a year of giving

president’s report
on philanthropy
and endowments

2019
table of contents

4
A Message from the President

5
A Message from the Campaign Chair
You may have seen the headline: “Penn State breaks fundraising record for the second year in a row.” That July announcement, soon after the end of the 2018–2019 fiscal year, was an exciting moment for the University and for our current fundraising campaign, A Greater Penn State for 21st Century Excellence. It marked our third consecutive year of raising more than $300 million in new commitments, and it confirmed the belief of our alumni and friends in the campaign’s vision of Penn State as a land-grant leader for an era of global connections and rapid change.

Behind that story, though, were many others. A beloved leader whose commitment to the arts has made Penn State a cultural resource for our region. A technology that is helping surgeons in Hershey to mend the smallest hearts. Students who are discovering their passions for science and service. Partnerships that are helping to preserve pollinator species, drive economic development, and bring the world to central Pennsylvania.

These stories of giving were all highlighted in Philanthropy at Penn State, an email newsletter that captures the many ways in which our supporters choose to make a difference at the University. Each month, nearly 20,000 subscribers learn about gifts to the University and the motivations—from creating new opportunities for students to honoring a family member to fueling innovation—that led supporters like you to give. If you already receive Philanthropy at Penn State, I hope that you’re as inspired as I am by the stories it shares.

And if you don’t receive Philanthropy at Penn State, the following pages offer a glimpse behind top headlines of 2018–2019. Through “A Year of Giving,” we want to communicate the breadth and depth of support that is helping Penn State to serve our students, the Commonwealth, and the world. The twelve months that concluded on June 30 were remarkable, but no more remarkable than the loyalty and generosity of our supporters.

Thank you.

Eric J. Barron
President, The Pennsylvania State University

To subscribe to Philanthropy at Penn State, visit headlines.psu.edu or send a message to philanthropy@psu.edu.
When the 2017–2018 fiscal year ended with a record-breaking $362.9 million in new commitments, I thought, “That’s going to be a tough act to follow.” Were we going to be able to sustain the excitement of the Greater Penn State campaign’s first two years? Did the campaign’s imperatives—to open doors, to create transformative experiences, to impact the world—really speak to my fellow alumni and supporters? Could we keep the momentum going and push on toward our ambitious goal?

I want to thank every one of you who has answered “Yes” to those questions through your extraordinary support over the last fiscal year. We ended 2018-2019 with a total of more than $372.5 million in commitments: a new record and proof, as if we needed it, that Penn Staters love nothing better than a challenge. 221,587 donors—alumni and friends, businesses large and small, even Penn State students themselves—chose to step up and support the University.

As a result, we have become one of only eleven institutions nationwide to secure $1 billion or more in three consecutive campaigns, and we’re not done yet. As I write, A Greater Penn State for 21st Century Excellence has raised more than 70 percent of its $1.6 billion goal—but it’s also raised our hopes and our sights for both the campaign and our institution. How far can we take this drive to be a leader in public higher education? How much impact can we have in the lives of our students, in the fields and industries they shape, and in the communities we serve?

Only you can answer those questions. I hope that as the Greater Penn State campaign enters its next phase, you’ll respond as resoundingly as you did in fiscal year 2018–2019. Your enthusiasm, your vision, and your philanthropy will determine what success looks like for Penn State and Penn Staters in both the remaining years of the campaign and far into the future. Thank you for inspiring us with your support.

Rick Sokolov ’71
Volunteer Chair, A Greater Penn State for 21st Century Excellence
a year of giving
How do you raise more than $372.5 million? Through twelve months of gifts at every level, through support that expresses pride in the past and hope for the future, through the following stories of generosity and vision that made 2018–2019 a year for the record books...
Bringing students and the world to Penn State Harrisburg

As the 2017-2018 fiscal year came to a close, so did an era at Penn State Harrisburg. On June 30, Mukund S. Kulkarni retired as the campus chancellor after eight years in the role and more than thirty years at the University. His legacy of encouraging cultural and educational opportunities in the region will continue, however, thanks to over $3 million in gifts from John and Abby Tierney, longtime Penn State supporters; Omid Ansary, senior associate dean for academic affairs and administration; and many other donors. The Mukund S. Kulkarni Theatre and a cultural series were named in his honor, and in 2019–2020, they’ll welcome performers from Zimbabwe, China, and elsewhere to the Capital Region. Alumni and friends also created new Open Doors Scholarships to celebrate Kulkarni’s commitment to keeping a Penn State Harrisburg degree affordable for every student.

IN OTHER NEWS: Penn State reported the strongest fundraising results in its history, with $362.9 million in commitments during the fiscal year that ended on June 30, 2018. The Class of 2019 sought ideas for its senior gift from the University community, ultimately choosing to support the entrance to the new pollinators’ garden in The Arboretum at Penn State. Myron Jones, a pioneer in Erie’s broadcasting industry and a long-time friend and supporter of Penn State Behrend, was mourned after his death at the age of 92. Penn State Behrend also announced an estate commitment from professor emeritus Bill Lasher, a founding member of its engineering program. Open Doors Scholarships were created by the Donato family at University Park and by the G.C. Murphy Co. Foundation at Penn State Greater Allegheny.

HERE ARE JUST A FEW OTHER EXAMPLES OF HOW PHILANTHROPY HELPS PENN STATE’S CAMPUSES TO SERVE AS CULTURAL CENTERS THROUGHOUT THE COMMONWEALTH.

The Logan Series at Penn State Behrend has been offering world-class musical performances to the campus and the community for thirty years.

The Pullo Center at Penn State York offers a wide range of touring productions and other performances, from ballet to Broadway shows.
A CHILD’S HEART IN THEIR HANDS

Congenital heart disease can be a terrifying diagnosis, but the Penn State Children’s Heart Group offers some of the best treatment and care in the country, with a top three-star rating from the Society for Thoracic Surgeons. Since 2015, physicians at Penn State Children’s Hospital have been using 3D printing to create models of individual patients’ hearts, allowing the surgeons to visualize procedures in great detail and communicate effectively with young patients and their families. The pilot program was made possible through a grant from Children’s Miracle Network. In 2018, Giant Food Stores, a leading supporter of Children’s Miracle Network at Penn State Children’s Hospital, committed $280,000 to help the pediatric cardiology team secure even better technology and expand the benefits of 3D heart printing to more patients.

