



FORWARD





1516

WISCONSIN FOUNDATION
AND ALUMNI ASSOCIATION

ANNUAL REPORT



**Wisconsin Foundation
& Alumni Association**
UNIVERSITY OF WISCONSIN-MADISON

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‘

THE UNIVERSITY
IS BUILT AS
BROAD AS
HUMAN
ENDEAVOR,
AS HIGH AS
HUMAN
ASPIRATION.

—

CHARLES VAN HISE
UW PRESIDENT, 1903-18

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WFAA’s top priority is to carefully steward the funds entrusted to us. It’s an essential part of ensuring that UW–Madison remains a world-class university.



CHANCELLOR REBECCA BLANK STRIDES INTO CAMP RANDALL STADIUM WITH MAY 2016 COMMENCEMENT SPEAKER RUSSELL WILSON. BLANK LED THE EFFORT TO MOVE SPRING COMMENCEMENT BACK TO CAMP RANDALL, WHERE THE FULL CLASS OF 2016 COULD GATHER IN ONE PLACE.

C H A N -
C E L L O R**DEAR FRIENDS,**

The last two years were, perhaps, my busiest yet as chancellor of UW–Madison, at least in terms of alumni relations. I traveled thousands of miles — to Milwaukee, New York, and Naples, Florida — and those were just for the Wisconsin Ideas events. I also met with alumni around the state, at Badger sporting events, on campus, and elsewhere.

Alumni have never been more important to the health of UW–Madison. You may know that we're in the middle of a comprehensive fundraising campaign. Titled All Ways Forward, the campaign aims to raise \$3.2 billion for UW–Madison. So far, more than 132,000 alumni and friends have contributed.

But alumni involvement is about more than making financial gifts to the university. It's also about investing your time and energy to keep abreast of your alma mater and the achievements of its faculty and students.

This is an exciting time of growth and discovery at the University of Wisconsin. Our campus has once again been named one of the world's top 25 universities — and in terms of tuition, we are the least expensive U.S. school on the list.

That may be one of the reasons why UW–Madison is a hot ticket for undergraduates around the country. We have received a record-setting number of applications, and our retention rate is at an all-time high: nearly 96 percent of freshmen return for their sophomore year. That's one of the best in the nation among public or private universities. Our graduation rates are at an all-time high, too — some 85 percent of the freshmen who arrived in 2009 had graduated within six years. That's well above many of our public-university peers.

Our students continue to uphold the Wisconsin Idea outside the classroom as well: we rank number one among all public universities in the U.S. in the percentage of students doing a study-abroad semester, and number one in the nation in the number of Peace Corps volunteers.

These are pride points for those of us who work on campus, but alumni should be proud of them, too. You promote UW–Madison to talented students in your area. You uphold and pass along Wisconsin traditions of service, learning, and leadership. And you voice your support for the UW to leaders in government and business.

UW–Madison's successes are due in part to you, and for your continued support, I'm deeply grateful.

On, Wisconsin!



Rebecca Blank
Chancellor, University of Wisconsin–Madison

FROM THE CEO

GREETINGS,

The Wisconsin Foundation and Alumni Association takes pride in engaging the alumni, donors, and friends of UW–Madison and providing opportunities for them to support the university. In 2015, the university experienced one of the most challenging budget cycles in its history. Along with the budget cuts, changes to the policies that protect academic freedom added more uncertainty to the environment.

Of course, this university wasn't built on a single budget cycle, and it won't be defined by this one. Generous donors and volunteers such as you have put a strong wind at our backs that is being felt every day. In October 2015, UW–Madison publicly launched the fourth comprehensive campaign in its history, announcing an ambitious goal to raise \$3.2 billion by the end of 2020. Less than a year after the public announcement, I'm delighted to report, we passed the halfway mark in our dollar goal, thanks to the generosity of thousands of alumni and friends.

The first half of the campaign was marked by transformational gifts. Hundreds of new professorships and scholarships were created in response to the inspirational matching challenges set forth first by John and Tashia Morgridge and then by Ab and Nancy Nicholas. Jerome and Simona Chazen pledged to donate valuable pieces of art from their private collection to the Chazen Museum, and the Mead Witter Foundation ensured that the School of Music will soon have a beautiful, new home for its performances.

However, we know that overall success in the campaign requires a total team effort. Think of the wave at Camp Randall: it starts with a few people, but it falters unless everyone participates. In the same way, the university benefits from every gift — no matter the size — that can help to support its future success. Donors capable of the largest gifts are inspired when we all do our part. It's the Badger way.

I'm so thankful to the thousands of donors who have already participated in the campaign — who joined in during the first round of the wave — and I'm excited and optimistic for the second round. Together, we will keep UW–Madison moving All Ways Forward.

On, Wisconsin!



Michael M. Knetter
President and CEO, Wisconsin Foundation and Alumni Association

MICHAEL KNETTER HAS BEEN PRESIDENT AND CEO OF THE UW FOUNDATION SINCE 2010. HE'S THE FOUNDATION'S THIRD PRESIDENT. IN 2014, HE BECAME WFAA'S FIRST PRESIDENT AND CEO.







ENGAGEMENT

When we look back at 2015 and 2016, we'll see a period of building for the future.

Some of this building has been literal: this period saw the beginning of construction work on One Alumni Place (now substantially complete) and Alumni Park (now much advanced). Both will play vital roles in WFAA's future, and in the future of alumni relations at UW-Madison. When it opens, One Alumni Place will be the new home for alumni on campus. Just as the Wisconsin Union gives students a campus living room, One Alumni Place will give Badger grads a place to relax, find out what's going on at the UW, meet with friends, and attend events.

Alumni Park is going to provide a stunning new destination on campus. When it's done, it will connect the Memorial Union Terrace with One Alumni Place and Library Mall. And it's more than just a pretty spot — it's also a storytelling park. It will show visitors the greatest expression of the Wisconsin Idea: the alumni who have used what they learned on campus to change the world.

