we do so with confidence, thanks in large part to supporters like you.

Sincerely yours,

Richard H. Brodhead

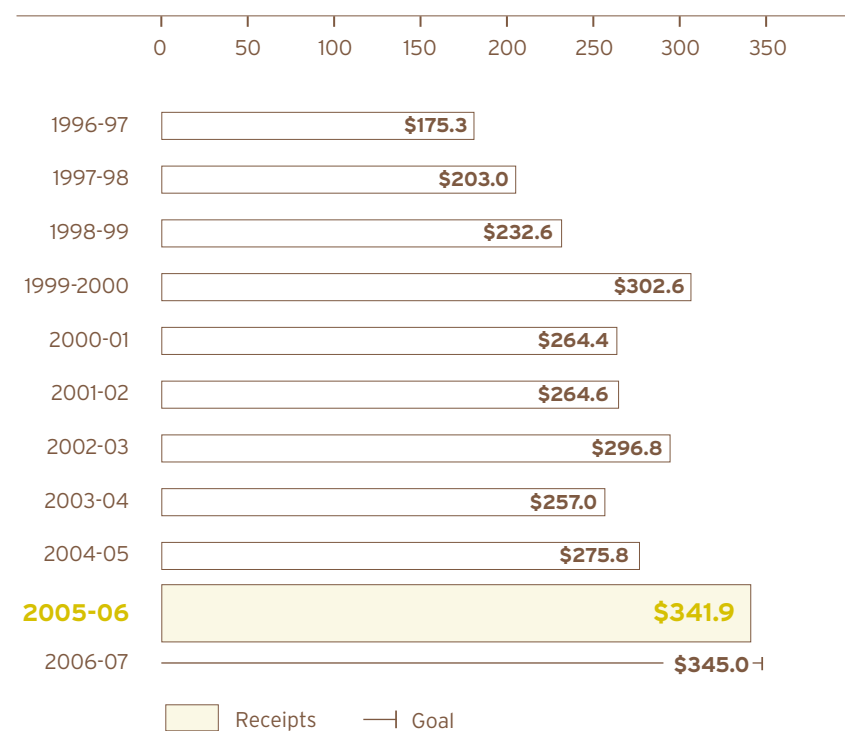
## OVERVIEW

**Duke received \$341.9 million in charitable gifts during the 2005-06 fiscal year, far surpassing the year's \$290 million fund-raising goal.** The 2005-06 total represents the largest annual philanthropic giving total in Duke history. Duke's previous record occurred in 1999-2000, when the university received \$302.6 million in philanthropic support.

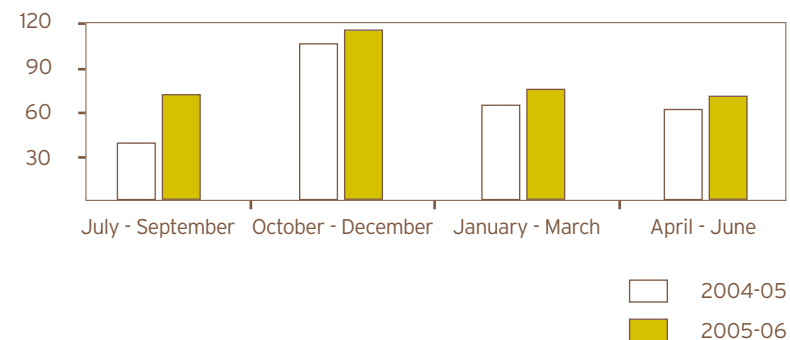
Duke's annual philanthropic giving totals are "cash" totals, meaning they include all philanthropic dollars received during the fiscal year. Contributions may take the form of cash, realized bequests, property, or investment assets (such as gifts of securities or life income gifts). Duke's fiscal year runs from July 1 through June 30.

Duke has set a fund-raising goal of \$345 million for 2006-07.

