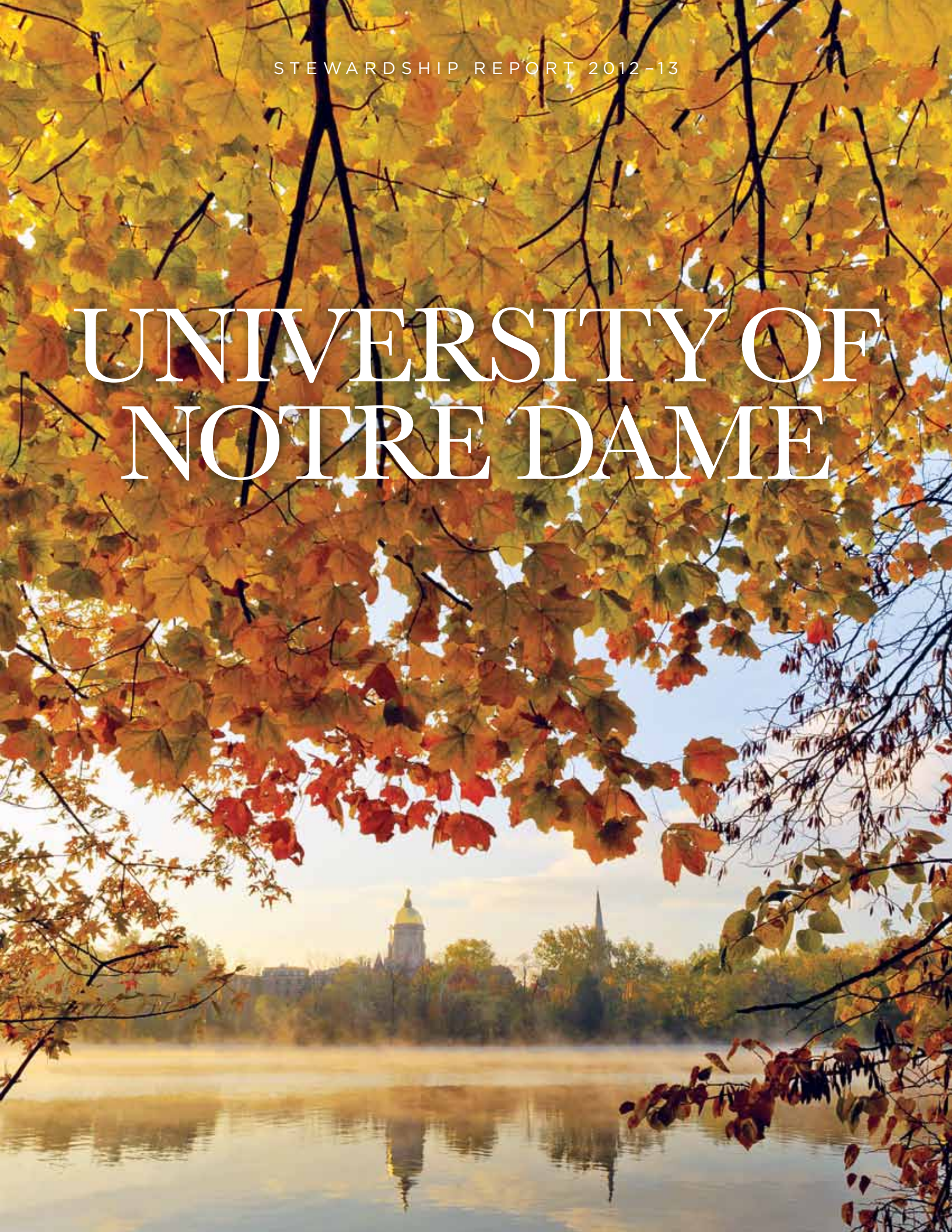


STEWARDSHIP REPORT 2012-13

UNIVERSITY OF NOTRE DAME



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FROM THE PRESIDENT



Father Jenkins shakes hands after celebrating Mass at St. Patrick Cathedral in downtown Ft. Worth, Texas, before the Shamrock Series football game on October 5, 2013.

Vision. Purpose. Ideals. Notre Dame has never lacked for these things. One hundred and seventy-one years after Father Sorin staked his claim on this Indiana territory, we continue to be guided by his vision of a great Catholic university, capable of doing good for our Church and our world.