But we've also been building in a more metaphorical sense. WFAA continues to develop a coordinated advancement program for UW-Madison. We held a series of alumni events around the country — from Naples, Florida, to Milwaukee to New York to Madison, and then on to San Francisco, Chicago, and Minneapolis. These helped to engage Badgers where they live. They helped to spread the word about the great teaching and research that's going on right here in Madison, and they helped alumni to learn about the All Ways Forward comprehensive campaign, which had its public launch in October 2015.

We developed a new, integrated career-mentoring program that launched in the spring of 2016 and links alumni with each other and increasingly with students as well. And we collaborated with schools, colleges, and other campus units to help them speak to and engage with their grads.

This report highlights the work we've done and the work we're doing. As you read it, you'll feel the building power of UW alumni.

SIGNIFICANT DIGITS

ENGAGEMENT IN 2015-16, BY THE NUMBERS

90,190

TOTAL ALUMNI ENGAGEMENTS
AS OF 2015

23% ↑

TARGET FOR THE NEXT FISCAL YEAR
IS A **23 PERCENT** INCREASE.

3.1M

DIGITAL AND SOCIAL
INTERACTIONS WITH ALUMNI

1.7M 

OUR LEADING SOCIAL MEDIUM
IS TWITTER, WITH MORE THAN
1.7 MILLION IMPRESSIONS.

4,856

MILES TRAVELED FOR ALL WAYS FORWARD EVENTS

WFAA hosted alumni events in New York, Milwaukee, San Francisco, Chicago, Minneapolis, and Naples, Florida, in 2015 and 2016. To give attendees a flavor of campus, WFAA took along photo backdrops of Bascom Hill, Camp Randall Stadium, and the Memorial Union Terrace, as well as large photos of other campus locations.

THESE INCLUDED:

3



PHOTO BACKDROPS
PLUS ...

72

ADDITIONAL
PHOTOS FOR ...

64,944

SQUARE INCHES OF
CAMPUS IMAGERY



WISCONSIN COUNTIES COVERED BY WFAA'S PROJECT 72 – THAT WOULD BE ALL OF THEM

65.5

AFFINITY SCORE AMONG GRADUATES OF THE UW'S SCHOOL OF NURSING, THE HIGHEST OF ALL UW SCHOOLS AND COLLEGES



Affinity score measures the likelihood of an alum to promote, donate to, or advocate for UW–Madison.

SOLID STATE

Through Project 72, WFAA shares some of the myriad ways that UW–Madison and Wisconsin continue to shape each other.

Chin Wu saves lives.

You may think this claim is exaggerated. He is, after all, a UW–Madison professor of civil and environmental engineering whose specialty is fluid dynamics. His publications cover topics such as long-term trends in variability of ice cover and diurnal thermal dynamic processes in small and shallow lakes.

But Wu is a life saver, and if you don't believe it, ask Erica Peterson of Wisconsin's Friends of the Apostle Islands or Tom Mlada, the mayor of Port Washington.

The Great Lakes communities they work with have seen swimmers and kayakers pulled away from shore and drowned by dangerous waves and rip currents. They know the benefits that come from Wu's efforts to create early-warning systems about water conditions on the Great Lakes.

"Dr. Wu and [his] graduate student Josh Anderson developed an amazing system and continue to provide much-needed technical support," says Peterson.

Like the currents under Lake Michigan, the work of UW–Madison and its faculty, staff, and students has a tremendous effect on Wisconsin, though it often goes unnoticed. That can lead to a poor relationship between the state and its flagship university.

WFAA wants Wisconsin to see that the UW isn't just a Madison concern. It's not an ivory tower. Its faculty and students

look outward, not inward, and their work reaches every county in the state. And every county in the state has an effect on UW–Madison.

That was the impetus behind Project 72 — a WFAA effort to showcase the UW's connections to all of Wisconsin's 72 counties. In early 2016, WFAA staffers gathered those stories, and then they published them on a website (boundlesstogether.org), promoted them on billboards across Wisconsin, and printed them in a book presented to community leaders around Wisconsin and in the state capitol.

The billboards — one for each county — went up in September, attracting attention across Wisconsin. Print and online media in 26 counties ran articles highlighting the people and programs that connect their communities to UW–Madison. Even the *Wall Street Journal* picked up the story — a September article on the funding of state universities around America noted Project 72 as a creative effort to improve political climate.

"UW–Madison touches people from the shores of Lake Superior to the Illinois border, from downtown Milwaukee to the forests north of Hayward," says Chancellor Rebecca Blank.

The UW's faculty, staff, and students help to support businesses, train leaders, solve problems — and save lives. And thanks to Project 72, Wisconsin's citizens will see the value of their university more clearly.



IN 2016, THE
BILLBOARDS IN
WFAA'S PROJECT
72 HIGHLIGHTED
50 ALUMNI, FOUR
CURRENT STUDENTS,
TWO FACULTY
MEMBERS, AND
19 COMMUNITY
MEMBERS. THE
ACCOMPANYING
STORIES FEATURED
MORE THAN TWO
DOZEN FACULTY AND
UW PROGRAMS.

Chin Wu, a professor of civil and environmental engineering, studies fluid dynamics. His efforts to understand the interaction of water and weather on the Great Lakes have led to lifesaving safety initiatives.

A BRIDGE TO THE WORKING WORLD –

Badger Bridge links students and alumni with mentors to help facilitate career advancement.



LAUNCHED
OFFICIALLY IN
APRIL 2016, BADGER
BRIDGE HAD SOME
3,315 ACTIVE USERS,
AND 115 JOBS HAD
BEEN POSTED BY
JUNE. AT THAT
POINT, 92 PERCENT
OF THE USERS WERE
ALUMNI, BUT WFAA
BEGAN ACTIVELY
MARKETING
BADGER BRIDGE TO
STUDENTS IN FALL
2016.

For students and alumni alike, if you want to make the most of your UW education, you need more than what you learn in the classroom. You need a network.

In 2015, WFAA worked to support students and alumni by creating a career-networking tool: Badger Bridge (badgerbridge.com), which launched in early 2016 and now helps students and grads alike make the most of their Badger connections.

If there's any issue that unites all points on the political spectrum right now, it's jobs. With the cost of a university education at an all-time high, everyone — Republicans and Democrats, students and parents, new grads and 20-year veterans of the workforce — wants to see graduates land jobs and advance in their careers.