“‘This technology enhances our ability to plan our most complex surgeries, teach our students and physicians in training, and improve our ability to counsel families in a meaningful and compassionate way.’”

Dr. Robert Tunks, pediatric cardiology at Penn State Children’s Hospital

IN OTHER NEWS: Don and Viv Bellisario were honored as the University’s 2018 Philanthropists of the Year for their $30 million gift to name the Donald P. Bellisario College of Communications. With a 1:1 match through a program created by Tracy and Ted McCourtney, 1977 alumnus Bill DeGrandis and his wife, Monica, made an estate commitment to support outstanding faculty in the College of the Liberal Arts. Retired energy executive Diane Cressman Blanton supported an installation of art made from recycled plastic at The Arboretum at Penn State. The family of late Penn State professor and pioneering electrical engineer Arthur H. Waynick established a graduate scholarship in his honor. 1963 Penn State graduate Robert Umbaugh and 2014 alumna Emily Zheng both created Open Doors Scholarships. Penn State Great Valley named its electronics lab after supporters Chuck and Karen Thomas.
The nature of giving

Turtles can live for a century—but the endowment created by Mary Ellen and Tom Litzinger to support the flora, fauna, and humans at Shaver’s Creek Environmental Center will last even longer. Their $1.2 million estate commitment for the Mary Ellen and Thomas A. Litzinger Endowment was announced at the grand reopening of the treasured Penn State facility last year. Mary Ellen, a former Penn State librarian and a Ph.D. graduate of the College of Education, began as a volunteer educator at the center, and she went on to chair the campaign for the recent Shaver’s Creek renovation. She and Tom, a 1977 alumnus in nuclear engineering, led that campaign by example with gifts that created both a herpetology center for reptiles and amphibians and a discovery room where visitors of all ages can learn more about the natural world. “We are elated to see this expansion become a reality,” Mary Ellen said. “The center is a peaceful and healing place, and we hope visitors will learn why it is important to treasure these pockets of nature.”

“From learning about plants and trees to engaging turtles, snakes, and raptors, people of all ages need to closely observe and touch things to learn.”
Mary Ellen Litzinger

IN OTHER NEWS: David and Margaret Gray, leaders at Penn State and in the community who met as graduate students at the University, endowed the first scholarship for students in the College of the Liberal Arts public policy master’s program. Distinguished Alumnus and media executive James P. Jimirro created a professorship for faculty studying the impact of media. Penn State research expenditures, a measure of governmental and private support, hit a record $927 million. 1959 Ag Sci graduate Richard A. Booth created an endowment to support experiential learning in the dairy sciences. Penn State Altoona students will work with the latest business intelligence software thanks to a gift-in-kind from Datric Inc. Voith Hydro Inc. provided support to the Women in Engineering Program. A gift from late Penn State Shenango professor John R. Garell created a scholarship for high-achieving students at the campus.
INVESTING IN THE FUTURE OF ERIE

Two of the most important economic forces in northwestern Pennsylvania—industry leader Erie Insurance and educational powerhouse Penn State Behrend—have joined forces to ensure that talented students have opportunities to succeed and stay in the region. Through the partnership between the company and the campus, a program called Excelerate will offer financial support and academic opportunities to as many as fifty students a year. It taps into the Pathways to Success: Summer Start program, a featured Open Doors initiative that helps students to transition to college during the summer before their first year. Excelerate is building on that academic foundation by offering internships and research projects with local businesses and nonprofits to upper-level students. Erie Insurance made its $1.5 million investment in the program to create, in the words of President and CEO Tim NeCastro, “a pathway to higher education and real-world work experience that is vital to the well-being of our workforce, our city, and our region. Building strong communities is good for local businesses like ours because it helps to attract and retain a talented workforce.”

IN OTHER NEWS: Business leader and 1973 graduate Stephen Taub committed $17.3 million to Penn State Abington, the campus where he began his Penn State career (learn more about Taub, the 2019 Penn State Philanthropist of the Year, on page 20). | Penn State trustee Keith E. Masser and his wife, Helen, established professorships in the College of Agricultural Sciences and Penn State College of Medicine. | The family of leading Penn State philanthropists Bill and Jo Weiss continued their legacy of support with $4.5 million in gifts for scholarships. | Smeal College of Business graduates Bruce and Donna Schock made a $1 million estate commitment to create a professorship in finance. | College of Health and Human Development faculty member Anthony D’Augelli created a scholarship for students pursuing research or internships related to the LGBTQ community.
Since 1969, the Renaissance Fund has honored leaders who have made a difference in the community and at Penn State, creating scholarships that celebrate their achievements and provide support to academically talented students with great financial need. And since the early 1970s, Tom and Sara Songer, both graduates of the University, have been making Centre County a better place to live—Tom as a civil engineer and entrepreneur, Sara as a nurse and educator. In November, at a dinner celebrating the Songers’ selection as the 2018 Renaissance Fund honorees, more than 400 guests cheered at the announcement that over $243,000 had been raised for the Thomas and Sara Songer Renaissance Fund Scholarship. The real celebration, however, happens when Penn State undergraduates—662 of them this year alone—learn that their ambitions and abilities have earned them support from the Renaissance Fund.