With your generosity, the University moves ever closer to our contemporary version of Sorin's dream—that of becoming the preeminent Catholic research university of the 21st century, a place that not only forms students in mind and heart, but also contributes, through research and scholarship, to the grand challenges and questions of our age.

Your commitment is making it possible for us to take the bold steps necessary to realize this goal: offering students the opportunity for unparalleled intellectual and moral formation, recruiting world-class faculty, and ensuring that our campus and programs can support, challenge, and inspire the countless bright minds at work here.

I want to offer a special thanks this year to the many women and men who responded to our successful *Love Thee Notre Dame* gift planning initiative. Your generosity and foresight in creating gifts of broad and lasting impact has positioned Notre Dame to be better prepared than ever before to plan for the future with imagination and precision.

All of our benefactors, planned and otherwise, combined to make fiscal 2012–13 one of our strongest development years ever. I am at once humbled and gratified by the faith you have placed in our distinctive Catholic mission and in our vision for Notre Dame over the coming century. What an exciting time this is for the Notre Dame family. Thank you for making it all possible.

In Notre Dame,

Rev. John I. Jenkins, C.S.C.

Your gifts matter. You matter.

That's why Notre Dame takes very seriously the Promise of Stewardship:

- Gifts will be acknowledged in a timely and personal manner.
- A gift accepted with a restricted purpose will be used for that purpose.
- Whenever feasible, and especially with gifts of endowment, annual reports will be shared with the benefactor.
- The value of any "substantial" benefits resulting from a gift will be reported to the benefactor.
- Gifts will be accounted for using generally accepted accounting principles, which will provide consistent, timely, and accurate reporting of all gifts into the University's official financial record.
- Proper recognition will always be given to the benefactor; recognition of a public nature will first be approved by the benefactor.



➤ *With a named professorship or directorship*, the benefactor signals his or her commitment to the intellectual life of the University. One simple truth—that no university can be academically stronger than its faculty—guides the University’s perpetual search for the most inspiring teachers, the most influential researchers, and the most gifted leaders. The generosity of Bud and Nona Ahearn has allowed Notre Dame to recognize one such scholar.

PROFESSORSHIPS & DIRECTORSHIPS



Major General Joseph “Bud” A. Ahearn, a 1958 Notre Dame engineering alumnus, credits the extraordinary quality of the University to the synergy created by its faith-based education, rich residential life, and emphasis on community service.

“Notre Dame is exceptionally well positioned to prepare students to distinguish themselves as ethical leaders and global citizens,” says Bud. “For me, the best way to positively influence this development in our engineering students is to endow a professorship that can attract, or retain, a scholar who represents the best in academics and leadership.”

In Joannes Westerink, the University has exactly that. With appointments in

the Department of Applied and Computational Mathematics and Statistics and the Department of Computer Science and Engineering, Westerink is the inaugural **Ahearn Professor**; he also serves as the Henry Massman Chair of the Department of Civil and Environmental Engineering and Earth Sciences.

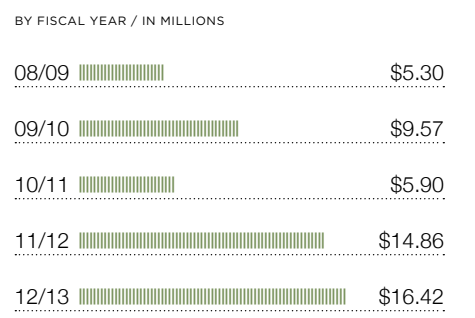
Westerink is co-developer of the authoritative computer model for storm surge used by the U.S. Army Corps of Engineers, FEMA, and the State of Louisiana—a model that is helping to protect citizens from future hurricanes and save billions of dollars in levee-construction projects. A gifted teacher, Westerink’s labs are fertile training grounds for undergraduate and graduate students. His course, Challenges and Innovation in Civil and Environmental Engineering, encourages students to think broadly and consider the perspectives and roles of industry, government, and academia—thereby helping to develop the ethical leaders and global citizens that Bud and Nona Ahearn and Notre Dame are seeking.