“Good-paying careers typically require more than a high school diploma,” Wisconsin governor Scott Walker said in his 2016 State of the State address. “We need our young people to have as many excellent higher education options as possible to prepare for the workforce needs of the 21st century.”

But there's more to forging a career than coursework and homework. Finding the right relationships can make an enormous difference. The College of Letters & Science Career Initiative surveyed recent grads and found that 67 percent of alumni in graduate school benefited from mentors, but only 50 percent of employed alumni and 40 percent of unemployed alumni had such relationships. Some two-thirds of those eight to 10 years out of college who are currently unemployed said they lacked a professional mentor.

The Badger Bridge online networking platform draws information from such sources as the WFAA alumni directory, LinkedIn, and

Facebook to help grads find mentors in similar fields or nearby locations.

The plan is to form connections between grads who need advice and those who are willing to be mentors. In its first three months, more than 3,300 alumni signed up for Badger Bridge, and more than 100 open jobs were posted. It opened to students in fall 2016, and the number of enrollees rose to 7,500 by December 2016.

“We want to encourage students as well as alumni to form connections,” says David Nelson, WFAA's director of alumni professional networks and career resources. “By the time they graduate, they should know people in the cities they want to move to and in the field they hope to work in. Regardless of major, any student who has a network is going to be in better shape.”

Throughout 2015, WFAA staff worked with the firm Graduway to create Badger Bridge, a new, social-media-enabled networking tool that helps alumni and students to connect with mentors.

RED (SHIRT) TALKS

—
Designer Virgil Abloh speaks at a Homecoming event.

The Wisconsin Experience is about more than watching games in Camp Randall and taking classes in Humanities or Grainger or Engineering Centers. It's about preparing for change. The world is changing, and a UW grad has to be ready to adapt to — and lead — that change. WAA works to bring alumni back to campus so that students can begin to understand the world they'll enter. In 2015, these efforts included fostering connections with Virgil Abloh.

"Nothing that you learn is actually useless," Abloh assured a crowd of students in October 2015. He should know. Abloh has seen the twists that can happen to a career between academia and the working world. He came to UW-Madison to study engineering and has since made his name as an artist and fashion designer. He's worked with Kanye West, been honored in Paris, bought into Chicago's RSVP Gallery, and grown a clothing label, Off White c/o Virgil Abloh, to prominence. Very little of that has to do with civil engineering — on the surface.

"I use my engineering degree all the time," he said, "and I think I don't use it at all."

His education taught him to multitask, to think logically, to challenge himself and others. "My education gave me something to rebel against in an articulate way," he said.

Abloh was presenting at the 2015 RED Talk, an event that brings innovative alumni back to campus during Homecoming to speak

with and inspire students. He was at the talk with his former UW roommate, Gabe Stulman, now a successful New York restaurateur.

WAA has worked to keep such alumni connected to the university and involved with fellow Badgers. Both, for instance, have received Forward under 40 Awards from WAA — Stulman in 2015 and Abloh in 2016. And Abloh was the celebrity guest designer for a special limited edition of WAA's The Red Shirt™ (uwalumni.com/theredshirt).

WAA knows that alumni can contribute to students' Wisconsin Experience by sharing advice and broadening their outlooks. And alumni can show students how the value of the UW will extend throughout their lives, no matter how those lives wander from the path they followed in class.

"Whatever your ambition is," Abloh told the RED Talk crowd, "if you don't leave here and do it within the next 30 minutes, you're never going to do it."

Virgil Abloh, right, began his UW career as an engineering student but today is a fashion designer who has worked with Kanye West and was a finalist for the prestigious Louis Vuitton Moët Hennessey Prize in 2015.



WAA SOLD 1,500 T-SHIRTS IN THE VIRGIL ABLOH SPECIAL EDITION OF THE RED SHIRT™. THESE SALES HELPED TO BENEFIT UW SCHOLARSHIPS, AS DID THE SALES OF THE EIGHTH EDITION OF THE RED SHIRT™. THE NINTH EDITION WENT ON SALE IN AUGUST.



HAWKS SOARS

Anthropology prof and students hit the road to share the story of *Homo naledi*.

Want to help research at UW–Madison? Spread the word. The professors and grad students who are pushing the boundaries of knowledge need more than funding — they need to share the story of their findings. And that’s where WFAA and Badger alumni can help.

In one of 2015’s most celebrated discoveries, anthropologists found the remains of a new hominid species in a cave in South Africa, and UW–Madison had a role in that find.

Anthropology professor John Hawks was part of the team that brought *Homo naledi* to light, though it was several of his graduate students who did the dirty work (literally) of bringing the bones up from their underground repository and cleaning and cataloguing them.

When the news of the discovery broke — first in *eLIFE Sciences* in September 2015, and then in *National Geographic* — WFAA helped to spread the news. On *Wisconsin* magazine (onwisconsin.uwalumni.com) ran a cover story on the findings in its Winter 2015 issue, and WFAA featured Hawks as a presenter at a San Francisco event in support of the All Ways Forward campaign in March 2016.

But importantly, WFAA also took along graduate student Sarah Traynor and postdoc Caroline VanSickle, who had studied under

Hawks and taken part in the research. Traynor had traveled deep into the cave to retrieve bone fragments, and VanSickle had helped to assemble them into coherent skeletons.

The three were part of an interactive presentation called “Digging for Collaboration,” discussing not only the discovery but also the multiple universities involved in the African dig and the way that the findings were published openly online.

The discovery is changing our view of our species, but it’s also helping to make the careers of young scientists.

“This project not only introduces a newly discovered species of our own genus — one that will recalibrate the field’s ideas about human origins — it also changes how human-origins research happens by involving early-career scientists with an emphasis on making the fossils widely accessible to everyone,” VanSickle told University Communications. “That will only improve the science.”

Anthropology professor John Hawks (center) shows off H. naledi fossils. Flanking him are two of his grad students, Alia Gurtov (left) and postdoc Caroline VanSickle.