## CASH COMPARISON (in millions)



## QUARTERLY CASH COMPARISON (in millions)



## PURPOSE

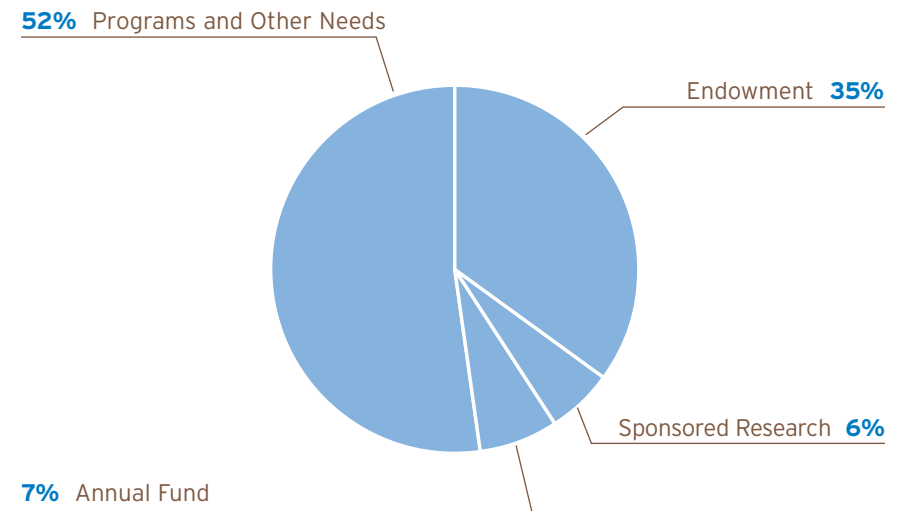
**Endowment** gifts help ensure the continued success of Duke by providing a permanent source of funding for scholarships, fellowships, and professorships as well as a wide range of research and program areas. In 2005-06, gifts to endowment totaled \$117.8 million and represented more than a third of the year's cash total. Gifts to new and existing endowments are invested, and the annual earnings are used both to support the purpose of each fund and to build market value. In this way, endowment funds can grow and can provide support for Duke in perpetuity. (To read about the strong performance of the independent corporation that manages Duke's endowment assets, visit [www.dumac.duke.edu](http://www.dumac.duke.edu).)

To support many of Duke's research collaborations between faculty members and industry, Duke seeks grant support from a variety of non-federal sources. While the majority of Duke's **sponsored research** funding went to Duke Medicine, projects based in Arts & Sciences, the Nicholas School, the Pratt School, the Fuqua School, and the Divinity School also received sponsored research grants in 2005-06.

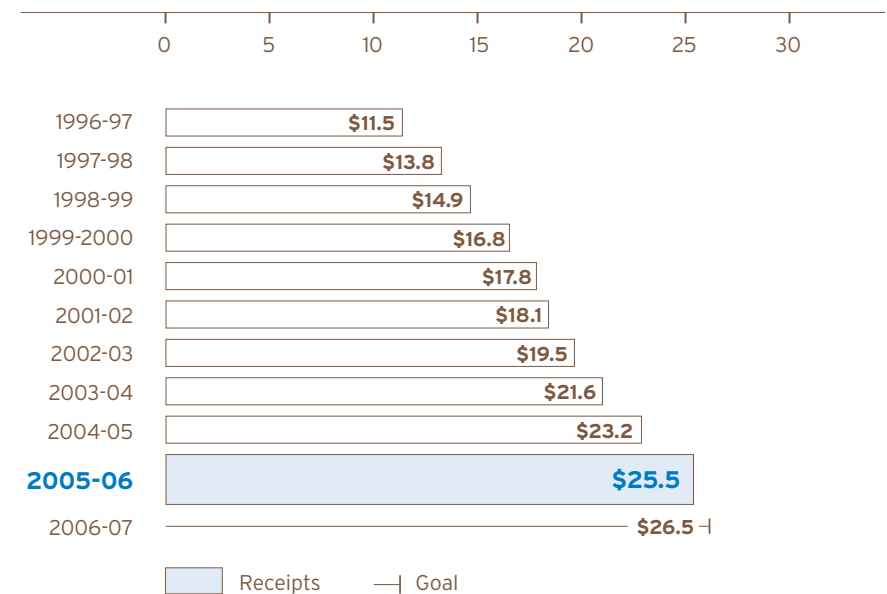
Much of the charitable support Duke received in 2005-06 was directed to a variety of **programs and other needs**. Included in this category is expendable funding for scientific research, community outreach projects, and academic programs. Gifts supporting new spaces, like the West Campus Plaza, and the programming and maintenance associated with those spaces also fit into this category.

While many gifts to Duke are restricted for a particular purpose, gifts to the **Annual Fund** provide Duke with unrestricted operating support. These discretionary funds help pay for ongoing needs – from financial aid to library subscriptions to plantings in the Sarah P. Duke Gardens – and give university leaders the flexibility to invest in new programs and take advantage of new opportunities. In 2005-06, alumni, parents, and friends provided \$25,454,488 to a range of school and area funds, making it the 31st consecutive record-breaking year for the Duke Annual Fund.