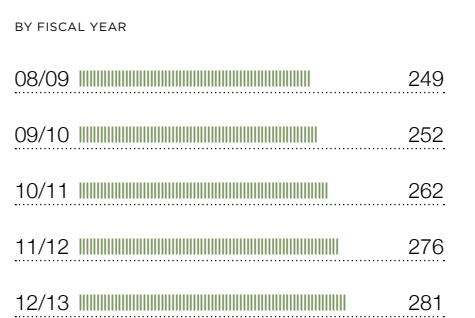
ABOVE: Prof. Joannes Westerink with students.

LEFT: Bud and Nona Ahearn.

Gifts to Professorships and Directorships

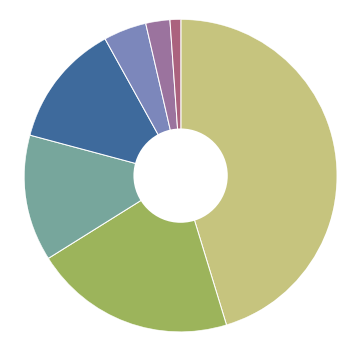


Growth in Professorships and Directorships



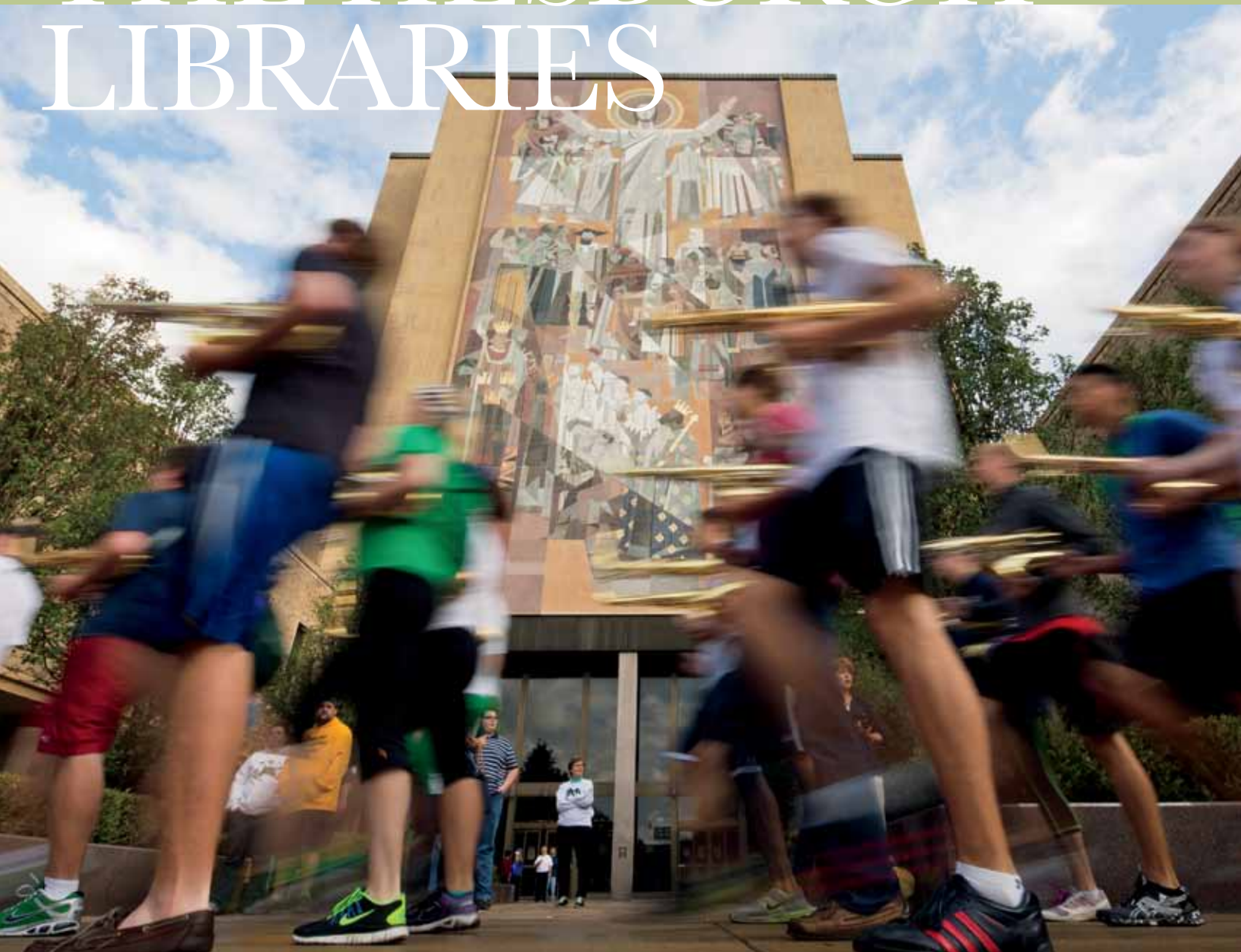
Distribution of Professorships and Directorships