**IN OTHER NEWS:** College of Education Dean David H. Monk and his wife, Pam, a Bellisario College of Communications faculty member, made a $1.5 million estate commitment to help Penn State establish a center focused on the power of storytelling. | Penn State’s nuclear engineering program will receive transformative support from alumni Kenneth and Mary Alice Lindquist, who announced an estate commitment that will also benefit student-athletes, alcohol awareness programming, and other areas across the University. | Bob and Sandy Poole deepened their support for the Schreyer Honors College with a $1 million scholarship, carrying on the vision of their friends and fellow Penn State leaders William and Joan Schreyer. | Retired Penn State DuBois Chancellor Anita McDonald created an Open Doors Scholarship at the campus. | An estate commitment from Larry and Lynne Brown will further the work of the McCourtney Institute for Democracy in the College of the Liberal Arts.
Penn State philanthropy dates back to the founding of the University on donated land, but that legacy has been updated for the digital age with #GivingTuesday. Organizations and institutions across the country rally their supporters on the first Tuesday after Thanksgiving through social media campaigns and challenges for donors at every level. “#GivingTuesday is an opportunity to discover what Penn Staters can achieve when we act together,” said Jenny Daigle Benoit, the University’s executive director for annual giving. That collective power hit a new level in 2018: the December issue of Philanthropy at Penn State celebrated more than 6,500 gifts, totaling over $700,000, received during the #GivingTuesday challenges. On December 3, 2019, #GivingTuesday goes live again with opportunities for donors to support needs such as:

**The cost of uniforms, instrument care, and other needs of the Penn State Blue Band**

An endowment in the University Libraries that provides access to textbooks for students who can’t afford to buy their own

**Emergency funds** for students in need at several campuses, including Schuylkill, Hazleton, Harrisburg, and Abington

The Sokolov-Miller Family Financial and Life Skills Center, which helps students to make good choices for their future

Funds in the Schreyer Honors College and the Office of Global Programs to help students afford the cost of study and research abroad

These are just a few of the ways that Penn Staters can join together and show their pride on #GivingTuesday. To learn more, visit givingtuesday.psu.edu.

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**IN OTHER NEWS:** Virginia Tech graduates Bill and Catherine Achor honored Bill’s mentor at York Ag Products by creating the J. Richard and Deborah S. Roenigk Family Scholarship in Agricultural and Extension Education. A gift from the EQT Foundation gave WPSU the resources to expand its Science U @ Home programming, which helps parents and teachers to spark kids’ interest in the STEM fields. The Penn State chapter of Coaches vs. Cancer passed the $3 million mark for net funds raised in support of the American Cancer Society and other nonprofits. A gift from 1961 journalism grad and private equity investor Brad Davis created a Media Innovator-in-Residence fund so Bellisario College students can learn from pioneers in their fields. Colleagues, former students, and other donors created awards honoring the lives and careers of late Ag Sci faculty members Arun Kilara and Harold Harpster.
THE ART OF GIVING

When Barbara Palmer, one of the University's most generous and visionary supporters, died in January at the age of 93, she left behind a legacy of art and beauty that will live on for generations of Penn Staters and local citizens. Barbara and her husband, James, came to State College in 1953, and they quickly became leaders both for their new hometown and for the institution at its heart. Through their service and their giving to everything from public broadcasting and the performing arts to the United Way and Mount Nittany Medical Center, they made Centre County a better place, but their most visible legacy may be their support of the Palmer Museum of Art. Named for the couple after their philanthropy and leadership launched a campaign that created the current facility, the museum houses many extraordinary works of art given by Barbara and James and by other donors inspired by the Palmers’ example. Much of Barbara’s remaining collection has now come to the University through her estate—and Penn State has begun a campaign for a new museum that will serve as a fitting home for these works and as a fulfillment of the Palmers’ vision for the University as a cultural resource for the entire community.

IN OTHER NEWS: The Perreault Fellows Program, created with a $1.08 million gift from Paul and Beverly Perreault, will provide international internship opportunities for students who want to follow in Paul’s footsteps as a global business leader. | Penn State Altoona students pursuing a bachelor’s degree in rail transportation engineering—the first program of its kind in the nation—will have the support of a scholarship established by Charles N. Marshall in honor of his father. | A fund created by 1952 Liberal Arts alumna Judith Hardes will support scholarships and opportunities for students in the Department of Women’s, Gender, and Sexuality Studies. | As they prepared to retire in 2019, Arts and Architecture Dean Barbara Korner and Penn State administrator James Korner created an Open Doors Scholarship and made an estate commitment for other programs. | A gala celebrating the 60th anniversary of Penn State Berks raised $60,000, matched by the University, for scholarships.

Pre-design conceptual rendering for the new University Art Museum by Allied Works Architecture
Philanthropy: The Next Generation

Students come to the University to learn—but every year, they teach the entire Penn State community an important lesson about giving. Since 1977, the Penn State IFC/Panhellenic Dance Marathon has raised more than $168 million for Four Diamonds at Penn State Hershey Children's Hospital. THON funds treatments, services, and support for pediatric cancer patients and their families, as well as research that may someday find a cure. When this year’s THON culminated in the traditional two-day dance marathon at the Bryce Jordan Center, more than $10.6 million had been raised—and so had the hopes and spirits of Four Diamonds patients and families.

THON may be the best-known example of student philanthropy at Penn State, but here are other ways in which the next generation of Penn Staters is already giving back.

The 2019 class gift will fund a new entrance to the Pollinators’ Garden at The Arboretum at Penn State (learn more on page 17).

The new-this-fall Student Philanthropy Network brings together the former Student Philanthropy Council and class gift fundraising to encourage undergraduates to support peers and projects across the University.

Let’s Grow State offers both Penn Staters and the public a way to join in crowdfunding efforts, including student-led campaigns for causes ranging from service trips abroad to help for low-income high schoolers applying to college.

