

Foundation Western

HONOURING THE PAST, LOOKING TO THE FUTURE

After sacrificing so much in WWII, Western's Meds '50 class gave again, this time to provide student bursaries because they were thankful. This moves us. Friends and family of Carolyn Warrick gave to create a fund in her memory to support Med-Outreach, a program that sends ten medical, dental, and nursing students to Tanzania each year to provide much needed medical care. This inspires us. And when Carrie Simmons was able to follow her dream of studying journalism with the help of the Mary Helen Sweeney Scholarship in Journalism, it lifts us.

Our duty as volunteers and staff is to honour the gifts so many donors have made to Western in memory of a loved one, to say thanks to an institution that shaped their lives, or to advance research in a field that is important to them. We appreciate the sentiment and emotion behind the many gifts made to Western. It is why we are motivated to manage the endowment with the utmost care and diligence that it deserves.

While honouring the past, we're also looking ahead. The endowment must serve Western and its students now and well into the future. We must manage the investments prudently so that future Western students, faculty, and researchers benefit in the same way as those at Western today. This is a huge responsibility and one your Board of Directors takes very seriously, especially through the current economic turbulence. Together with the advice of our Committee members, we will continue to apply our collective wisdom to provide a reliable and stable funding to our beneficiaries. We believe this is our first priority and our decisions will reflect this.

It is heartening to note that last year Foundation Western had its largest granting year, ever. In a year of great need at the University, we granted more than \$6 million to Western to support students, faculty, and research. For your commitment and generosity, we are grateful. Collectively, donors and Foundation Western stood up to the economic challenges of the last year to provide a record level of support to the University.

We are pleased to enclose a financial report on the specific endowment fund(s) of interest to you. In addition, this Annual Report to Donors provides detail on how we manage your endowment. It also illustrates the difference your donation makes to the Western community.

We thank you for your trust and confidence in Foundation Western to manage your gift, so that it continues to benefit the Western community for a long time to come.



John Nash
John Nash
President
Foundation Western



Frank Pyka
Frank Pyka
Executive Director
Foundation Western



Kevin Goldthorp
Kevin Goldthorp
Vice-President (External)
The University of Western Ontario

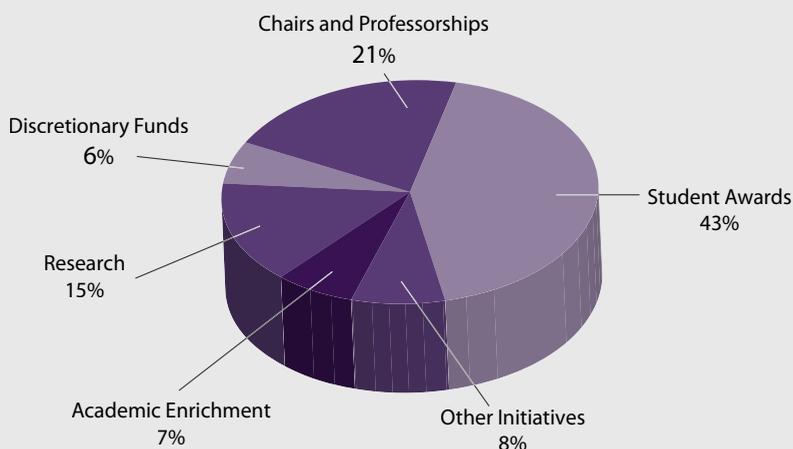
FINANCIAL HIGHLIGHTS

April 30, 2010 (unaudited)

