supporting the School of Law’s Wrongful Convictions Clinic
David A. Lamond T’97, L’06
San Francisco, CA

$50,000

to the Fuqua Annual Fund
Virginia Arnold Elkins B’82 and James A. Elkins III
Houston, TX

$5,000

by bequest to establish the Anne W. and William H. Kough Scholarship Fund
William H. Kough T’42
Fullerton, CA

$1,245,583

$250
to the Trinity Annual Fund
Jonathan Edward Ganz T’97 and Rebecca Klein Ganz
Atlanta, GA

$150,315
to the Fred Cobb, MD, Professorship in the School of Medicine
Hugh Cullman and Nan O. Cullman
Beaufort, NC

$500,000

establishing a gift annuity in support of Duke football
J. Charles Smith T’53 and Annie M. Smith
Durham, NC
Duke University received $380,059,931 in philanthropic gifts between July 1, 2006 and June 30, 2007.

Gifts came from 97,567 donors, whose investments in the people and programs at Duke made this the strongest fund-raising year in the university's history.
FROM THE PRESIDENT

The 2006-07 year was a challenging one for the Duke community, but I was glad to see that our alumni and friends did not lose sight of the real Duke that so many people hold dear, a great research university that serves individuals and societies throughout the world. Nearly 98,000 donors chose to support our nine schools and twenty-six varsity sports, our thousands of scholarship recipients, our top-ranked health system, and our many programs and research efforts that have the potential to improve life for people across the region and across the globe.

To all of you who contributed to the year’s record fund-raising total, I offer my heartfelt thanks. Duke is a wonderful university, to a great extent due to the loyalty and generosity of its alumni and other donors. I am deeply grateful for your support, as I know are the students, faculty members, physicians, and staff who so greatly benefit from it.

Sincerely yours,

Richard H. Brodhead
Overview

The $380.1 million in charitable gifts that Duke received during the 2006-07 fiscal year represents an increase of approximately 11 percent over the previous year’s record total of $341.9 million.

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 such as real estate, or investment assets such as life income gifts and gifts of securities.
Cash Comparison (in millions)

1997-98 $203.0
1998-99 $232.6
1999-2000 $302.6
2000-01 $264.4
2001-02 $264.6
2002-03 $296.8
2003-04 $257.0
2004-05 $275.8
2005-06 $341.9
2006-07 $380.1
Purpose

Gifts to endowment provide the university with a permanent source of funding for scholarships, fellowships, and professorships as well as a wide range of research and program areas. In 2006-07, gifts to new and existing endowments totaled $149.8 million and represented well over a third of all contributions to the university. Endowment assets are invested, and the annual earnings are used both to support the purpose of each endowment fund and to build market value. In this way, endowment funds can grow and 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.)

Duke seeks grant support from a variety of private sources to support research collaborations between faculty members and industry. While the majority of Duke’s sponsored research funding went to Duke Medicine in 2006-07, projects based in Arts & Sciences, the Divinity School, the Nicholas School, and the Pratt School also received sponsored research grants.

Much of the charitable support Duke receives is directed to a variety of programs and other needs. Included in this category is expendable funding for many community outreach projects, research efforts, and academic programs. Gifts supporting new spaces, like the expansions of the School of Law and the Fuqua School of Business, and the programming and maintenance associated with those spaces are also in this category.