IN OTHER NEWS: Building on four decades of philanthropy to Penn State, John Leone endowed the dean’s chair in the College of Earth and Mineral Sciences and accelerated renovations to the Lasch Football Building with a $6.5 million gift. | David and JoEllen Sallack honored the memories of David’s father and sister by creating a scholarship for students from rural Pennsylvania. | Engineering students who want to improve the service industry will get a boost from a $1 million scholarship endowment created by Charles Schneider, a pioneer in that industry, and matched by University funds. | Sandra Schlicker Renfro made it possible for students to follow her into the nutritional sciences with a scholarship established in the College of Health and Human Development. | Tony and Jeanne Riley are helping other landowners with their support for the Center for Private Forests. | Donna and Bill Oliver endowed a professorship in the Department of History for faculty who can inspire others with a love of the past. | Aspiring business leaders will be honored with the George C. Ferris Excellence Award for Entrepreneurial Students, created at Penn State Altoona by Dan and Cindy Hoover.
AMBITION + TALENT x PHILANTHROPY = STEM SUCCESS

“It can be challenging as a minority student to enter the STEM fields, where you don’t often meet people who share your background or look like you,” says Ana De La Fuente Duran. Thanks to the Millennium Scholars Program and the support of Eberly College of Science alumnus Steve Mahle and his wife, Kathi Austin Mahle, Duran and other talented students from underrepresented communities are finding each other and a path to the future at Penn State. With a $1 million gift, matched with $1 million in University funds through a recently concluded matching program, the Mahles endowed a scholarship for students, like Duran, who have the potential to earn advanced degrees in science, technology, engineering, or mathematics (STEM). Millennium Scholars receive more than financial support: the program offers a tight-knit community, mentoring and advising, and other services and resources to help them fulfill their ambitions.

“I’m very proud of what I’ve achieved in my college career, but I couldn’t do it alone. I am grateful to my fellow Millennium Scholars, to the Millennium Scholars Program staff, and to donors like Steve and Kathi Mahle who are willing to invest in such a worthwhile program. I hope to make all these individuals proud through a career that will make a difference in the world.”

Ana De La Fuente Duran

IN OTHER NEWS: A $2.5 million commitment from alumnus and pharmaceutical innovator John Patton and his wife, Natalie, will help to fuel the new Penn State Extraterrestrial Research Center (PSETI). New generations of Penn State entrepreneurs will benefit from the Ballantyne and Leonard Foundation’s gift to the Summer Founders Program, a signature Invent Penn State initiative. Penn State graduate and nature lover Mark Jay Tygel created an endowment for horticultural education at the Arboretum. Support from professor emeritus Jean Brenchley will keep her favorite NPR programs Morning Edition and Science Friday on the WPSU airwaves. The Palmer Museum of Art received a gift of 250 works on paper from alumnus John P. Driscoll. Penn Staters William and Wendy Korb created three Open Doors Scholarships in the College of Engineering and two at Penn State Behrend.
The decline of honeybee and other pollinator populations has been in the headlines for years, and 2019 saw some of the scariest reports yet: according to a survey published this spring, U.S. beekeepers lost more than 40 percent of their colonies over last winter. Since at least a third of the food on our plates is dependent upon pollinators, that’s bad news. But Penn State had good news to report, too: an anonymous donor committed $600,000 for the Apes Valentes [“healthy bee”] Research Award, a program that provides support to undergraduate and graduate students pursuing research, education, and outreach focused on pollinator biology and health. Through these efforts and others guided by the Center for Pollinator Research, Penn State has become an interdisciplinary leader in understanding and addressing the role of bees, birds, and other species in our environment.

The University’s newest alumni have made pollinators a focus for their philanthropy, too: The Class of 2019 committed their senior gifts to create an entrance gate for the Pollinators’ Garden in The Arboretum at Penn State. Created in partnership with the Center for Pollinator Research, the garden will be designed to attract every pollinator species in Pennsylvania and teach the public about the connections between human, animal, and plant life.
WE ARE the world

Born and raised in Japan, Keiko Miwa Ross was one of the first women to enroll when her native country opened its colleges to women in 1952. She completed her education in the United States, ultimately earning a doctoral degree and serving as a liaison for governments, organizations, and officials, including President Gerald Ford. She married American businessman S. Thomas Ross and became a U.S. citizen, but when the couple settled in State College, she missed the connections to Japanese news and culture she had found in bigger cities. “Then I learned, to my great excitement and appreciation, that WPSU-TV had started broadcasting NHK World-Japan programs, the English-language worldwide network of NHK,” she says. “The Penn State University Libraries also subscribed to Japanese newspapers and magazines. What a comfort and joy!” She expressed her gratitude this year with a gift of $2 million to support WPSU programming and renovations to the Libraries, including the creation of an outdoor garden named in her honor. Through that support, Ross is helping Penn State to fulfill its mission of bringing the world to the people of Pennsylvania.

IN OTHER NEWS: With a $2.5 million gift from the Douglas W. Pollock Foundation, Penn State Harrisburg created a center focused on addiction outreach and research, part of the University-wide commitment to battling the substance abuse epidemic. | Members of the Health and Human Development Philanthropy Council established several Open Doors Scholarships for students in the college. | The Benjamin A. and Carolyn A. Lane Open Doors Scholarship at Penn State Behrend was created by the Lane family to honor Benjamin’s long service to the campus as a faculty member and administrator. | Penn State Greater Allegheny Distinguished Alumnus James Minarik and his wife, Megan, have challenged fellow donors to support the Digital Fluency Project at the campus. | The Lubrizol Corporation hopes to create a more inclusive culture in the field of engineering with support for Penn State’s Engineering Equity Initiative.
IN OTHER NEWS: A gift from PSECU, Pennsylvania’s largest credit union, will help the Sokolov-Miller Family Financial and Life Skills Center to keep its online offerings updated and relevant for students and the public. | Alumni Steve Artz and Tom Strickler endowed scholarships to support the LGBTQA+ community in the College of Engineering and the College of Arts and Architecture. | Joan Turns built on her decades of service to Shaver’s Creek Environmental Center through a gift, made with her husband, Steve, to support school programs at the center. | The Penn State Scranton Alumni Society established an Open Doors Scholarship at the campus. | Dr. Roger Simon, an Ag Sci graduate who went on to a medical research career, celebrated his late father’s commitment to learning by pledging an estate gift to establish the Samuel Pancoast Simon Professorship in Entomology.

“It’s one thing to write a check and share your time, but the most gratifying thing is what it leads to for the students. Being able to help in some way makes me so proud.”