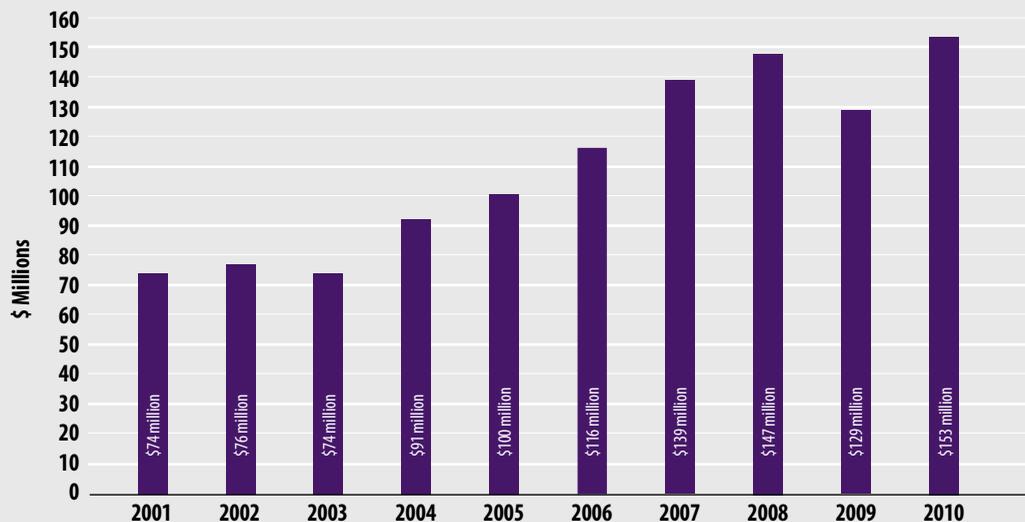
2010 AT A GLANCE

Total Assets	\$153,445,572
Total Donations	\$9,025,697
Grants	\$6,398,693
Fundraising Transfer	\$1,103,157
Operations	\$597,450

2010 GRANTS



TOTAL ASSETS



ENDOWMENT INVESTMENTS

INVESTMENT RETURNS

Equity markets bounced back in 2009, and our portfolio returned 16.0% for the year. While this is good news following two difficult years, we recognize that global economic risks persist.

SPENDING POLICY AND THE INCOME STABILITY FUND

A consistent annual spending allocation is maintained for each endowment independent of our actual investment return. This ensures that scholarships can be awarded every year, research can continue uninterrupted, and other program funding is sustained. This allocation is currently 4.0% of endowed capital. To maintain this consistent annual spending allocation, the Foundation has an Income Stability Fund. This fund is a unique feature of Foundation Western's endowment model. The Fund accumulates revenue in years where investment returns exceed funding requirements. The surplus is then used to meet spending requirements in years where income falls short.



■ Portfolio return
■ Benchmark* return

* S&P/TS X Composite for Canadian Equities, S&P 500 (\$/C/\$US) for U.S. Equities, MSCI EAFE (\$/C) for International Equities, DEX Universe Bond for Bonds, and DEX 91-Day T-Bill for Short-term.

CAPITAL PRESERVATION POLICY

Each year, the Board determines an allocation to capital to maintain the real long-term capital value of our endowments. Consideration is given to inflation, market returns, the income stability fund balance, and prior years' allocations. Given persistent market risks, the Board determined that the allocation for this fiscal year to be 0%. While the objective to increase capital values remains, it is prudent to hold excess returns in the Income Stability Fund until market conditions stabilize.

OPERATING ALLOCATION

An operating allocation is made each year from the Income Stability Fund equal to 1.25% of invested assets to support operations. Our objective is to reduce this allocation to 1% or less in the coming years.

ASSET MIX AND MANAGER STRUCTURE

Foundation Western revised its investment policy effective January 1, 2010. US and International Equities were combined into a single Global Equity mandate and the Canadian Equity allocation was increased. These changes were implemented to reflect the global nature of equity markets and increase our allocation to Canadian denominated assets.

INVESTMENT ASSET MIX						
FIXED INCOME			EQUITY			
ASSET CLASS	Bonds	Short-Term	Canadian	US	International	Global
STYLE	Passive	Passive	Active	Passive*	Active	Active
2009 ALLOCATION	32%	2%	22%	22%	22%	--%
2010 ALLOCATION	34%	--%	33%	--%	--%	33%
MANAGER	TDAM	UBS	Highstreet	TDAM	JP Morgan	JP Morgan

* US Equity 50% currency hedged in 2009

OUR BOARD AND COMMITTEE MEMBERS

BOARD OF DIRECTORS



Shelley Baker
BSc '87



Jerome Cohen
HBA '76



Chuck Grace
BA '80



Jim Knowles
BSc '74, MBA '77



Richard Kohn
BA '69



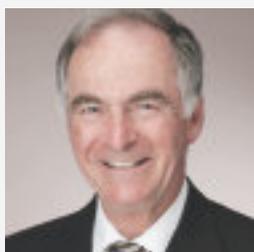
Denise Korpan
BA '77



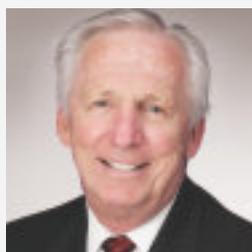
Dennis Logan
BA '67



Mike O'Hagan
DipEd '69



John Nash
BA '63



Ron Potter
BA '56



Kelly Rowcliffe
BA '93



Christene Scrimgeour
BA '81

VOLUNTEER COMMITTEE MEMBERS

Robert Cowan
HBA '57

Jim Etherington
BA '61

Nancy Harris
MBA '82 (McMaster)