While many gifts to the university are restricted for a particular purpose, gifts to the Annual Fund provide Duke with vital unrestricted support. These operating funds support a wide range of needs not fully covered by tuition, endowment income, or other resources. Annual Fund contributions help fund scholarship grants, academic and extracurricular programs, campus resources, and a host of other needs. In 2006-07, gifts from alumni, parents, and friends provided $26,504,664 in operating support to a range of school and area annual funds. This marked the 32nd consecutive year that the Duke Annual Fund surpassed its previous year’s total.
Gifts by Purpose

- **49%** Programs and Other Needs
- **39%** Endowment
- **5%** Sponsored Research
- **7%** Annual Fund

Annual Fund Cash Comparison (in millions)

- **1997-98**: $13.8
- **1998-99**: $14.9
- **1999-2000**: $16.8
- **2000-01**: $17.8
- **2001-02**: $18.1
- **2002-03**: $19.5
- **2003-04**: $21.6
- **2004-05**: $23.2
- **2005-06**: $25.5
- **2006-07**: $26.5
The $380.1 million that Duke received in 2006-07 is made up of gifts from nearly 98,000 donors, from the corporation in North Carolina to the Trinity alum in Germany.

Gifts made by and on behalf of alumni, parents, and other individuals totaled $193.5 million, accounting for over half of the year’s cash total. More than 92,000 individuals — including about 41,000 alumni — supported Duke through cash contributions, family foundation grants, and other gift plans.

The Duke Endowment (TDE) of Charlotte, the charitable trust created by university founder James B. Duke, was the largest single donor, with gifts totaling $74.7 million for a variety of purposes, including scholarships, academic and community outreach programs, and DukeEngage, a new initiative that will support undergraduates who want to apply their classroom learning to addressing societal issues at home and abroad.
Gifts by Source

- Alumni: 19%
- Parents: 4%
- Other Individuals: 8%
- Community Foundations: 3%
- Corporate Matching: 1%
- Family Foundations: 16%
- Religious Organizations: 1%
- Other: 4%
- TDE and Special Duke Family Sources: 20%
- Corporations: 12%
- Foundations: 12%
- Parents: 4%
- Other: 1%

Gifts made by individuals
Gifts made on behalf of individuals
Gifts made to Duke in 2006-07 supported the work of students and faculty members across the campus and benefited physicians, medical staff, and patients throughout the medical center.

Gifts that supported certain strategic priorities, like DukeEngage and the Duke-Durham Neighborhood Partnership, and in support of other areas, like the Nasher Museum of Art and Sarah P. Duke Gardens, benefit not only the campus community but also alumni and friends in the region and beyond.

Duke Medicine received the most private philanthropic support in 2006-07, $119.7 million for the School of Medicine, School of Nursing, and health system.
Support for Arts & Sciences and Trinity College

Arts & Sciences received $23.7 million for undergraduate scholarships and graduate fellowships as part of Duke’s Financial Aid Initiative. Other major gifts supported the visual studies program, undergraduate research initiatives, and the Sanford Institute of Public Policy, which is working to secure $65 million in endowment, one of its requirements to become a school. Expendable gifts to the Trinity College and Graduate School Annual Funds played a vital role in supporting financial aid and other ongoing needs. In 2007-08, student aid will remain the top fund-raising priority, and most financial aid endowment gifts of at least $100,000 will qualify to be matched dollar for dollar.

Gifts by Purpose

- **$18.7M** Programs and Other Needs
- **$37.5M** Endowment
- **$13.5M** Annual Fund

Cash Comparison

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>$61,491,280</td>
</tr>
<tr>
<td>2006-07</td>
<td>$69,716,832</td>
</tr>
</tbody>
</table>
The Divinity School welcomed its first doctor of theology students to campus in the fall of 2006. In the fall of 2007, the school will launch a Hispanic Studies Program, which will include new courses in the school and outreach efforts in the community. The Divinity School received significant funding for scholarship endowments in 2006-07, and gifts to the Divinity Annual Fund reached an all-time high. In 2007-08, fund-raising will continue to focus on permanent endowment for financial aid, unrestricted giving to the Annual Fund, and support for theological programs, including the Divinity School’s summer youth academy.