Marty Aronoff

STAYING IN THE GAME

Today’s sports fans are used to a constant stream of facts and figures as they watch their favorite teams compete on television, but the job of sports statistician almost didn’t exist until Marty Aronoff, a 1960 Penn State graduate, invented it. Over the last four decades, Aronoff has traveled thousands of miles every year for his work, and now he’s helping students in the Donald P. Bellisario College of Communications to cover sports around the country, too. This year, he established a fund to offset the costs of reporting from varsity competitions, the NFL draft, and other off-campus events, making this invaluable experience available to undergraduates who might otherwise struggle to afford it. Aronoff also committed his support to the construction of a new audio studio in the Donald P. Bellisario Media Center, which will help to prepare students for careers in radio journalism. Both the fund and the studio will be named in honor of Aronoff and his late son, John. These gifts, as well as the Trustee Scholarship he established in 2010, have deepened Aronoff’s connection to the college—and to the future of the students he supports.
Philanthropist of the Year: Stephen Taub

Through his career as an international business leader, Stephen Taub understands the value of a Penn State degree and a global perspective, and his transformational philanthropy to Penn State Abington is helping new generations of students to find both through the campus where Taub began his own education. A 1973 graduate of the Smeal College of Business, Taub went on to become president and CEO of Mafco Worldwide Corporation, the world’s largest natural licorice products manufacturer. During Taub’s thirty-eight-year career at the company, he managed operations in the United States, Europe, the Middle East, Central Asia, and China. His regular visits to more than ninety countries established him as a well-respected global industrialist and leader and affirmed his appreciation for intercultural experiences. His philanthropy to Penn State Abington is a testament to the important role that the campus has played in his life and career. Over the years, he has supported a wide range of scholarships and global engagement opportunities for Abington students, and in 2018, he made a landmark $17.3 million commitment to the campus, the largest in Penn State Abington’s history and the second largest ever to a Commonwealth campus, and it brought Taub’s total support to more than $22 million. The new gift came as the campus welcomed the largest incoming class in its history, 50 percent of whom were students of color and 25 percent international students. Support from Taub will create funds to meet the needs of this diverse student body, including scholarships and global engagement programs focused on leadership, innovation, and multiculturalism within education, commerce, and government. “I want to provide Penn State Abington students with similar opportunities to experience other cultures and become citizens of the world, opportunities that will enrich their education while preparing them for the twenty-first-century workforce,” Taub has said. “I’m deeply honored to have been chosen as Penn State’s Philanthropist of the Year, but it’s even more meaningful to me to know that new generations of Penn State Abington students will be able to find their place in the world through my support.” Taub lives in Naples, Florida, with his partner, Lynn Burke.
Fundraising Volunteer of the Year: Louis Martarano

One of a small number of distinguished volunteers who have participated in the last three major Penn State campaigns, Lou Martarano has led through his service and his example for more than twenty years, and he is continuing to guide the success of the Eberly College of Science as a member of its Greater Penn State campaign committee. Over the years, he has demonstrated unparalleled enthusiasm, sound advice, warm hospitality, boundless energy, abundant good cheer, and endless Penn State pride. His commitment of time and talent has been as wide-ranging as his philanthropy. A 1976 graduate in chemistry who went on to a successful Wall Street career, Lou champions the B.S./M.B.A. program for the Eberly College of Science and Smeal College of Business. He has chaired both the Dean’s Advisory Board and the Development Committee in the Eberly College of Science and is a past member of the Eberly College of Science Alumni Society Board. University-wide, Lou led the New York Region efforts of the Grand Destiny campaign. He has also served as a member of the National Council on Penn State Philanthropy and the LGBTQA Student Resource Center Alumni Board. Lou has been a member and chair of the Palmer Museum of Art Advisory Board, helping to build relationships between New York art collectors and museum staff. Lou has also participated as a Wall Street Initiative Volunteer Leader, drawing on his experience at Merrill Lynch and at his own successful company. He received the Outstanding Science Alumni Award in 1998 and the Alumni Fellow Award in 2002. Lou has enabled many other Penn Staters to follow in his footsteps through scholarship gifts, including the Eberly College of Science Grand Destiny Campaign Committee Trustee Scholarship and the Angelo L. Martarano Open Doors Scholarship. He has also enabled students to have a better and fuller Penn State experience through his support for the LGBTQA Student Support Fund, the Louis A. Martarano Endowment for Education Abroad, and the Martarano Global Travel Program. He has supported faculty achievement through the Louis Martarano Career Development Professorship, and he has provided naming support for the Martarano Family Lobby in Chemistry and, in the Ritenour building, the Student Advising Reception Area, in Memory of Catherine Spiotto Martarano, his mother. These gifts, as well as his support for the Palmer Museum of Art and other areas, have placed Lou in the Laurel Circle of the Mount Nittany Society, the highest honor for Penn State donors. Lou resides in New York City with his partner, Roland Ballester.
Corporate Partner of the Year: CSL Behring

CSL Behring is the world's fifth-largest biotech leader, globally known for its leading-edge R&D and advanced production of therapeutic proteins, and driven by its fundamental mission to save lives. The company operates one of the world's largest plasma collection networks, CSL Plasma, and its parent company, CSL Limited (ASX:CSL; USOTC:CSLLY) in Melbourne, Australia, employs over 25,000 people, has an annual revenue of $8.7 billion, and delivers life-saving therapies to people in more than sixty countries. CSL Behring works to treat bleeding disorders, primary immune deficiencies, hereditary angioedema, inherited respiratory disease, and neurological disorders, as well as supplying products to assist in cardiac surgery, burn treatment, and enabling the prevention of hemolytic disease of the newborn. Biotechnology is one field where Penn State's leadership role in research and mission of educating students for the twenty-first-century workforce intersects with CSL Behring's goals and vision. The field has enormous potential for improving human health through innovative biotherapies, and with CSL Behring’s support, Penn State is transforming industrial biotechnology education and research at the University and within Pennsylvania. By locating its global headquarters in King of Prussia, CSL Behring has advanced a vision of the Commonwealth as a pioneer in biotechnology. In 2017, the company committed a $4.92 million gift to Penn State, to create the multidisciplinary Center of Excellence in Industrial Biotechnology, housed within the Huck Institutes of the Life Sciences, and to establish the CSL Behring Fermentation Facility, an engine for collaboration and innovation in biological training and research on the University Park campus. The company has also provided speakers and executive-level leaders for student initiatives and advisory board roles, participated in a virtual leadership seminar for Eberly College of Science students, and worked closely with the Smeal College of Business and the College of Agricultural Sciences on other initiatives. Our collaborative effort seeks to create a pipeline of talent, preparing and educating students to enter the rapidly expanding field of biotechnology. This partnership recently expanded into local economic development, with CSL Plasma adding a new State College facility to its plasma collection network. Thanks to our collaboration, Penn State is positioned to become a leader, both in Pennsylvania and globally, in industrial biotechnology education, research, and outreach, as CSL Behring remains focused on its vision of saving lives around the world.
endowment overview