- AS OF JUNE 30, 2013
- Arts and Letters : 128
 - Science : 58
 - Business : 37
 - Engineering : 36
 - Law : 12
 - Other : 7
 - Architecture : 3



➤ *The core mission* of the Hesburgh Libraries—of all libraries, really—is to connect people to knowledge. Physical collections of books, artifacts, and audio-visual tools are still key, but increasingly, knowledge is accessed through online journals, geographic information systems, digital scans, and more. The proliferation of digital collections has led the Hesburgh Libraries to declare the creation of a Center for Digital Scholarship as one of its top priorities.

THE HESBURGH LIBRARIES



“In the early 50s, when I began to dream of a greater Notre Dame,” said Rev. Theodore M. Hesburgh, C.S.C., “it seemed to me that there was no greater step forward we could make, as a great Catholic university, than to have the best Catholic university library in the world.”

And so the Notre Dame President spearheaded a gargantuan effort to build and resource what is today named the Hesburgh Library. At the time of its construction, in the early 1960s, could anyone—even a visionary like Father Ted—have anticipated the digital revolution that was to come? Certainly not.

That is why, a half-century later, Father Ted’s successor Rev. John I.

Jenkins, C.S.C., has allocated unrestricted gifts from the President’s Circle to provide a boost for this critical funding need. The **Center for Digital Scholarship (CDS)** will enable the University to respond to changes in the way libraries produce, disseminate, and collaborate on information. The new center will feature a Digital Commons, to provide computing technologies and technical expertise for faculty and students, and a Digital Production Facility, to support digitization and presentation of texts and artifacts. Initial funding by the President’s Circle has allowed the Libraries to create space and purchase equipment for the center.

The President’s Circle brings together the University’s most generous and committed leaders whose annual unrestricted gifts are designated by Father John to address areas of critical need, seize emerging opportunities, and provide immediate support.

ABOVE: The CDS leverages state-of-the-art technologies, allowing students and faculty to explore new methodologies, analyze complex data, and share research results in ways never before possible.

LEFT: The Reading Room in the Kresge Law Library.



Gifts to the Libraries

BY FISCAL YEAR / IN MILLIONS

08/09	\$7.47
09/10	\$2.76
10/11	\$2.27
11/12	\$1.08
12/13	\$5.35

Growth in Library Endowments

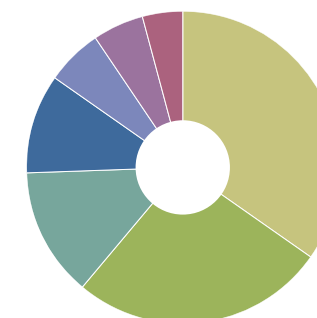
BY FISCAL YEAR

08/09	259
09/10	263
10/11	264
11/12	266
12/13	270

Library Endowments by Academic Area

AS OF JUNE 30, 2013

- Humanities : 94
- Enhancements and Services : 71
- Law : 36
- Engineering and Science : 28
- Arts and Architecture : 16
- Business : 14
- Social Sciences : 11



➤ *Endowments for Excellence* marry the passions of Notre Dame benefactors with University needs and priorities. In many instances, these endowments have a ripple effect—impacting not only those in the Notre Dame family, but in communities we serve worldwide. This has certainly been the case with the DeMartino Family Bengal Bite Endowment for Children of the Holy Cross.



Growth in Endowments for Excellence

BY FISCAL YEAR

08/09	334
09/10	388
10/11	429
11/12	458
12/13	500

Gifts to Endowments for Excellence

BY FISCAL YEAR / IN MILLIONS

08/09	\$8.17
09/10	\$26.14
10/11	\$13.02
11/12	\$10.89
12/13	\$11.25

ENDOWMENTS FOR EXCELLENCE



A Notre Dame tradition since 1931, the Bengal Bouts boxing tournament raises money for Holy Cross missions in Bangladesh. When Dr. Jeffrey DeMartino ('84) sustained serious trauma to his jaw while competing in the Bouts during his senior year, he never dreamed that his injury would someday also help to support the good work of the Congregation of Holy Cross.