WAA HELPS TO SPREAD THE NEWS ABOUT UW-MADISON RESEARCH. IN ITS FOUR 2015 ISSUES, ON WISCONSIN MAGAZINE MENTIONED 96 CURRENT UW FACULTY, STAFF, AND GRADUATE STUDENTS (INCLUDING THE THREE SHOWN AT LEFT), AS WELL AS SEVEN HISTORICAL FACULTY.

DEVELOPMENT

We're now more than a year into the public phase of All Ways Forward, the campaign for UW–Madison. Since the beginning of 2015, we've been taking the message to alumni, donors, and friends around the country, and the response has inspired us.

This report covers a vital period for All Ways Forward and for the Wisconsin Foundation and Alumni Association (WFAA). Not only did the 18 months covering 2015 and the first half of 2016 include campaign events, but they also saw the two largest matching gifts in UW–Madison's history: the Morgridge Match and the Nicholas Match. As you'll see in the following pages, WFAA has made significant progress toward the campaign goal, reaching the halfway point on our path to raising \$3.2 billion.

But while we're proud of that progress, the UW's need for support continues to grow, and all Badgers have a responsibility to help build the future of this university.

In this report, you'll find some stories about how philanthropy is shaping and strengthening UW–Madison. You can see more at allwaysforward.org, the campaign website. You'll also discover that it's not just major gifts that make a difference. Every gift to the UW helps the university to support brilliant students, attract and retain a world-class faculty, maintain a unique student experience, and develop groundbreaking research.

We're proud of the progress that WFAA has achieved, and we're confident that, in the coming year, UW–Madison's alumni and friends will continue their extraordinary generosity and ensure that our great university is ready to excel during its next 168 years.

All Ways Forward!





SIGNIFICANT DIGITS

DEVELOPMENT IN 2015-16, BY THE NUMBERS

85,175

TOTAL NEW GIFTS AND PLEDGES
IN CALENDAR 2015

UP **11%** OVER 2014

43,103

GIFTS MADE DURING THE
2015 ANNUAL CAMPAIGN

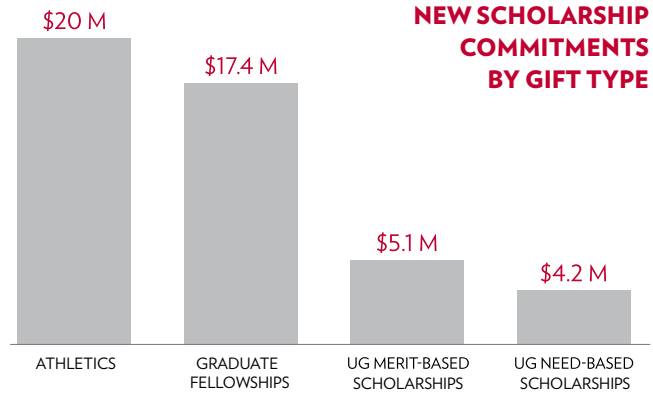
GENERATING A **33%**
INCREASE IN DOLLARS OVER 2014

224%

INCREASE IN AVERAGE VALUE OF THE TOP 100
GIFTS IN 2015 (\$470,520) OVER 2014 (\$145,000)



In July 2015, WFAA announced that Ab and Nancy Nicholas had offered \$50 million in matching funds for scholarship gifts. The match was completed in November 2016.



49

NEW ATHLETIC SCHOLARSHIPS
HAVE BEEN CREATED

83

NEW ACADEMIC AWARDS
HAVE BEEN CREATED

173

DONORS HAVE PARTICIPATED
IN THE MATCH TO DATE

W ALL WAYS
FORWARD®

106

**STORIES ABOUT UW FACULTY,
STUDENTS, AND PROGRAMS WERE**
POSTED ON ALLWAYSFORWARD.ORG,
HELPING TO MOTIVATE

27,622

GIFTS TO VARIOUS CAMPUS UNITS

BY JUNE 2016,
CAMPAIGN GIFTS TOTALED

\$1,645,240,169

MORE THAN HALFWAY
TO THE 7-YEAR GOAL

805

ATTENDEES CAME TO THE
OCTOBER 16 CAMPAIGN LAUNCH
EVENT AT THE KOHL CENTER



PROF POSITIVE

—
From the Vilas Trust to the Morgridge Match,
philanthropic gifts expand faculty opportunities.



 BETWEEN JANUARY 2015
 AND JUNE 2016, UW
 ALUMNI AND FRIENDS
 MADE SOME 590 GIFTS
 TO ANNUAL FUNDS
 THAT SUPPORT FACULTY
 EXCELLENCE, TOTALING
 \$254,991.92. THESE ARE
 EXCLUSIVE OF GIFTS TO
 THE MORGRIDGE MATCH
 AND OTHER ENDOWED
 FUNDS.

The last year and a half won't erase the name Vilas from campus. But it might challenge the primary place that it holds.

Vilas is ubiquitous at UW–Madison: Vilas Hall, Vilas Associates, Vilas Research and Travel Grants, Vilas Professors and Distinguished Professors. All those Vilases are still on campus, but the completion of the Morgridge Match in 2015 cements a legacy that will be more far reaching.

William Vilas was the UW's first truly transformational alumnus. A veteran of the Civil War, he became a prominent attorney and served as a regent, United States senator, postmaster general, and secretary of the interior. At his death, he left the Vilas Trust to his alma mater as an endowment, setting aside funds in particular to support "the advancement of knowledge." Vilas professorships are now considered among the most prestigious at UW–Madison.

In the century and more since Vilas's death, many other Badger graduates have given to their alma mater, but few have made such a long-lasting impact on faculty development. Then came John and Tashia Morgridge, whose vast matching gift helped to create or complete more than 150 fully funded endowed professorships and chairs.

Announced in November 2014 as a \$100 million challenge match, the Morgridges' gift inspired an immediate response among UW–Madison alumni and friends. By June 2015, donors had more than filled the Morgridges' initial offer, so they increased the matching dollars available to \$125 million, bringing the grand total to \$250 million raised for faculty endowments. WFAA celebrated the completion of that gift at an event in October 2015.