## GIFTS BY PURPOSE



## ANNUAL FUND CASH COMPARISON (in millions)



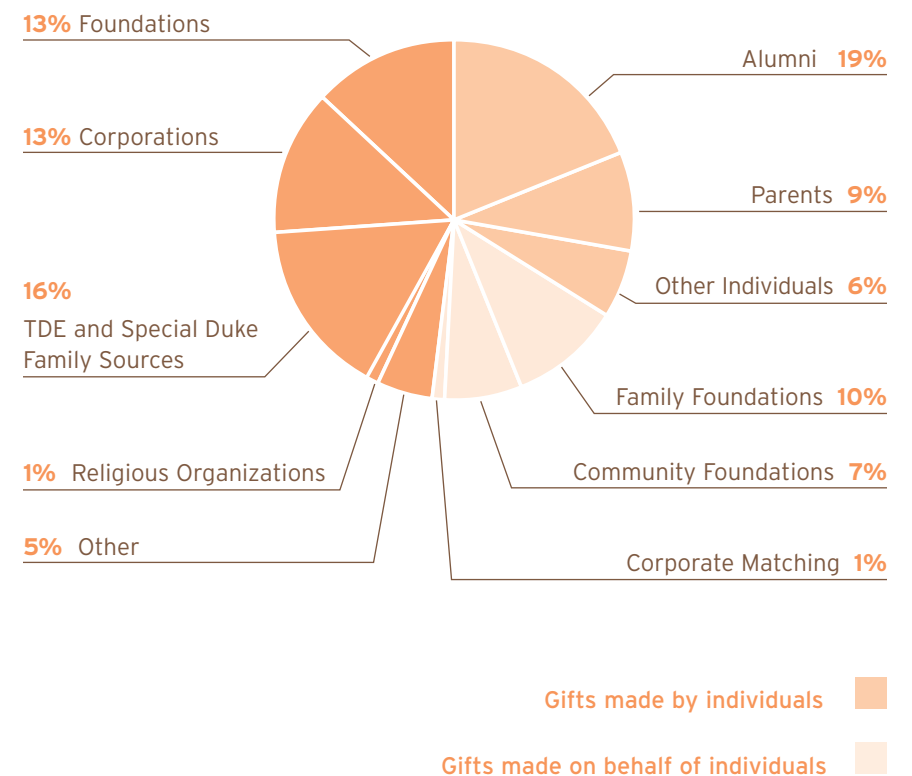
## SOURCE

**The \$341.9 million that Duke received in 2005-06 came from a wide range of sources.**

The Duke Endowment (TDE) of Charlotte, the charitable trust created by university founder James B. Duke, was the largest single donor, with gifts totaling \$53.6 million for a variety of purposes. The Duke Endowment made headlines in October 2005 when it announced its intention to make its largest gift ever – \$75 million – to Duke University to support financial aid endowment. This commitment will be paid over three years.

Gifts made by and on behalf of alumni, parents, and other individuals totaled more than \$175 million in 2005-06, accounting for more than half of the year's cash total.

## GIFTS BY SOURCE



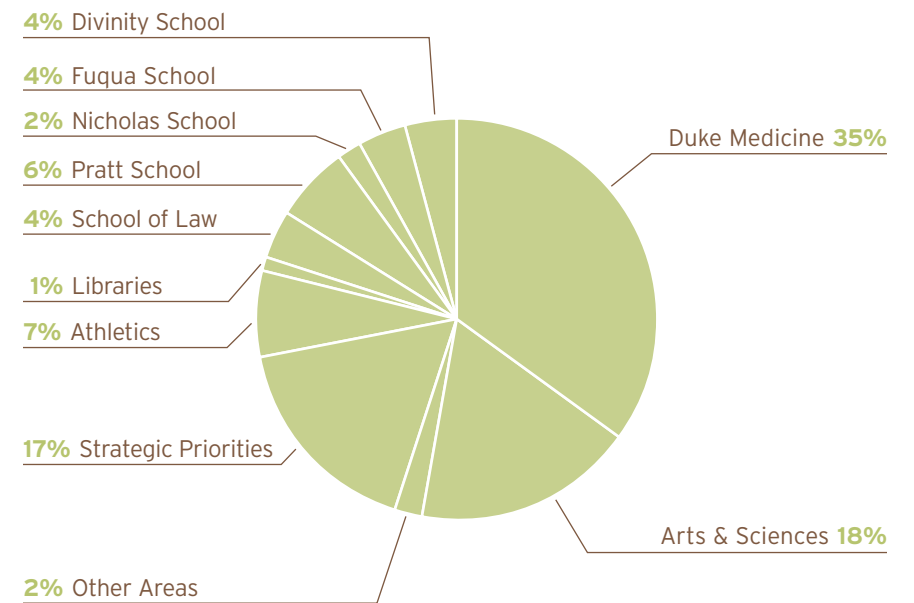
## AREA

### People, programs, and projects in each of the university's schools and areas benefited from significant philanthropic support in 2005-06.

Duke Medicine was the largest recipient of philanthropic gifts, with private support totaling \$119.6 million. This represents an increase of almost 21 percent over Duke Medicine's previous record-setting total in 2004-05. Arts & Sciences and Trinity College received gifts totaling \$61.5 million, an increase of 19 percent over the 2004-05 total.