Lori Higgs
BA '98

Bruce Hill
M.C.I.D '90

Tom Jolliffe
BA '78

Angela Jonkhans
BSc '80

Paul Knill
LLB '73

Alan MacKay
MA '83

Mike Peters
BA '95

HOBBY TURNS INTO A CAREER



“The scholarship was like a back to school gift: totally unexpected, thoroughly helpful and wonderfully generous!”

Carrie Simmons
MA (Journalism) 2010

Carrie Simmons had been studying Neuroscience at Western but soon questioned this path and realized she was just as passionate about media as she was about science.

“I never had any formal training in writing or editing, but I started volunteering at the paper in my first year of university and never left,” says Carrie who postponed coming to Western to pursue a Masters in Neuroscience, while she worked as an editor of a local newspaper. “Even when I arrived at Western, I spent much of my time outside of the lab taking photographs and continuing to write in my spare time.”

This revelation prompted her to quit her Masters in Neuroscience and apply to Western’s Journalism program. But that decision was made several months after the deadline for applications and with one week left before classes were to start. So, with her journalistic tenacity she took her story to the Dean of the Faculty of Information & Media Studies. One week later she flew to London from Brandon, Manitoba to start the new semester and her new journey in broadcast journalism.

Carrie says the chaotic start to her program meant she was late in applying for a student loan, and when she found out she was the recipient of the Mary Helen Sweeney Scholarship, she was delighted.

“The scholarship was like a back to school gift: totally unexpected, thoroughly helpful and wonderfully generous,” notes Carrie, who has started working as a technical editor at General Dynamic Land Systems in London and plans to continue volunteering at Western’s CHRW radio station. “It allowed me to concentrate on my studies in Journalism, and helped me find myself in the place that I belong. Without it, I might have made it into the program but not had the funds to continue with it.”

The Mary Helen Sweeney Scholarship is awarded to a graduate student in Journalism with a high entrance average. The \$4,000 scholarship was created in memory of Mary Helen Sweeney, a 1951 Brescia University College graduate who went on to become a successful radio and television personality in London, Toronto and finally in New York. She died in 1998 at the age of 67.

“Mary Helen would be delighted to know that her scholarship will assist Carrie in pursuing her dream,” says her sister-in-law, Jo Ann Sweeney (BA ’58, LLB ’87).

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"I am extremely grateful to Judith Harris and Marion Woodman for their inspiration and support of my work. The Harris-Woodman Chair has allowed me to focus on my research interests dealing with the impact of early life trauma on mind and body. As a result of this Chair, my group in collaboration with national and international colleagues has been able to make significant advances into the brain mechanisms underlying emotion regulation and resting states of the brain in individuals affected by psychological trauma and their offspring".

Ruth Lanius

Associate Professor, Department of Psychiatry, Schulich School of Medicine & Dentistry

Harris-Woodman Chair in Psyche and Soma



"This scholarship provided me with an exceptional level of prestige and recognition beyond its monetary reward. I am striving to one day give back to society in the same ways to reciprocate the generosity of the Ivey family."

Xiaoye (Simon) Yin

HBA 2013

Beryl Ivey Continuing Entrance Award



"My first year at Western has been exciting, yet challenging. Managing my workload and team commitment has strengthened my determination to succeed. Students can achieve their goals through hard work and the generosity of those who offer their assistance through scholarships...THANK YOU!"

Lindsay Repath

BA 2012

Larry Shaw Athletic Continuing Entrance Scholarship



"One of my top priorities as Dean is to increase Western Engineering's profile. The generous funding we receive from The Bill and Barbara Etherington Fellowship helps us achieve this goal, as the funds are unrestricted, allowing us the opportunity to apply the resources to priority projects. This year, the funds supported our new research-themed advertising campaign in Engineering Dimensions magazine. Thanks to Bill and Barbara's generous support, Western Engineering is showcasing how we make a difference."

Andrew N. Hrymak

Dean, Faculty of Engineering

The Bill and Barbara Etherington Fellowship