"The generosity of John and Tashia Morgridge and the hundreds of proud Badgers who joined them will transform our ability to retain and attract top talent," says Chancellor Rebecca Blank. "This is about much more than the dollars that go to the faculty members. It is about the ability to recruit and retain outstanding faculty who attract top graduate and undergraduate students and compete for federal research dollars."

Unlike the long-ago Vilas gift, the Morgridges decided not to put their name on the faculty positions that they helped to fund, allowing the matching donors to name the jointly funded chairs.

"This gift does everything you could ever wish for in a lead gift for a campaign," says Mike Knetter, CEO of the Wisconsin Foundation and Alumni Association. "It is extremely generous in magnitude; it is aimed at a top priority; and it is designed to encourage others by giving all the recognition to matching donors. John and Tashia lead by example in every way. Wisconsin is a different place because of them, and they are now inspiring others to follow in their footsteps."



In November 2014, John and Tashia Morgridge announced the largest private gift in UW–Madison's history. By the summer of 2015, it had inspired a total of \$250 million in support for the university and its faculty. The Morgridges then became chairs of the All Ways Forward comprehensive campaign for 2015.

OPEN DOORS, DIVERSE CAMPUS

Anonymous gift supports Chancellor's Scholars Program.

UW–Madison's leadership is serious about making campus a more diverse and inclusive environment. And with the help of anonymous donors, WFAA is rallying Badger alumni and friends to help that effort.

In early 2016, a couple who wish to remain anonymous made a \$10 million pledge to match gifts that support the Chancellor's Scholarship Program (CSP). Established in 1984, the CSP aims to increase educational opportunities for academically talented, underrepresented ethnic minorities — African, Hispanic, Native, and Southeast Asian Americans — and socio-economically disadvantaged undergraduates. The scholarship covers tuition and fees and an annual book award of \$800.

There are currently 255 CSP recipients enrolled at UW–Madison — students who represent a wide diversity of majors and areas of interest.

"The Chancellor's Scholarship Program has connected me with tools and people that I need to make my education possible," says Negassi Tesfamichael, an honors student in political science and English. "Expanding the program will help students of color and the university as a whole by tapping into potential that previously was not tapped into."

Many Chancellor's Scholars assume leadership roles in student organizations and invest in the progress of the campus. Tesfamichael manages the newsroom at *The Daily Cardinal*, gives back to the community with Badger Volunteers, and participates in the Pi Sigma Alpha political science honors society. More than half of CSP alumni pursue graduate or professional degrees, and many others are emerging leaders in their respective fields. Chancellor's Scholars who entered the UW in 2011 had a four-year graduation rate of 71.7 percent, which exceeds the campuswide graduation rate.

"These are the students that ruin the curve by getting 100 percent on exams," says Heather Kozlowski, a CSP student who studied engineering and was cochair of her class. "We have competitive internships and will be attending top grad schools. My peers inspire me, and I am constantly reminded and motivated to keep up."

This matching program applies to new gifts and pledges made after January 1, 2016, on a first-come, first-served basis. All pledges should be paid within five years of the pledge commitment. Funds that are established or enhanced will be named by the initiating donor.

BETWEEN JANUARY
2015 AND JUNE 2016,
UW ALUMNI AND
FRIENDS MADE SOME
24,655 GIFTS TO
ANNUAL FUNDS THAT
SUPPORT STUDENT
SCHOLARSHIPS
AND FELLOWSHIPS,
TOTTALLING
\$10,472,295.30. THESE
ARE EXCLUSIVE
OF GIFTS TO THE
NICHOLAS MATCH,
THE CHANCELLOR'S
SCHOLARSHIP MATCH,
AND OTHER ENDOWED
FUNDS.



“On behalf of the entire university community, I want to thank these generous donors for helping to ensure that talented individuals from underrepresented groups are able to pursue their education at the UW,” says UW-Madison chancellor Rebecca Blank. “This gift is not only an investment in these students, but in the entire campus.”

Support for UW-Madison students grew throughout 2015. Late in the year, donors who wish to remain anonymous offered \$10 million to aid the Chancellor's Scholars Program. In the 2015-16 academic year, there were 255 Chancellor's Scholarship recipients on campus. Further, the Great People Scholarship completed its matching phase, having raised more than \$44 million between 2008 and 2015.



BETWEEN JANUARY 2015 AND JUNE 2016, UW ALUMNI AND FRIENDS MADE SOME 4,859 GIFTS TO FUNDS THAT SUPPORT THE UW EDUCATIONAL EXPERIENCE, TOTALING \$6,896,311.34.

David Hockney's Sixteenth V. N. (or "very new") Painting shows his growing interest in themes of time and space. Image courtesy of the Chazen Museum of Art.

STATE OF THE ART

A new gift expands the Chazen Museum's collection and its educational role.

Wisconsin's second-largest art collection is housed in a museum that is far more than a gallery.

The Chazen Museum of Art is home to more than 20,000 paintings, sculptures, drawings, prints, photos, decorative objects, and more. But the works it holds are far more than beautiful — they're also a learning resource. And in 2015, those collections grew larger and more important, thanks to a new donation from the museum's namesakes, Jerome and Simona Chazen.

Last July, the Chazens offered a gift valued at \$28 million, which includes \$5 million to support the Chazen Museum, \$3 million to establish two faculty chairs, and artwork valued at \$20 million, including paintings by some of the 20th century's most celebrated figures: Robeth Motherwell (*Elegy to the Spanish Republic*, 1972); Roy Lichtenstein (*Two Figures*, 1977); and David Hockney (*The Sixteenth V.N. Painting*, 1992). Those artists were leaders in the modernist and post-modernist movements. Motherwell, a member of the New York School, helped to advance surrealism. Lichtenstein virtually defined pop art. And Hockney is one of the most influential British artists of the 20th and 21st centuries.

"My wife and I are avid collectors and, more, lifelong arts enthusiasts and arts-education advocates," says Jerome Chazen. "We have a shared vision for the Chazen Museum of

Art to become a world-class museum — a beacon for art lovers in Madison, across the state of Wisconsin, and in the bigger-picture arts landscape."