Seventeen percent of the philanthropic dollars contributed to Duke supported strategic priorities, including the Financial Aid Initiative Challenge and the Duke-Durham Neighborhood Partnership. Two percent of Duke's cash total supported other areas like the Nasher Museum of Art and the Sarah P. Duke Gardens.

## GIFTS BY AREA



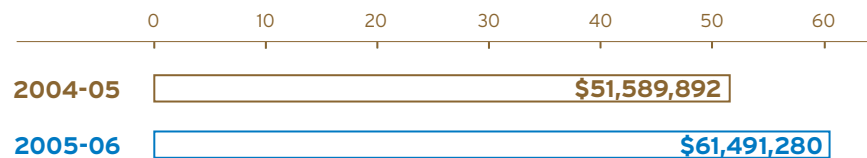
## ARTS & SCIENCES AND TRINITY COLLEGE

Building financial aid endowment is the top philanthropic priority for Arts & Sciences, where approximately 45 percent of all undergraduates and virtually all PhD students receive financial support each year. Financial Aid Initiative gifts totaled over \$14 million in 2005-06, and many other gifts to the Annual Fund were directed to student aid as well as a host of other operating needs. In addition, Arts & Sciences received support for faculty chairs, research service-learning efforts, and the West Campus Plaza. The Sanford Institute of Public Policy is raising the funds necessary for it to become a school, and the Graduate School appointed a new dean, Jo Rae Wright.

### GIFTS BY PURPOSE



### CASH COMPARISON



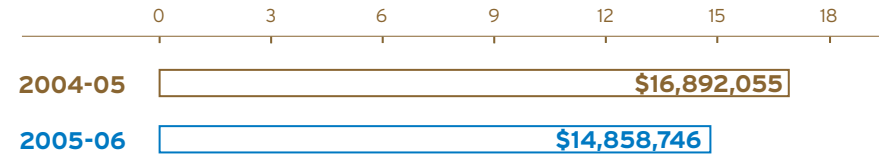
## DIVINITY SCHOOL

Contributions to the Divinity School helped launch a program on leadership in rural churches, which will train students, pastors, and parishioners to address the particular challenges facing rural communities. Gifts also established new scholarship endowments, which provide financial support to a student population whose need is typically great and whose income potential is often limited. The school will grow in 2006-07 with the addition of a new doctor of theology program. This program will complement Duke's PhD program in religion, but will emphasize areas such as preaching, interdisciplinary discourse, and the role of the arts in ministry.

### GIFTS BY PURPOSE



### CASH COMPARISON



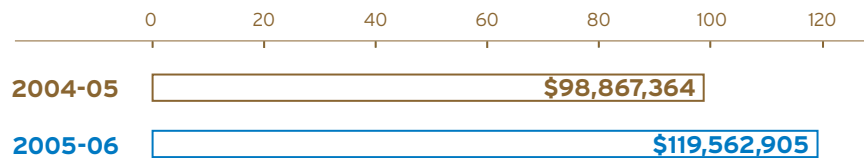
## DUKE MEDICINE

Duke Medicine celebrated its 75th anniversary year with a host of symposiums and special events, and ended the year with record support. Duke launched a global health initiative aimed at helping reduce health disparities worldwide, and Duke Medicine was selected to lead major consortiums in HIV research and radiological antiterrorism. The School of Nursing completed a successful building campaign and moved into its new facility, and the School of Medicine partnered with the Singapore government to open that country's first graduate medical school. Research support remains a top priority, along with financial aid to support the next generation of leaders and scholars in medicine and nursing.

### GIFTS BY PURPOSE



### CASH COMPARISON



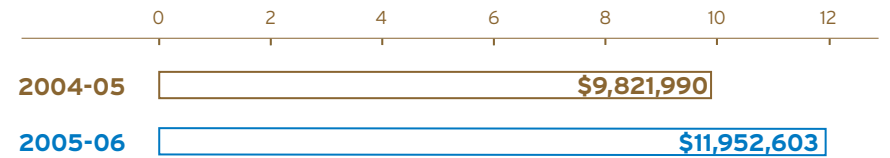
## FUQUA SCHOOL OF BUSINESS

The Fuqua School of Business has begun preliminary construction on an addition that will include classroom space, student team rooms, and a new library. The school has received unrestricted support for the many educational and research programs associated with this addition, and fund-raising continues. Endowment gifts in 2005-06 provided funding for scholarships, which help recruit a talented and diverse student body, and for named faculty chairs, which help attract and retain top faculty. The school also continues to build its Annual Fund with growing support from alumni and friends across the globe.