Now a dentist, Jeff says it was the memory of that injury, coupled with similar injuries suffered by professional athletes in his practice, that led him to develop a device that would enhance athletic performance by increasing airflow while also providing protection from concussions

and other head and dental traumas. Thus, Bengal Bite® mouthwear was born. Jeff soon found himself creating custom mouthpieces for several world-champion boxers; this year, he was also proud to learn that nine of the 2013 Bengal Bouts champions wore Bengal Bite® mouthpieces.

Given the device's success, and the affection that Jeff and his wife, Nelly, feel for Notre Dame and Holy Cross, the couple established the **DeMartino Family Bengal Bite Endowment for Children of the Holy Cross**. Endowment earnings, along with proceeds from sales of the Bengal Bite®, will help to sustain the Bengal Bouts in perpetuity, thereby aiding Holy

Cross in its mission to bring education and healthcare to the poorest of the poor in Bangladesh.

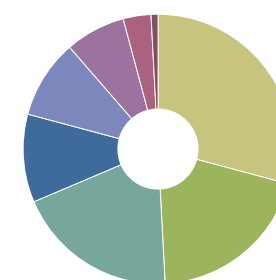
The Bengal Bouts motto—"Strong bodies fight, that weak bodies may be nourished"—continues to resonate with the DeMartinos. "I am thrilled that we can support Notre Dame and the work that Holy Cross priests, brothers, and sisters are doing for the people of Bangladesh," says Jeff, "all without having to climb back into the ring!"

ABOVE: Contenders in the 83rd annual Bengal Bouts tournament.

BELOW: Jeff and Nelly DeMartino and their children Nicola, Alessandra, Gabriella, and Anthony.

Distribution of Endowments for Excellence

AS OF JUNE 30, 2013



- Institutes and Centers : 146
- Arts and Letters : 100
- Other : 98
- Business : 52
- Science : 48
- Engineering : 36
- Law : 16
- Architecture : 4



➤ *“Proud to Be ND”* is a shared sentiment that drives thousands of alumni, parents, friends, students, faculty, and staff to join together in strengthening the University they hold dear. Their annual gifts, ranging from \$5 to \$100,000, support some of the University’s most essential programs and needs. Fiscal 2012-13 was a record-breaking year for the University’s Annual Giving Programs, with over \$50 million in contributions from more than 63,000 donors.

ANNUAL GIVING



The Edward Frederick Sorin Society is the cornerstone of Notre Dame’s annual giving programs, with more than 8,000 members who make annual contributions of \$1,500 or more.



Annual Gift Designations

FISCAL 2012-13 / IN MILLIONS

Total \$51,106,225

- Sorin Society \$22.19
- Restricted Annual Gifts \$12.19
- President’s Circle \$10.83
- Annual Fund Gifts \$5.90



Undergraduate Alumni Participation Rate

BY FISCAL YEAR

08/09	42.2%
09/10	42.4%
10/11	43.7%
11/12	42.8%
12/13	45.5%

Unrestricted Annual Giving Impact

BY FISCAL YEAR / IN MILLIONS

08/09	\$36.4	\$28.6
09/10	\$36.7	\$29.4
10/11	\$39.9	\$32.3
11/12	\$43.3	\$33.8
12/13	\$51.1	\$38.9

■ Total Gifts to Annual Giving
■ Unrestricted Portion of Annual Giving Total

Together, these donors had a substantial impact on many areas deemed crucial to the University’s mission: financial aid, academic programming, faculty recruitment, residential life, international service, campus ministry, and more.

One of the students who benefited directly from the generosity of **annual donors** is Eliza Moore, the recipient of several University scholarships and one from the Notre Dame Club of Indianapolis.

Deeply grateful, Eliza credits the support of the Notre Dame family—both financial and personal—with

helping her to thrive at the University, despite the devastating loss of her mother during her senior year in high school. “There is a sense of shared values here,” she says, “and my friends are so compassionate.”