The Long-Term Investment Pool (LTIP) is Penn State’s investment portfolio into which endowed funds (Endowment Pool) established at the University are invested. This commingled pool operates much like a mutual fund. Each endowment owns a number of units in the pool, just as an individual would purchase shares in a mutual fund. As with a mutual fund, the value of each unit at the time funds are invested in the pool determines how many units an individual fund acquires.

Endowed gifts are held by Penn State in perpetuity. The initial gift is invested, and a portion of the average annual investment return is spent for the purpose designated by the donor. The remaining income is added to the principal as protection against inflation. Thus an endowed gift today will have relatively the same value for future generations.

Penn State strives to be a good steward of its endowed gifts and follows a prudent management philosophy in investing these gifts so that they maintain their value in real, inflation-adjusted terms over time. The University’s Board of Trustees has established four basic endowment management principles to guide the University’s Investment Council.

These four principles ensure that the spending power of each endowment gift will be maintained in the face of economic fluctuations:

BASIC ENDOWMENT MANAGEMENT PRINCIPLES

1. Provide sufficient current and future income to meet the University’s spending objectives and enhance its mission.
2. Focus on long-term performance.
3. Accept a reasonable and prudent level of risk while maximizing “total” return.
4. Diversify investments to reduce risk.

GIFTS AND OTHER ADDITIONS (fiscal year ending June 30, 2019)

<table>
<thead>
<tr>
<th>Year</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10'</td>
<td>62.5</td>
<td>1</td>
<td>36.3</td>
<td>76.2</td>
<td>73.9</td>
<td>92.2</td>
<td>94.9</td>
<td>170.7</td>
<td>182.2</td>
</tr>
<tr>
<td>'11</td>
<td>130.3</td>
<td>108.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

in millions of dollars
The Penn State endowment is broadly diversified, with 11 percent in fixed income as of June 30, 2019; 48 percent in public equities (both U.S. and non-U.S.); and 21 percent in private equity and venture capital. In addition, 7 percent is invested in real assets including real estate, natural resources, and commodities, while 13 percent is invested in diversifying assets (including hedge funds) and private credit. The majority of the endowment's assets are equity-type investments that, over the long term, generate returns in excess of inflation in order to preserve the endowment's purchasing power for future generations.

In the year ending June 30, 2019, U.S. equity markets posted double-digit returns, with the S&P 500 gaining 10.4 percent; the MSCI All Country World Index ex-US returned 1.3 percent. Fixed-income markets represented by the Bloomberg Barclays U.S. Aggregate posted an overall return of 7.9 percent.

Penn State’s endowment earned an investment return of 7.7 percent for the twelve months ended June 30, 2019, excluding the impact of new gifts and spending. While stock market returns often fluctuate from year to year, the endowment’s well-diversified portfolio can weather short-term fluctuations and generate positive returns over long periods of time. Net of all fees and expenses, the Penn State endowment has averaged investment returns of 9.8 percent per year over the last ten years, and 6.9 percent over the last twenty years, allowing the endowment to maintain steady, inflation-adjusted spending and to achieve long-term intergenerational equity.
INVESTMENT MANAGEMENT UPDATE

Penn State’s endowment investments consist of a diversified investment portfolio of public equities, bonds, private capital, and hedge funds in addition to real assets. In managing our investments, we adhere to a prudent, rational, long-term strategy that seeks to maintain steady growth while minimizing the effects of volatile market fluctuations.

The University provides 4.5 percent of the pooled endowment’s five-year average market value for spending on scholarships and educational programs. The University’s spending policy of using rolling five-year average balances is intended to smooth out the “peaks” and “troughs” in the investment markets, saving a portion of the earnings in the good years to offset the less profitable years. This provides generous current spending while preserving future purchasing power, which is known as “inter-generational equity.”

As of the end of fiscal year 2019, endowment and similar funds were valued at $3.25 billion, of which $3.11 billion was invested in the Long-Term Investment Pool. Similar funds, which include charitable remainder trusts, charitable gift annuities, and other life income funds in addition to some donor-restricted funds, represented $138 million in assets that are not directly invested in the Long-Term Investment Pool.

MARKET VALUE OF PENN STATE’S ENDOWMENTS AND SIMILAR FUNDS (Fiscal year ending June 30, 2019)

For the fiscal year ending June 30, 2019, the endowment increased $256 million, and it has increased a cumulative $732 million over the last five years. Over this same period, the endowment has provided $500 million of program support, including $117 million in fiscal year 2019. These amounts reflect the impact of investment returns and generous giving, net of consistent support for scholarships and University programs.

For fiscal year 2019, the endowment’s investment return was 7.7 percent and has averaged 6.0 percent per year over the last five years. In the longer term, Penn State’s endowment has averaged 6.9 percent per year, net of gifts and expenses, since June 30, 1999. These results demonstrate long-term growth across various financial ups and downs, such as the bull market of the 1990s, the steep decline at the turn of the century and subsequent economic recovery, and the more recent downturn due to the credit crisis. Penn State’s diversified approach has allowed the endowment to support program spending, such as scholarships and faculty positions, while maintaining real, inflation-adjusted growth for the future generations.