### GIFTS BY PURPOSE



### CASH COMPARISON





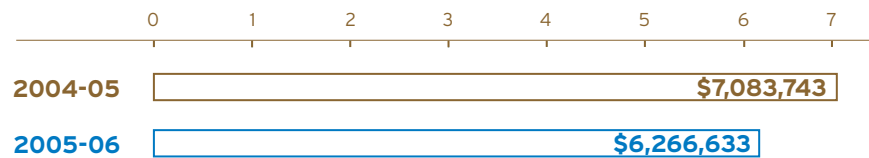
## NICHOLAS SCHOOL OF THE ENVIRONMENT AND EARTH SCIENCES

Financial aid is of particular importance at the Nicholas School, where students are preparing for leadership roles in the non-profit sector. Much of the school's Annual Fund was directed to student aid, and new scholarship gifts are helping build permanent support for this purpose. Also in 2005-06, the school received joint funding with the Duke Comprehensive Cancer Center to support interdisciplinary research on potential environmental triggers for cancer; and the Nicholas Institute for Environmental Policy Solutions, launched in the fall of 2005, began working to guide policy-makers in areas such as energy consumption and climate change.

### GIFTS BY PURPOSE



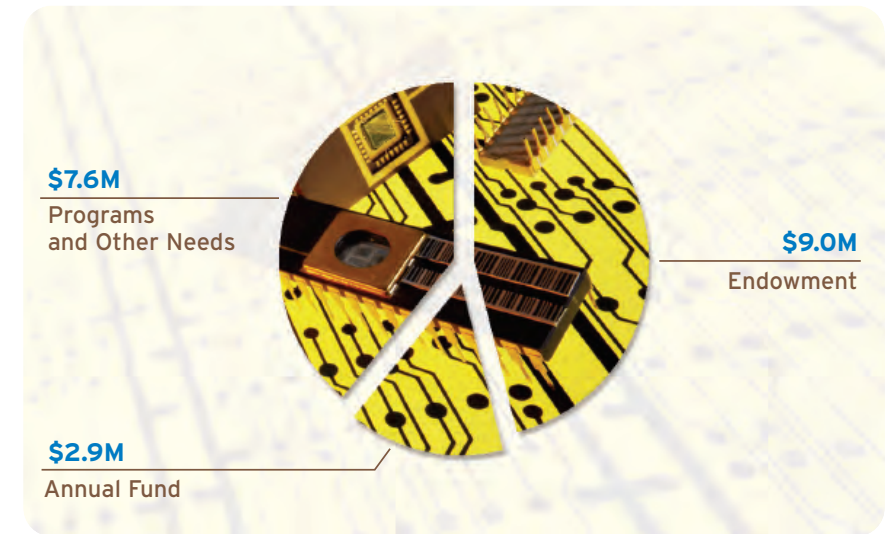
### CASH COMPARISON



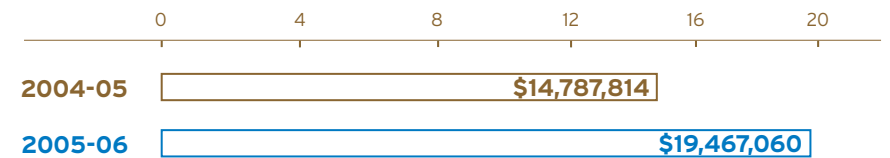
## PRATT SCHOOL OF ENGINEERING

The Pratt School emphasized operating support and endowment in 2005-06. Unrestricted gifts to the Annual Fund and Pratt Circle of Fellows helped support undergraduate research, design competitions, financial aid, faculty development, and a curriculum that is entrepreneurial and industry-relevant. Endowment contributions established several scholarships and supported faculty chairs. Fund-raising was also completed for a new 9,500-square-foot clean room, a controlled environment suitable for nanoscale research and engineering. In 2006-07, the school will continue to seek funds for unrestricted purposes, financial aid, and faculty chairs to support a planned expansion of the undergraduate program.

### GIFTS BY PURPOSE



### CASH COMPARISON



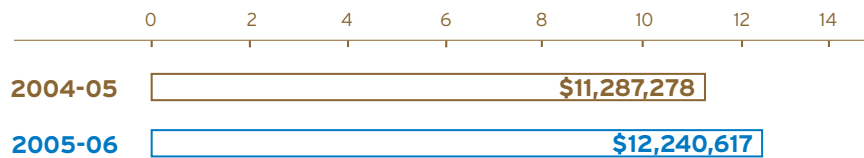
## SCHOOL OF LAW

The School of Law's new addition opened in the fall of 2005, thanks to the support of many donors to the renovation and expansion project and to programs associated with it. The final phase of construction will include a glass atrium and event space and a renovation of the library. Endowment giving focused on financial aid, providing new permanent support for scholarships, fellowships, and loan repayment assistance, all of which help the school compete effectively for top students regardless of their ability to pay. Gifts to the Annual Fund crossed the \$2 million mark, supporting a range of needs, including student legal clinics, strategic faculty hires, and financial aid.