**Gifts by Purpose**

- $9.8M Endowment
- $0.6M Annual Fund
- $2.1M Programs and Other Needs

**Cash Comparison**

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>$14,858,746</td>
</tr>
<tr>
<td>2006-07</td>
<td>$12,544,183</td>
</tr>
</tbody>
</table>
In 2006-07, Duke Medicine received philanthropic support for global health, heart and cancer research, financial aid, and a host of other needs. The School of Nursing welcomed its first PhD students and awarded its first endowed professorships. The School of Medicine opened the nation’s first regional biocontainment laboratory and launched an institute aimed at speeding the translation of scientific discoveries into therapies that improve human health. Duke Hospital celebrated the completion of an expanded emergency room and was awarded coveted Magnet Hospital status for excellence in nursing, and Duke Integrative Medicine dedicated a new facility. In 2007-08, Duke Medicine will focus fund-raising efforts on research, facilities, and scholarships.
The Fuqua School of Business broke ground on Breeden Hall, which will be completed in time for the 2008-09 academic year. Significant support went to programs associated with this expansion, to scholarships, and to the Annual Fund. Blair Sheppard, who led Duke Corporate Education to become one of the world’s premier providers of custom executive education, was named the school’s new dean effective July 1, 2007. Under his leadership, Fuqua is launching a new, more flexible daytime MBA curriculum which puts greater emphasis on global leadership. New endowment for scholarships and faculty chairs will be top fund-raising priorities in 2007-08, along with expendable support through the Annual Fund.
New endowment gifts provided the Nicholas School with permanent resources for student scholarships, and much of the school’s Annual Fund – up by 13 percent – was dedicated to student aid as well. Other endowment gifts helped fund faculty chairs and environmental research projects. The school welcomed two new industry partners to its Climate Change Policy Partnership in 2006-07 and dedicated the new Repass Ocean Conservation Center at the Duke Marine Lab. In 2007-08, the school will focus fund-raising efforts on financial aid, faculty support, and policy partnerships. Atmospheric chemist William Chameides was named the school’s new dean effective September 1, 2007.
The Pratt School of Engineering received significant support for faculty chairs and undergraduate scholarships and for the Annual Fund, which played a vital role in funding service projects, student aid, and other priorities. Construction began on “The Home Depot Smart Home,” a live-in laboratory where students can research new residential technologies. This project is part of the school’s increased emphasis on experiential and collaborative learning at the undergraduate level. The school is now in the early stages of planning a new building that will facilitate this model of teaching and learning. Fund-raising for experiential learning programs will be a priority in 2007-08, along with endowment and Annual Fund support.
The School of Law broke ground on its final phase of construction, which includes the new Star Commons and a major renovation of the law library. Significant support was directed to the library and to programs associated with it, to faculty support, and to the Center on Law, Ethics, and National Security. Strengthening its endowment – with continued emphasis on faculty chairs, financial aid, and program support – will help the school recruit and retain top faculty and attract students from all financial backgrounds. In addition, the school will seek additional support for its successful clinical education program. Federal Judge David Levi became the school’s new dean effective July 1, 2007.

**Gifts by Purpose**

- **$3.8M** Endowment
- **$6.5M** Programs and Other Needs
- **$2.0M** Annual Fund

**Cash Comparison**

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>$12,240,617</td>
</tr>
<tr>
<td>2006-07</td>
<td>$12,291,588</td>
</tr>
</tbody>
</table>