As a free institution and a university museum, the Chazen is a resource for teachers of many disciplines — even ones that seem far removed from art and art history. James Nienhuis, for instance, is a UW professor of horticulture. He's used the Chazen's collection of Renaissance still-life paintings to show students how fruits and vegetables have changed over the centuries. He has shown his classes a picture by 17th-century Italian artist Giovanni Stanchi to illustrate how much plant breeders have changed the foods we eat.

"Vegetables [are] delicate," Nienhuis told *On Wisconsin* magazine. "They don't last. But still-life paintings show us what they looked like."

Who knows what future teachers may find in the works of Motherwell, Hockney, and Lichtenstein — not to mention Stanchi and artists of the more distant past. These lessons are available thanks to the generosity of the Chazens and other donors.

"The Chazens have been unbelievably generous in their support of the museum," says director Russell Panczenko, "and this bequest greatly furthers our mission to become a leading cultural resource for the Madison community and beyond."

OPEN MINDS

Bob and Dottie King help the Center for Healthy Minds dig into the brain.

BETWEEN JANUARY 2015
AND JUNE 2016, UW
ALUMNI AND FRIENDS
MADE SOME 840
GIFTS TO FUNDS THAT
SUPPORT RESEARCH AND
INNOVATION, TOTALLING
\$982,900.72.

Can a rock on the stomach make children better students, happier adults, and healthier people?

No.

On its own, a rock is just a rock. But when children have the right training, UW researchers in the Center for Healthy Minds (CHM) find, they can turn those rocks into “belly buddies” and learn mindfulness techniques, which may hold the key for improving their mental and emotional health. CHM did a 12-week study with children in the Madison Metropolitan School District and found that those who had participated in a Kindness Curriculum showed better academic performance and prosocial measures than those who hadn’t.

This is the kind of news Bob and Dottie King are looking for. They know that about 20 percent of American adolescents suffer from some form of psychiatric disorder and want the UW to help. That’s why they’ve given \$10 million to CHM.

“We’re thrilled to collaborate with UW–Madison in our determination to help disadvantaged youth reach their full potential,” says Dottie. “We believe the work of Richard Davidson and his colleagues at the center will have a tremendous impact and help thousands — if not millions — of youth thrive.”

The gift will enable the university to recruit interdisciplinary faculty to focus on children and well-being. Center scientists and staff look forward to a partnership with the Thrive Foundation for Youth, which the King family founded to support intensive engagement with disadvantaged youth. An increasing body of evidence indicates that adolescence is a period when the brain is more sensitive and pliable and presents opportunities to build critical emotional skills to cultivate well-being. The center is leading the development and assessment of mental training strategies to cultivate healthy qualities of mind in children and adolescents.

“Assessment remains a huge challenge for the field, but it’s what’s critically needed to answer important questions,” says Richard Davidson, founder of the center and the William James and Vilas Professor of Psychology and Psychiatry. “How does one measure development of noncognitive factors? How do those measures change with students’ age? Are some interventions more effective than others? We need to build a common language to measure success.”

The Kings have a deep interest in alleviating difficult problems. In late 2016, they joined with John and Tashia Morgridge to give UW–Madison \$36 million for the creation of the



King-Morgridge Scholars Program, which will provide four-year scholarships to students from developing countries, so that they can learn skills that will help them to address the challenges in their home nations.

Kindergartners at Madison's Stephens Elementary School use "belly buddy" stones to help with a breathing exercise as part of the Kindness Curriculum developed by UW-Madison's Center for Healthy Minds.





FINANCES

The preceding pages have described the great work of the Wisconsin Foundation and Alumni Association: by serving alumni and by raising donations, WFAA is helping to advance the mission of the University of Wisconsin–Madison. One of the ways that WFAA helps to keep the UW strong and stable is by stewarding its financial resources — investing funds carefully and disbursing them in accordance with donor wishes. Through its constituent organizations, the UW Foundation and the Wisconsin Alumni Association, WFAA has been carrying on a tradition of generating and stewarding donations for decades — since alumni took a lead role in raising funds for the construction of Memorial Union.

The following pages offer a financial snapshot of how WFAA is doing overall and at the halfway point of the All Ways Forward comprehensive campaign. Over the last five years, the value of the endowment has grown from \$1.8 billion to \$2.4 billion. WFAA's cost of raising a dollar has steadily declined and is now averaging about 10 cents. The total payments to the university for the first half of 2016 topped \$159 million.

As you read this report, please keep in mind two major adjustments that occurred in recent years. On July 1, 2014, the UW Foundation merged with the Wisconsin Alumni Association to create WFAA. Though for simplicity, the charts and tables refer to WFAA, numbers prior to that date come from the UW Foundation only.

And during 2016, WFAA changed its fiscal year to match UW–Madison's, beginning July 1 and ending June 30. As a result, this report includes our prior year, ended December 31, 2015, and our "short" (six-month) fiscal period ended June 30, 2016.

UW–Madison's alumni and friends are helping to ensure that this is a world-class university for generations to come. You do this by making gifts both large and small, by advocating for the university in Wisconsin and nationally, by mentoring students and fellow grads, and in many other ways. Thank you for your ongoing support.

STATEMENTS OF FINANCIAL POSITION

ASSETS	2016 (JAN. 1-JUNE 30)	2015 (JAN. 1-DEC. 31)
Cash and cash equivalents	112,953,979	258,854,516
Income and redemption receivables	20,860,964	41,977,689
Prepaid expenses	1,522,672	1,674,044
Pledges receivable, net	179,734,301	191,901,461
Investments	3,177,038,023	2,969,597,110
Property and equipment, net	21,076,955	20,723,829
Real estate	2,606,109	3,295,943
Notes receivable	1,289,038	1,331,487
Other assets	3,945,717	3,578,998
TOTAL ASSETS	\$3,521,027,758	\$3,492,935,077
LIABILITIES		
Accounts payable	4,098,923	14,299,640
Pending investment purchases payable	27,506,426	15,675,403
Accrued expenses and other payables	5,872,504	4,935,754
Deferred revenue	380,938	136,533
Deferred compensation	2,280,625	2,260,880
Notes payable	2,742,708	2,878,218
Liability under split-interest agreements	43,700,837	43,884,223
Funds due to other organizations	237,259,071	232,142,012
TOTAL LIABILITIES	\$323,842,032	\$316,212,663
NET ASSETS		
Unrestricted	85,081,476	197,756,088
Temporarily restricted	1,524,329,521	1,464,488,384
Permanently restricted	1,587,774,729	1,514,477,942
TOTAL NET ASSETS	\$3,197,185,726	\$3,176,722,414
TOTAL LIABILITIES AND NET ASSETS	\$3,521,027,758	\$3,492,935,077