### GIFTS BY PURPOSE



### CASH COMPARISON



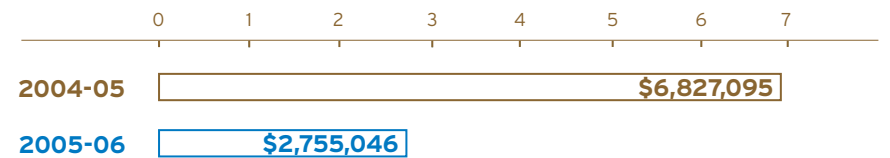
## UNIVERSITY LIBRARIES

The new Bostock Library and von der Heyden Pavilion opened their doors to become two of the most popular places to study on campus, and the library – in partnership with NC Central and the libraries at UNC and NC State – hosted the North Carolina Festival of the Book. More than 80 authors participated, and event attendance exceeded 11,000. The first floor of Perkins reopened as an information commons in time for the 2006-07 academic year, and renovation of the lower two floors has now begun. Funding for the renovation project remains a top priority, along with continued support for collections and the Annual Fund.

### GIFTS BY PURPOSE



### CASH COMPARISON



## DUKE ATHLETICS

In 2005-06, 32 student athletes were named All-Americans and 50 were All-ACC selections. Four students received ACC Postgraduate Scholarships, and four coaches were selected ACC Coach of the Year. By the end of the season, Duke teams had collected five ACC Championships and six students were ACC individual champions. Fund-raising is now centered on both a new academic and athletic training facility – the planned Center for Athletic Excellence – and athletic scholarships. Gifts to the Iron Dukes, which reached an all-time high, provided expendable support for scholarships; endowment gifts to Duke’s Financial Aid Initiative will provide permanent support for Duke’s student athletes.

### GIFTS BY PURPOSE



### CASH COMPARISON



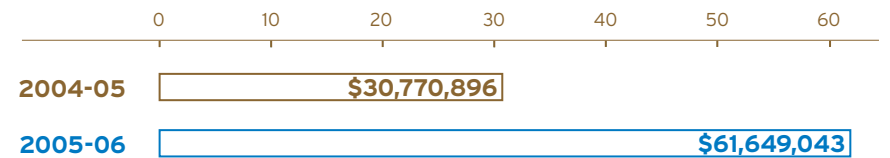
## STRATEGIC PRIORITIES

Many charitable contributions to Duke support priorities that are not linked to a single school or unit. In 2005-06, several substantial gifts were used to create a challenge fund, which aims to encourage support for Duke’s Financial Aid Initiative by matching many new gifts dollar for dollar. Significant support was also directed to the Duke-Durham Neighborhood Partnership and the Kenan Institute for Ethics. Discretionary funds paid for guest speakers, art exhibitions, and the renovations of Reynolds and Shaefer Theaters. In addition, grants funded a new online database that compiles the growing list of service-learning opportunities available to civic-minded students.