A junior double major in finance and Chinese, Eliza is a talented student who spent the summer of 2012 in Beijing developing an aptitude for Chinese culture and language. She will spend the spring 2014 semester in Shanghai. An intern for Robert W. Baird & Co. in Indianapolis during the summer of 2012, Eliza hopes to bring her knowledge of western financial markets to China upon graduation.

“Notre Dame is more like a family than a school,” says Eliza. “After three years on campus, I know that the ‘Notre Dame family’ is not a cliché. It’s real.”

PROUD TO BE

LEFT: Eliza Moore, **right,** in Beijing, has received scholarship assistance through the Sorin Society.



➤ *New capital projects* expand not just the scope of the physical campus, but also the breadth and quality of the teaching, research, and service undertaken by the Notre Dame community. The Stayer Center for Executive Education, the newest addition to Notre Dame's register of cutting-edge teaching and learning facilities, represents a beautiful union of tradition and innovation.

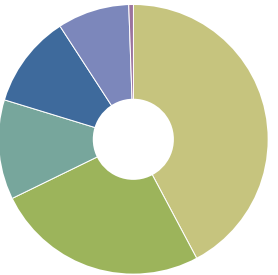


Sources of Capital Support

FISCAL 2012-13 / IN MILLIONS

Total \$36,666,135

- Alumni \$15.58
- Corporations \$9.36
- Foundations \$4.30
- Parents \$4.12
- Friends \$3.18
- Organizations \$0.13



CAPITAL PROJECTS



Upon entering the dual sweeping lobbies of the new **Stayer Center for Executive Education**, visitors are greeted with warm words of welcome in the native languages of each of the nations in which the Congregation of Holy Cross operates. In addition to underscoring the global nature of the contemporary business environment, the new home of the University's executive education programs also reflects the values-based leadership principles espoused by the programs housed within its walls and by its lead benefactors, Ralph ('65) and Shelly Stayer.

Nestled at the south end of campus, the three-story, 54,000-sq.-ft. structure,

with Notre Dame's traditional Collegiate Gothic brick-and-stone exterior, plays host to executives seeking the University's distinctive, mission-based approach to top-tier business education. The building features state-of-the-art classroom technology, breakout rooms, an executive lounge, a multi-purpose room, chapel, and administrative offices.

Ralph Stayer, who delivered the honorary first lecture at the facility in April 2013, is familiar with the need to develop highly skilled and compassionate business leaders. As the longtime owner and CEO of Johnsonville Sausages, LLC, Ralph has been active in establishing programs emphasizing teamwork, results, and the

cultivation of the God-given talents of every member of his business enterprise.

Established in 1980 as the Executive MBA program, Executive Education at Notre Dame has since evolved to serve the needs of business leaders like Stayer by supporting working professionals through open enrollment, non-degree, and custom programs. Its Executive MBA was recently ranked 15th in the world by *The Economist*.

ABOVE: Students react upon learning that, for the fourth year in a row, the Mendoza College of Business took the No. 1 spot in *Bloomberg Businessweek's* ranking of the "Best Undergraduate Business Schools."

LEFT: The stained glass windows in St. Matthew Chapel at the Stayer Center for Executive Education glow through the trees. The chapel was a gift of Cyrus ('57) and Mitzi Freidheim.

RIGHT: Ralph and Shelly Stayer.



Gifts to Capital Projects

BY FISCAL YEAR / IN MILLIONS

08/09	\$46.13
09/10	\$32.27
10/11	\$45.21
11/12	\$33.83
12/13	\$36.67

➤ *Thank you!* There are no more appropriate words as the Notre Dame family again responded to the University's vision with characteristic generosity. Alumni, parents, and friends contributed an extraordinary \$277 million, just shy of the record \$288 million raised in fiscal 2008.