The University reports results for both endowed and similar funds, and for non-endowed funds, as commingled assets of the Long-Term Investment Pool (LTIP). The non-endowed funds, formerly invested in Penn State’s operating pool of fixed-income securities, have been commingled with endowed funds to strategically fund the University’s liability covering post-retirement health care benefits for Penn State retirees. Additional income realized from the transfer to the LTIP relieves the University’s operating budget of this ongoing obligation. Penn State’s accounting practices follow the guidelines of the Financial Accounting Standards Board.
**PENN STATE INVESTMENT COUNCIL**

Penn State’s Board of Trustees created the Investment Council in response to the University’s increasing asset base and complex investment strategies. The council provides direct oversight of the endowment and long-term investment program, and regularly reviews asset allocation, new asset classes, investment strategies, and manager performance.

**COUNCIL MEMBERS for Fiscal Year 2018–19**

- **David J. Gray, Chair**  
  Senior Vice President for Finance and Business/Treasurer  
  The Pennsylvania State University

- **David E. Branigan**  
  Chief Executive Officer, Office of Investment Management  
  The Pennsylvania State University

- **Blake Gall, CFA**  
  Founder and President  
  MicroPlusPlus Investment Management

- **Carmen J. Gigliotti, CPA, CFA**  
  Managing Director (retired)  
  DuPont Capital Management

- **Gary A. Glynn**  
  President and Chief Investment Officer (retired)  
  US Steel & Carnegie Pension Fund

- **J. Alex Hartzler**  
  Managing Partner & Founder  
  WCI Partners, LP

- **Edward R. Hintz Jr.**  
  President  
  Hintz Capital Management Inc.

- **Ira Lubert**  
  Chairman and Co-Founder  
  Independence Capital Partners and Lubert Adler Partners, L.P.

- **Joseph B. Markovich**  
  Managing Director  
  J.P. Morgan Private Bank

- **Colleen Ostrowski**  
  Senior Vice President and Treasurer  
  Visa

- **J. David Rogers**  
  Chief Executive Officer  
  J.D. Capital Management, LLC
INCOME
(Fiscal year ending June 30, 2019)
dollars in thousands

- Medical Center/clinic*: $2,498,043
- Tuition and fees: 2,111,028
- Restricted funds: 694,885
- Auxiliary enterprises: 484,681
- Philanthropy and other: 361,738
- State appropriation**: 313,305
- Agriculture (federal): 21,910
Total: $6,485,590

*Includes state and federal medical assistance funds provided through the Pennsylvania Department of Public Welfare.
** Does not include appropriation increase provided to Penn College approved after passage of Penn College budget.

EXPENDITURE
(Fiscal year ending June 30, 2019)
dollars in thousands

- Medical Center/clinic: $2,498,043
- Instruction: 1,028,605
- Research: 630,771
- Academic support: 519,779
- Auxiliary enterprise: 484,681
- Institutional support: 475,243
- Physical plant: 306,292
- Student services: 170,566
- Public service: 158,363
- Penn College: 115,501
- Student aid: 97,746
Total: $6,485,590
### Sources of Gifts Received 2018–19

Where the $240 million came from

<table>
<thead>
<tr>
<th>Sources</th>
<th>Amounts</th>
<th>Number of donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals</td>
<td>$103,408,319</td>
<td>214,640</td>
</tr>
<tr>
<td>Alumni</td>
<td>55,375,687</td>
<td>57,788</td>
</tr>
<tr>
<td>Friends</td>
<td>48,032,632</td>
<td>156,852</td>
</tr>
<tr>
<td>Corporations</td>
<td>81,958,139</td>
<td>5,362</td>
</tr>
<tr>
<td>Foundations</td>
<td>35,706,163</td>
<td>466</td>
</tr>
<tr>
<td>Organizations</td>
<td>19,239,065</td>
<td>1,119</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$240,311,686</strong></td>
<td><strong>221,587</strong></td>
</tr>
</tbody>
</table>

### Designated Purposes of Gifts Received 2018–19

Where the $240 million went

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other purposes*</td>
<td>$68,197,459</td>
</tr>
<tr>
<td>Property, buildings, equipment</td>
<td>57,355,966</td>
</tr>
<tr>
<td>Student aid</td>
<td>50,238,289</td>
</tr>
<tr>
<td>Research</td>
<td>44,637,623</td>
</tr>
<tr>
<td>Faculty resources</td>
<td>8,355,795</td>
</tr>
<tr>
<td>Academic divisions</td>
<td>5,278,763</td>
</tr>
<tr>
<td>Public services and extension</td>
<td>4,183,165</td>
</tr>
<tr>
<td>Unrestricted University-wide</td>
<td>1,707,428</td>
</tr>
<tr>
<td>Library resources</td>
<td>318,329</td>
</tr>
<tr>
<td>Physical plant maintenance</td>
<td>38,869</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$240,311,686</strong></td>
</tr>
</tbody>
</table>

*This category includes gifts to the Children's Miracle Network, THON, multipurpose funds, and gifts awaiting designation by donors.
## GIFTS DESIGNATED TO SPECIFIC UNITS 2018–19