STATEMENTS OF ACTIVITIES

REVENUES, GAINS, AND OTHER SUPPORT	2016 (JAN. 1-JUNE 30)	2015 (JAN. 1-DEC. 31)
Contributions	151,643,056	543,596,612
Interest and dividend income	13,597,414	23,480,260
Net investment gains (losses)	40,745,632	(28,580,959)
Other income	2,756,020	7,500,104
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	\$208,742,122	\$545,996,017
 EXPENSES		
Payments to or for the University of Wisconsin	159,341,607	220,615,230
Administrative and investment expenses	28,937,203	57,715,923
TOTAL EXPENSES	\$188,278,810	\$278,331,153
 NET ASSETS		
Increase in net assets	20,463,312	267,664,864
Net assets at beginning of year	3,176,722,414	2,909,057,550
NET ASSETS AT END OF YEAR	\$3,197,185,726	\$3,176,722,414

EXPENSES

The Wisconsin Foundation and Alumni Association staff and board of directors believe strongly that expense management is a top priority in achieving good stewardship. An important part of stewardship for a charitable organization is the ratio of administrative expenses to contributions. The figures below show WFAA's administrative expenses compared to new gifts and pledges for the past four and one-half years. Administrative expenses, excluding investment expenses, are compared to contributions to reflect the cost of raising a dollar. Total administrative expenses include investment expenses incurred by WFAA's investment activity. These expenses are paid directly from the individual investment funds. Over this period, WFAA's average cost of raising a dollar has been 10.2 percent, well below the national average. The period from 2012 through 2015 shows figures for the 12 months of the calendar year. The 2016 figures show results for only six months, January to June, due to a shift in WFAA's fiscal year. The bulk of contributions tend to arrive in the second half of the year, and thus WFAA's cost of raising a dollar appears artificially high in the most recent, six-month period.

Wisconsin Foundation and Alumni Association Administrative Expenses *(as a percentage of contributions)*

	ADMINISTRATIVE EXPENSES (EXCLUDING INVESTMENT EXPENSES)	TOTAL CONTRIBUTIONS	ADMINISTRATIVE EXPENSES (EXCLUDING INVESTMENT EXPENSES) AS % OF CONTRIBUTIONS
2016 (6 MONTHS)	24,177,539	151,643,056	15.9%
2015	47,820,325	543,596,612	8.8%
2014	35,037,282	380,492,270	9.2%
2013	25,316,044	266,855,030	9.5%
2012	25,542,171	211,288,562	12.1%
TOTAL	\$157,893,361	\$1,553,875,530	10.2%

Total Administrative and Investment Expenses

	2016 (JAN. 1-JUNE 30)	2015 (JAN. 1-DEC. 31)
Salaries	10,686,002	21,142,183
Employee taxes, benefits	2,933,352	5,414,608
Contract labor, consulting	1,340,790	4,327,614
Meetings & events	1,777,399	2,763,008
Unfulfilled pledges	591,023	3,713,432
Supplies & equipment	1,548,814	2,639,852
Depreciation	1,038,507	1,728,265
Marketing	903,037	1,629,584
Facilities	592,852	972,452
Utilities	105,564	223,694
Professional services	380,329	518,090
Travel & entertainment	659,188	998,195
Insurance	225,406	497,586
Administration, other	970,221	1,244,479
Taxes	425,055	7,283
ADMINISTRATIVE EXPENSES	\$24,177,539	\$47,820,325
INVESTMENT-RELATED EXPENSES	\$4,759,664	\$9,895,598
TOTAL	\$28,937,203	\$57,715,923

Payments to or for the University of Wisconsin

	2016 (JAN. 1-JUNE 30)	2015 (JAN. 1-DEC. 31)
CALS	2,810,078	7,340,356
Arts Institute	53,261	75,802
Athletics	24,754,181	17,147,634
Business	21,067,086	24,154,805
Chancellor Designated	6,450,078	11,901,306
Continuing Studies	133,797	212,722
Education	2,054,249	5,712,945
Engineering	5,548,487	14,837,896
Human Ecology	628,074	1,173,220
International Studies	96,320	739,020
Law School	1,098,220	1,893,103
Letters & Science	12,071,631	23,010,448
Libraries	253,150	1,180,566
Medicine & Public Health	41,746,292	89,927,125
Nelson Institute	496,896	1,110,247
Nursing	652,660	1,195,127
Pharmacy	1,304,994	1,806,910
Recreational Sports	47,917	36,975
Research, Graduate Ed.	1,405,050	2,345,261
Student Services	46,164	335,332
UW Hospital & Clinics	7,710,252	2,047,441
Veterinary Medicine	1,701,546	2,594,510
Wisconsin Alumni Assn.	499,731	494,793
Wisconsin Union	18,580,474	636,530
Other UW-Madison	1,567,172	5,877,626
Non-UW-Madison	6,563,847	2,827,530
TOTAL PAYMENTS	\$159,341,607	\$220,615,230

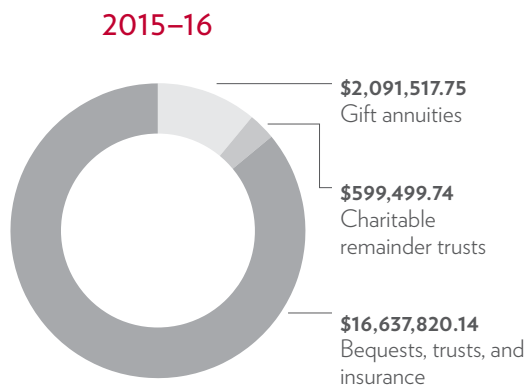
PLANNING YOUR ESTATE AND SUPPORTING THE UNIVERSITY

In increasing numbers, alumni and friends are creating legacies at the University of Wisconsin–Madison through planned gifts. *Gift planning*, a type of philanthropic giving, integrates charitable giving into a donor’s overall financial, tax, and estate planning to maximize benefits both for the donor and for UW–Madison. Examples of planned gifts include bequests, life-income gifts, gifts of real estate, and gifts of retirement-plan assets. Planned gifts make significant funding available to the university each year, providing crucial support during this challenging fiscal period.