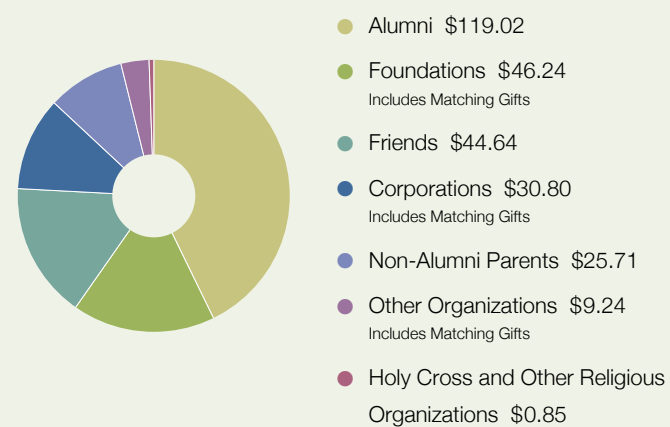
FINANCIAL OVERVIEW



Of the year's fundraising totals, \$39 million was designated unrestricted for the University's most pressing needs—the largest unrestricted total to date. A healthy 45.5 percent of undergraduate alumni made a gift in fiscal 2012-13; the total number of benefactors contributing reached 63,683.

Sources of Support \$276,519,984

FISCAL 2012-13 / IN MILLIONS



In fiscal 2012-13, the cost of fundraising was 11.0 cents of each dollar raised.

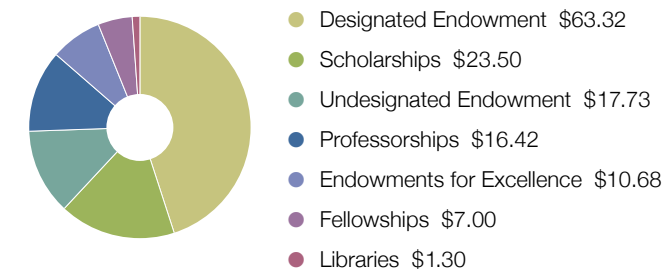
Gift Distribution \$276,519,984

FISCAL 2012-13 / IN MILLIONS



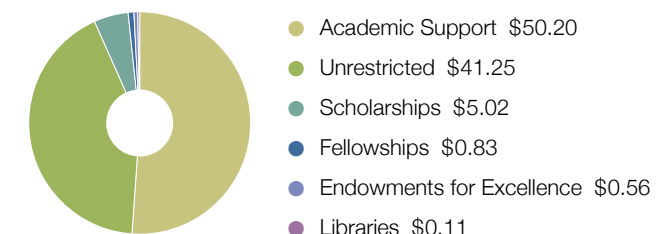
Endowment Gifts \$140,009,908

FISCAL 2012-13 / IN MILLIONS



Expendable Gifts \$97,974,374

FISCAL 2012-13 / IN MILLIONS



GIFT PLANNING

Love Thee Notre Dame: A Gift Planning Initiative had a tremendous impact on overall giving this fiscal year. A record \$109 million in planned commitments, including bequests, gift annuities, and charitable trusts, was recorded—more than three times the previous year's total.

Over the past 18 months, the initiative has helped to transform the culture of giving at Notre Dame, by broadly promoting both the importance of planned gifts to the University's future and the ease with which such gifts can be made. The legacy of planned gift benefactors, Kathy and the late John Donohoe among them, will endure in perpetuity.

When John Donohoe ('64), a Notre Dame civil engineering alumni, passed away suddenly while addressing a group of engineers at a conference, he left behind a loving family, a successful construction and engineering firm, and a number

of industry-related organizations to which he had lent his time and wisdom.

A year after his death, Kathy Donohoe, his wife, gifted the couple's charitable remainder trust back to the University,

creating a scholarship for civil engineering students in her husband's memory. Her decision honors the happy memories that Kathy and John shared at Notre Dame, where they first met (Kathy is a graduate of Saint Mary's College), as well as the ideals and integrity that John brought to the industry throughout his 45-year career.

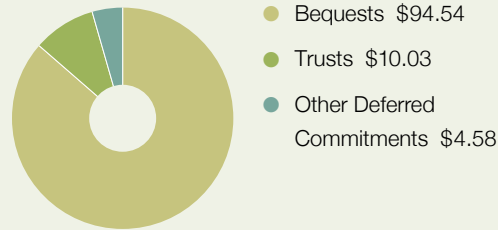
His legacy will live on for generations in the **John F. Donohoe Scholarship**, which will begin benefiting students in the fall of 2014.

ABOVE: John and Kathy Donohoe.