### GIFTS BY PURPOSE



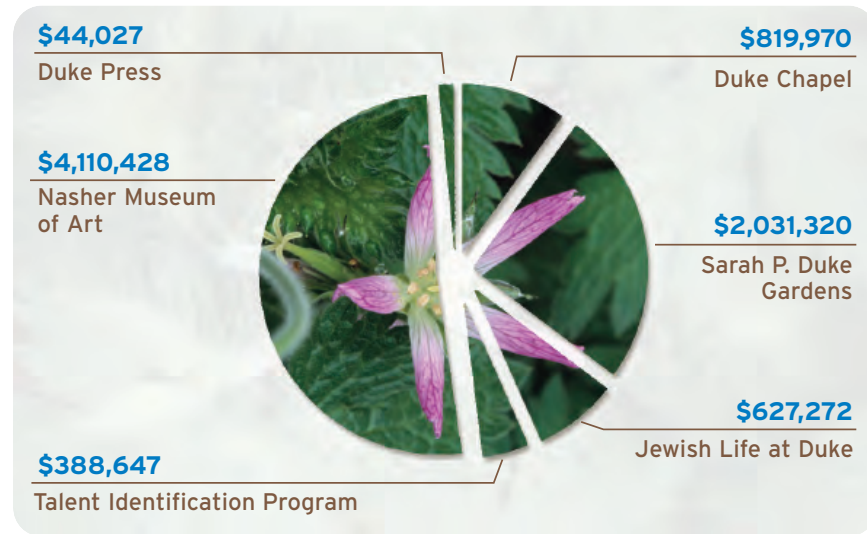
### CASH COMPARISON



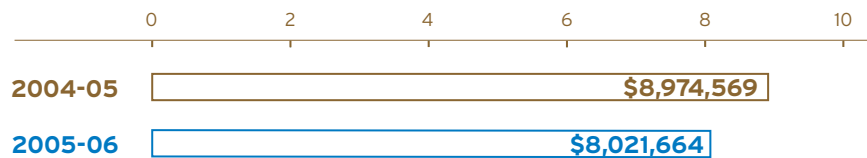
## OTHER AREAS

Each year, thousands of donors provide vital support to the places and programs that help make Duke distinctive. Each of these areas relies heavily on operating gifts to fund a variety of ongoing expenses. In addition, the Sarah P. Duke Gardens launched an effort to build new endowment and received support for the Charlotte Brody Children’s Discovery Garden and a new Memorial Garden. Contributions to the Nasher Museum of Art helped fund exhibitions and educational programs. Duke Chapel received gifts supporting the Aeolian organ restoration and student and community programs, and gifts to Jewish Life at Duke helped fund educational and cultural activities for students of all backgrounds.

### GIFTS BY AREA



### CASH COMPARISON



## INDIVIDUALS

More than half of the \$341.9 million that Duke received in 2005-06 came directly or indirectly from individuals. These alumni, parents, students, and friends made cash contributions, donated appreciated stocks, orchestrated grants from family foundations, set up charitable gift annuities, and made a host of other tax-wise gift arrangements. In 2005-06, over 90,000 individuals supported Duke, including about 41,000 alumni.

More than 300 individuals made gifts of \$100,000 or more, including 30 donors whose contributions in 2005-06 crossed the million-dollar mark. Donors who gave \$500 or less in 2005-06 collectively provided Duke with more than \$6 million.

What follows are just a few of the gifts that Duke received from individuals in 2005-06.

## **\$100,000 to build an existing scholarship**

In 1998, Jane Mack Gould W'60 of New York, NY, established the Jane Mack Gould Scholarship to support undergraduates at Trinity College. In 2005-06, she took advantage of Duke's Financial Aid Initiative Challenge to build her fund. Her gift of \$100,000 was matched dollar for dollar with challenge funds to add \$200,000 to her endowment. Now her scholarship can do more each year to support the financial needs of Duke undergraduates.

## **\$1,500,000 for medical research, training, and patient care**

John Laurino of Wilmington, NC, established two charitable gift annuities that will provide him with an income during his lifetime and, upon his passing, will go to Duke Medicine. The majority of his gift will support breast cancer research in the Department of Radiation Oncology and resident training in the Department of Surgery; the balance will support the Department of Ophthalmology.

## **\$500 for operating support**

Amanda Motsinger T'01 of New York, NY, has supported the Duke Annual Fund every year since she graduated from Duke and is honored for her consistent support as a lifetime member of the Cornerstone Society. To commemorate her 5th reunion, she made a multi-year gift at the Young Alumni Washington Duke Club level. For each of five years, she will contribute \$500 divided equally between the annual funds of Trinity College and the Sarah P. Duke Gardens.

## **\$2,500,000 to establish a professorship**

Raymond Eugene Goodson T'57, E'59 and Susan Elizabeth Goodson G'62 of Ann Arbor, MI, established the R. Eugene and Susie E. Goodson Professorship at the Pratt School of Engineering with a gift to endowment.

## **\$500,000 for faculty and programs**

Richard Horvitz L'78 has made several multi-year commitments to the School of Law with an emphasis on support for the program in public law. During 2005-06, he contributed \$500,000 to support the Richard and Marcy Horvitz Professorship, the program in public law, a recruitment fund for new faculty, and the school's Annual Fund.

## **\$250,000 to establish a new scholarship**

The Helen and Everette Eason Memorial Scholarship Fund honors a second-career pastor and his wife whose service in eastern North Carolina inspired their children – Bill T'65 L'68, Don, Steve D'79, and Susan – and their spouses to endow a scholarship to support future pastoral leaders. The family's gift of \$250,000 was matched dollar for dollar with funds from Duke's Financial Aid Initiative Challenge to create a new \$500,000 scholarship at the Divinity School.

## **\$10,000,000 to support cancer research**

The Duke Comprehensive Cancer Center received the largest gift in its history from the Preston Robert Tisch family of New York. Half of the gift supports basic and clinical research on new brain tumor drugs; the remaining \$5 million was matched with institutional resources to create an endowed fund supporting leading cancer researchers at Duke. Duke's Brain Tumor Center has been named to honor Tisch, who died in November 2005.

## **\$10,000 for operating support**

In honor of their 25th reunions, Lynn Gorguze T'81 and Scott Peters T'80 of La Jolla, CA, made a five-year commitment to support the annual funds of Trinity College and the Nicholas School. The couple's \$10,000 gift in 2005-06 is part of a \$50,000 commitment, which counted in full in their reunion gift totals. Because they have supported the Annual Fund for more than five consecutive years, they are recognized as members of the Cornerstone Society.