Donors can direct their planned gifts to accomplish many goals. Some deferred gifts are unrestricted, allowing campus leaders to fund the current needs and priorities of the university. Other planned gifts are directed to specific areas, such as schools, colleges, or departments, or to specific priorities, such as scholarships or faculty support. Some deferred gifts are intended to be used outright, while others establish permanently endowed funds. When deciding on a designation for a planned gift, donors should consider the delay inherent in planned giving: what will be of greatest benefit to the university when the gift is ultimately received?

If you are considering taking advantage of the benefits of making a planned gift, we recommend that you consult with WFAA’s Office of Gift Planning. Staff members are experienced in working with individuals, attorneys, and financial advisers. They can explain how life-income plans work, consult on the type of gift that is best suited to your needs, identify the correct legal names of campus departments and units, and provide language that will carry out your wishes.

All individuals with a planned gift in place for the university are welcomed into the Wisconsin Legacy Society — our way of thanking those who have made this philanthropic commitment. No minimum gift is required, and any information shared with us is nonbinding. Current membership includes more than 1,700 individuals.



Number of Gifts Received

2015-16 (18 MONTHS)

Bequests, trusts, and insurance	105
New gift annuities (including deferred)	34
Charitable remainder trusts	10
TOTAL DEFERRED GIFTS	149

ENDOWMENT FUNDS

Endowment funds represent an extremely important asset base that provides current and future revenues for the University of Wisconsin. The Wisconsin Foundation and Alumni Association staff, along with the investment committee of WFAA's board of directors, manages the endowment fund on a total return basis. This allows the endowment to be invested with a long-term perspective and an emphasis on diversified, equity-related strategies.

The investment, spending, and expense fee policies associated with our endowment are designed to enable endowment balances to increase at the rate of inflation over the long term, after all fees and spending distributions. WFAA allocates the annual income based on a spending-plan rate of 4.5 percent, multiplied by the average market value of the total endowment fund for the most recent 16 quarters. This rate, reviewed annually by the board of directors, was last adjusted during 2010.

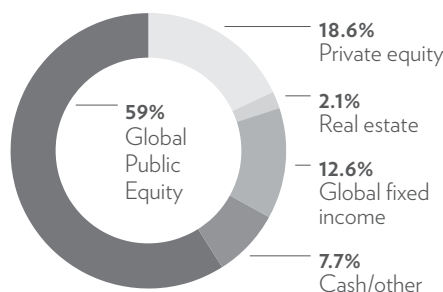
The table on this page shows the total return figures, and the circular charts show the asset allocation of WFAA's endowment fund. Because WFAA changed its fiscal year from one ending December 31 to one ending June 30, performance is annualized looking back from the end of each period. The endowment fund asset allocation targets have been established to promote overall portfolio diversification while providing a return necessary to meet the investment objectives. Each allocation is a snapshot at the end of the reporting period.

Investment Performance* Annualized results

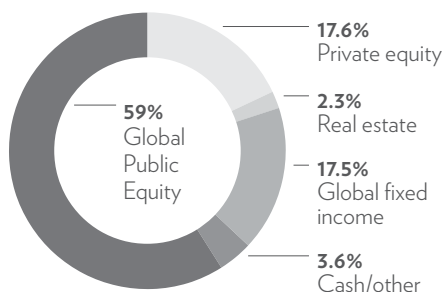
	12/15	6/16
1 year	-1.2%	-1.4%
3 years	6.9%	5.2%
5 years	6.4%	5.5%
10 years	5.2%	4.8%

*Net of external manager fees

Asset Allocation as of December 31, 2015

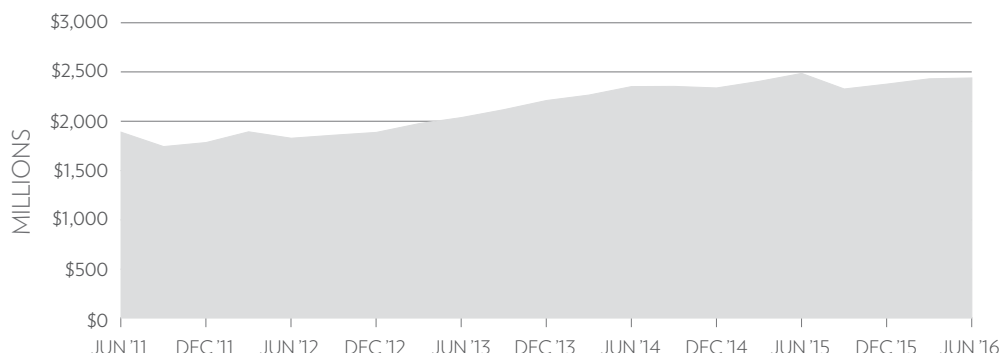


Asset Allocation as of June 30, 2016



Endowment Fund Assets 2011-16

\$2,419,160,796 as of June 30, 2016



Assets under management have grown from \$1,872.9 million on June 30, 2011, to \$2,419.2 million as of June 30, 2016, as reflected in this graph. Note that the reporting period shifts from December 31 to June 30 in 2016. While this report covers 18 months, future reports will cover 12 months.

THANK
YOU

FOR SUPPORTING THE
WISCONSIN FOUNDATION AND
ALUMNI ASSOCIATION IN OUR
EFFORTS TO ADVANCE THE
MISSION OF UW-MADISON.

WE'RE PROUD OF ALL THAT
YOU HELPED US ACCOMPLISH
IN 2015-16, AND WE LOOK
FORWARD TO MAKING THE
UNIVERSITY STRONGER FOR
YEARS TO COME.

ON, WISCONSIN!

WFAA thanks these photographers for images on the following pages:

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