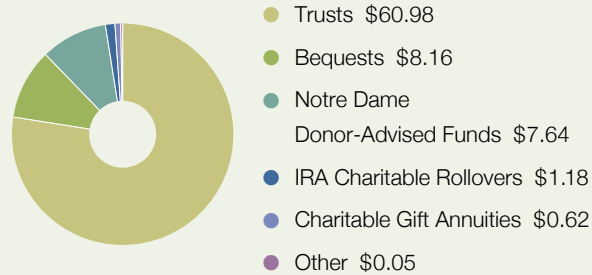
Gift Planning Total Commitments \$109,149,254

FISCAL 2012-13 / IN MILLIONS



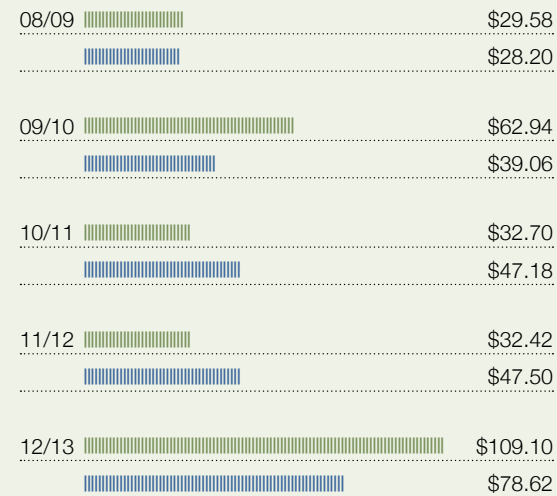
Gift Planning Cash Total \$78,628,676

FISCAL 2012-13 / IN MILLIONS



Gift Planning Support

BY FISCAL YEAR / IN MILLIONS



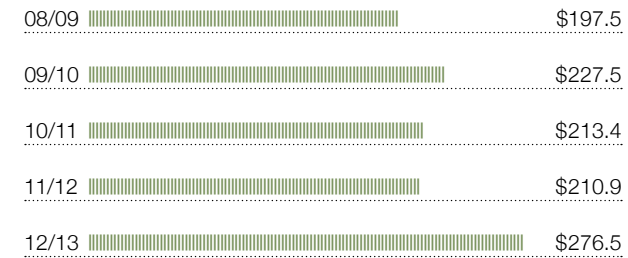
■ Cash ■ Commitments



GIFTS & PLEDGE PAYMENTS

Gift Income by Fiscal Year

IN MILLIONS



Gift Income by Gift Type \$276,519,984

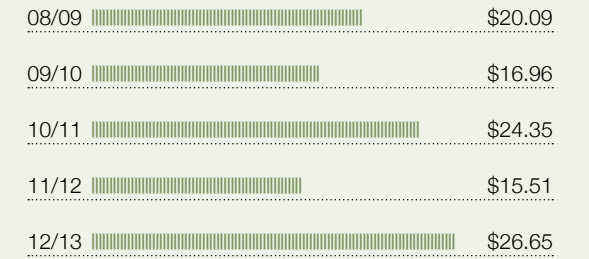
FISCAL 2012-13 / IN MILLIONS



CORPORATE, FOUNDATION, & MATCHING GIFTS

Corporate Support

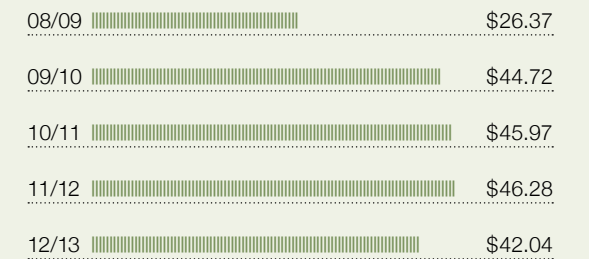
BY FISCAL YEAR / IN MILLIONS



Foundation Support

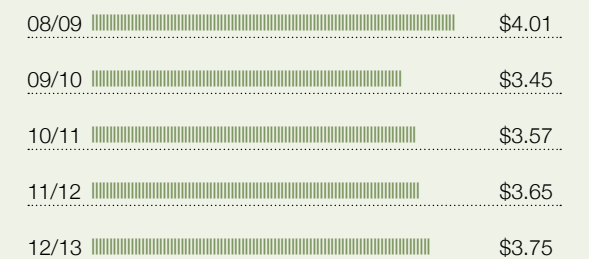
BY FISCAL YEAR / IN MILLIONS

INCLUDES GIFTS-IN-KIND



Matching Gift Totals

BY FISCAL YEAR / IN MILLIONS





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