<table>
<thead>
<tr>
<th>Unit</th>
<th>Amount</th>
<th>Unit</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abington</td>
<td>$547,761</td>
<td>Hershey</td>
<td>58,186,102</td>
</tr>
<tr>
<td>Agricultural Sciences</td>
<td>13,597,258</td>
<td>Information Sciences &amp; Technology</td>
<td>1,625,049</td>
</tr>
<tr>
<td>Altoona</td>
<td>3,975,719</td>
<td>Intercollegiate Athletics</td>
<td>10,898,903</td>
</tr>
<tr>
<td>Arts &amp; Architecture</td>
<td>7,580,650</td>
<td>Lehigh Valley</td>
<td>299,205</td>
</tr>
<tr>
<td>Beaver</td>
<td>338,504</td>
<td>Liberal Arts</td>
<td>11,536,091</td>
</tr>
<tr>
<td>Behrend</td>
<td>15,569,434</td>
<td>Mont Alto</td>
<td>804,930</td>
</tr>
<tr>
<td>Bellisario College of Communications</td>
<td>1,278,129</td>
<td>New Kensington</td>
<td>557,096</td>
</tr>
<tr>
<td>Berks</td>
<td>1,601,553</td>
<td>Nursing</td>
<td>1,894,315</td>
</tr>
<tr>
<td>Brandywine</td>
<td>592,103</td>
<td>Outreach</td>
<td>5,510,962</td>
</tr>
<tr>
<td>Dickinson Law</td>
<td>2,225,594</td>
<td>Penn State Law</td>
<td>146,303</td>
</tr>
<tr>
<td>DuBois</td>
<td>531,922</td>
<td>Schreyer Honors College</td>
<td>2,775,490</td>
</tr>
<tr>
<td>Earth &amp; Mineral Sciences</td>
<td>13,218,144</td>
<td>Schuylkill</td>
<td>755,571</td>
</tr>
<tr>
<td>Eberly College of Science</td>
<td>6,148,676</td>
<td>Scranton</td>
<td>428,103</td>
</tr>
<tr>
<td>Education</td>
<td>2,122,215</td>
<td>Shenango</td>
<td>306,767</td>
</tr>
<tr>
<td>Educational Equity</td>
<td>702,706</td>
<td>Smeal College of Business</td>
<td>5,409,262</td>
</tr>
<tr>
<td>Engineering</td>
<td>24,787,849</td>
<td>Student Affairs</td>
<td>1,979,120</td>
</tr>
<tr>
<td>Fayette, The Eberly Campus</td>
<td>1,151,340</td>
<td>Undergraduate Education</td>
<td>3,535,861</td>
</tr>
<tr>
<td>Great Valley</td>
<td>207,737</td>
<td>University Libraries</td>
<td>3,543,425</td>
</tr>
<tr>
<td>Greater Allegheny</td>
<td>214,192</td>
<td>University-wide</td>
<td>10,307,584</td>
</tr>
<tr>
<td>Harrisburg</td>
<td>13,911,740</td>
<td>Wilkes-Barre</td>
<td>397,437</td>
</tr>
<tr>
<td>Hazleton</td>
<td>399,420</td>
<td>York</td>
<td>2,642,118</td>
</tr>
<tr>
<td>Health &amp; Human Development</td>
<td>6,069,346</td>
<td>TOTAL</td>
<td>$240,311,686</td>
</tr>
</tbody>
</table>

## THE STATE’S SHARE OF PENN STATE’S BUDGET

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Budget*</th>
<th>State Appropriation**</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019–20</td>
<td>$ 6,809,655,000</td>
<td>$ 323,792,000***</td>
<td>4.8%</td>
</tr>
<tr>
<td>2018–19</td>
<td>6,485,590,000</td>
<td>313,967,000</td>
<td>4.8%</td>
</tr>
<tr>
<td>2017–18</td>
<td>5,675,676,000</td>
<td>304,823,000</td>
<td>5.4%</td>
</tr>
<tr>
<td>2016–17</td>
<td>5,141,704,000</td>
<td>301,833,000</td>
<td>5.9%</td>
</tr>
<tr>
<td>2015–16</td>
<td>4,901,693,000</td>
<td>294,949,000</td>
<td>6.0%</td>
</tr>
<tr>
<td>2014–15</td>
<td>4,638,793,000</td>
<td>277,931,000</td>
<td>6.0%</td>
</tr>
<tr>
<td>2013–14</td>
<td>4,415,596,000</td>
<td>275,931,000</td>
<td>6.3%</td>
</tr>
<tr>
<td>2012–13</td>
<td>4,264,764,000</td>
<td>272,431,000</td>
<td>6.3%</td>
</tr>
<tr>
<td>2011–12</td>
<td>4,121,627,000</td>
<td>272,431,000</td>
<td>6.6%</td>
</tr>
<tr>
<td>2010–11</td>
<td>4,016,443,000</td>
<td>333,863,000</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

*Prior to 2017–18, total budget included the Penn State Milton S. Hershey Medical Center. Beginning in 2017–18, all operations of Penn State Health are included. Beginning in 2018–19, total budget includes permanent and temporary funds.

**Excludes state and federal medical assistance funding provided to Penn State Milton S. Hershey Medical Center through the Pennsylvania Department of Human Services.

***Estimated.
campaign executive committee

Fiscal Year 2018–19

Richard S. Sokolov '71 Lib, Chair

Richard H. Bard '69 Eng

E. Lee Beard '99h

James S. Broadhurst '65 Lib

Richard K. Dandrea '77 Lib

Bryon G. Deysher '77 Bus

Robert E. Fenza '80 A&A Vice Chair

Elizabeth A. Fetter '80 Com

Naren K. Gursahaney '83 Eng

Edward R. Hintz '59 Bus

Helen S. Hintz '60 HHD

James B. Ingram '79 Agr Vice Chair

William A. Jaffe '60 Com

Martha B. Jordan '76 Bus Vice Chair

Gregory T. Lucier '86 Eng

J. Roger Moyer Jr. '70 Bus

Arthur J. Nagle '61 Lib

Robert E. Poole '72 Bus

Thomas J. Sharbaugh '73 Bus

Richard K. Struthers '77 Bus

Peter G. Tombros '64, '68g Agr, Vice Chair

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David J. Gray Senior Vice President for Finance and Business/ Treasurer, Penn State

Nicholas P. Jones Executive Vice President and Provost, Penn State

O. Richard Bundy III Vice President for Development and Alumni Relations, Penn State
This publication can also be found on the web at:
raise.psu.edu/presidents-report-on-philanthropy-and-endowments

For more information about philanthropy at Penn State, contact:

O. Richard Bundy III
Vice President for Development and Alumni Relations

The Pennsylvania State University
116 Old Main
University Park, PA 16802-1501

814-863-4826 orb100@psu.edu

@RaisePennState

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