Duke University
In the fall of 2006, a transformed first floor of Perkins opened as the center of public services, and this summer a reconfigured lower floor 2 opened with high-density shelving, group study rooms, and informal seating areas. Renovations continue throughout Perkins, and a new teaching and learning commons with a variety of technology-rich classrooms will open in mid-2008. Funding for the renovation effort, along with support for collections and the Annual Fund, has been a top priority and will remain so in 2007-08. Also in 2007-08, the libraries, the Duke Alumni Association, and other campus partners are introducing “Duke Reads,” an online book club for alumni and friends.
Duke teams collected three ACC championships and five ACC regular season titles in 2006-07. Fifteen teams competed in NCAA tournaments. Women’s golf won the national championship for the third time in a row, and field hockey, women’s lacrosse, and men’s lacrosse all competed in their Final Four tournaments. The university completed fund-raising for the Michael W. Krzyzewski Center, now under construction, and received significant support for athletic scholarships. Expendable scholarship gifts through the Iron Dukes and endowment for financial aid will remain top priorities in 2007-08. In addition, fund-raising will focus on renovations to Wallace Wade Stadium, Jack Coombs Field, and the William D. Murray Building.
Each year, Duke receives funding for many priorities that extend beyond one school or division. In 2006-07, philanthropic support allowed the university to launch DukeEngage, a civic engagement initiative that will provide funding to any undergraduate who wants to pursue an immersive summer- or semester-long service project anywhere in the world. The university also received funding for teacher training and retention efforts in the Durham Public Schools, a Spanish language service-learning program for undergraduates, and strengthened financial aid and faculty support campus-wide. The Kenan Institute for Ethics received continued support, as did the Center for Genome, Ethics, Law, and Policy and many other university priorities.
Many of the places and programs that help make Duke distinctive rely heavily on annual expendable gifts. These contributions help pay for programming and support other ongoing expenses like conservation efforts at the museum and new plantings in the gardens. In addition, the Nasher Museum of Art is working to build endowment for exhibitions, acquisitions, and other needs, and received a number of endowment gifts in 2006-07. The Sarah P. Duke Gardens received support for endowment, a student intern program, and a new spring woodland garden. Gifts to Jewish Life at Duke and to the Duke Chapel provided support for a variety of student and community programs.
At the end of 2006-07, Duke was proud to have

- **20,325** members of the **Cornerstone Society**, which honors the Duke Annual Fund’s most consistent donors
- **3,156** members of the **James B. Duke Society**, which honors donors whose lifetime giving to Duke totals $100,000 or more
- **5,117** alumni who made gifts in honor of their 2007 Duke Reunions
- **2,262** members of the **Heritage Society**, which honors donors who support Duke through gift annuities, trusts, or estate plans
- **8,915** members of the Duke Annual Fund’s **leadership gift clubs**, which recognize top supporters of school and division annual funds

and thousands of volunteers who supported fund-raising efforts for schools, programs, and priorities across Duke’s campus.

**Thank you all**

for investing in Duke.
SUPPORT VIA
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 $380 million in cash that Duke received in 2006-07. In addition to these outright gifts, donors made pledges of future support totaling $194 million. Thus the complete impact of philanthropy for the year – the combination of all new gifts and pledges received in 2006-07 – is $574 million.

**Gifts and Pledges 2006-07**

<table>
<thead>
<tr>
<th>Total</th>
<th>$574M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gifts Received</td>
<td>$380M</td>
</tr>
<tr>
<td>Additional Pledged</td>
<td>$194M</td>
</tr>
</tbody>
</table>

**Comparison: Gifts + Pledges**

<table>
<thead>
<tr>
<th>Year</th>
<th>Gifts</th>
<th>Pledges</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>$342M</td>
<td>$165M</td>
</tr>
<tr>
<td>2006-07</td>
<td>$380M</td>
<td>$194M</td>
</tr>
</tbody>
</table>
Duke’s Financial Aid Initiative (FAI) is an effort to raise at least $300 million in new endowment for financial aid: $230 million for need-based undergraduate scholarships, $15 million for athletic scholarships, and $55 million for graduate and professional school scholarships. The initiative was launched in 2005 and is scheduled to end in 2008. As of June 30, 2007, gifts and pledges to the initiative totaled about three-quarters of the goal.


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](http://development.duke.edu/fai).
Visit development.duke.edu to

Access giving sites for each school and division
Learn about Duke’s Financial Aid Initiative
Make a gift online
Monitor Annual Fund progress
Read news releases
Find contact information
Research gift planning opportunities
View previous years’ development annual reports