## GIFTS AND PLEDGES

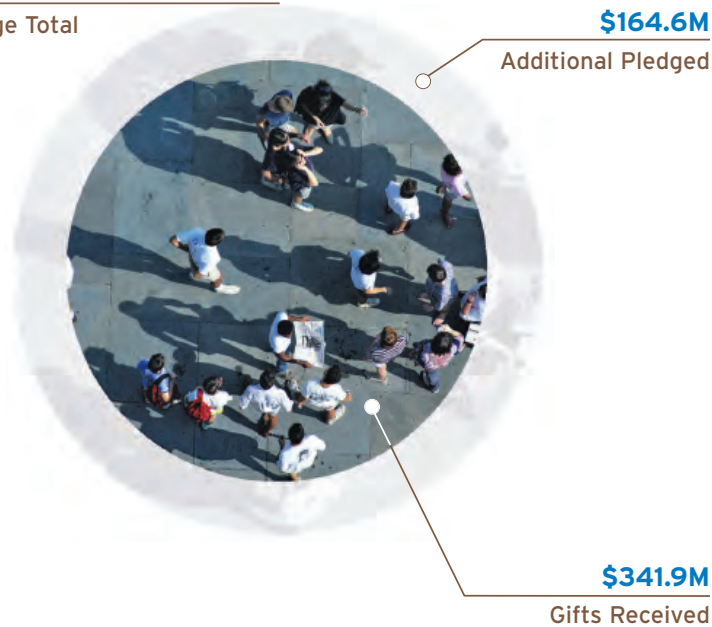
Each year, in addition to making outright gifts of cash, many donors make multi-year gift commitments to Duke. These pledges of future support allow donors to make more substantial investments in the university and help Duke plan for the future.

This development annual report has focused on the \$341.9 million in cash that Duke received in 2005-06. In addition to these outright gifts, donors in 2005-06 made pledges of future support totaling \$164.6 million. Thus the complete picture of philanthropy for the year – the combined gift and pledge total for 2005-06 – is \$506.5 million.

### GIFTS AND PLEDGES 2005-06

**\$506.5M**

Gift and Pledge Total



## DUKE'S FINANCIAL AID INITIATIVE

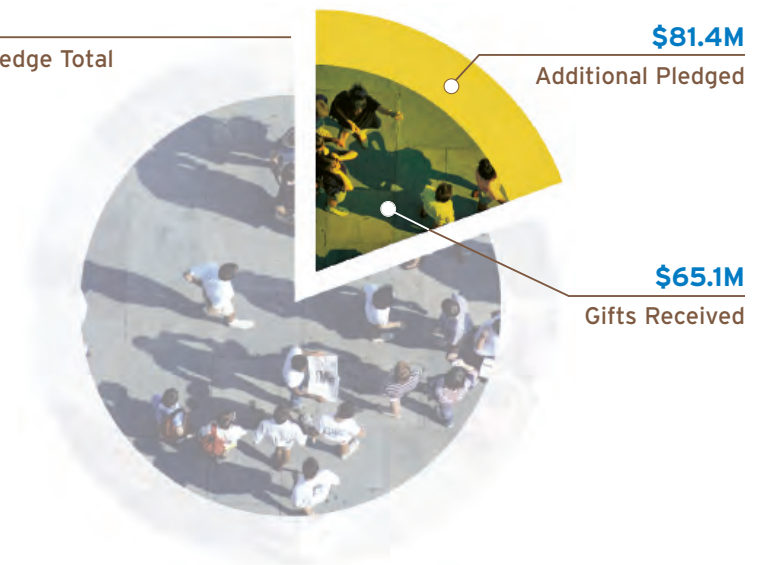
On December 1, 2005, Duke's Financial Aid Initiative was announced. This university-wide effort seeks to raise \$300 million for financial aid endowment in three years: \$245 million for undergraduates and \$55 million for graduate and professional school students. By June 30, 2006, the initiative had received gifts and pledges totaling nearly 60 percent of this goal.

In 2005-06 alone, cash gifts to Duke's Financial Aid Initiative totaled \$65.1 million and additional pledges of future support totaled \$81.4 million. Expressed as a portion of the year's gift and pledge total, support for Duke's Financial Initiative in 2005-06 totaled \$146.5 million.

### GIFTS AND PLEDGES TO DUKE'S FINANCIAL AID INITIATIVE 2005-06

**\$146.5M**

Gift and Pledge Total



To learn more about Duke's Financial Aid Initiative – and to find out how many gifts of \$100,000+ can be matched dollar for dollar – visit <http://development.duke.edu/fai>.

VISIT <http://development.duke.edu>



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