Call it one of nature’s most perfect shows. A single pebble cast into a body of calm. Smooth, rolling ripples moving outward in perfect, concentric circles. Leaves undulating as the ripples pass by. A fun little rise and fall. And a simple metaphor that describes how one gift can spread and touch the lives of many.
A MESSAGE FROM THE BOARD CHAIR AND UNIVERSITY PRESIDENT

Philanthropy matters at the University of Alaska. Your generosity enables the university to serve Alaska in ways not possible with government and tuition funding alone.

With your support, the university delivers programs that help prepare students for success in college and beyond. We prepare Alaskans for Alaska’s jobs. Your gifts provide scholarships that ease students’ financial burdens and entice them to earn their education in Alaska, where employment opportunities for well-educated and trained graduates are plentiful. Your support equips labs and classrooms with equipment that is critical to teaching and learning, and enables the university to attract and retain some of the best teaching and research faculty possible.

At the University of Alaska, every gift makes a difference. Your regular gift to the annual fund might help students and faculty travel to national competitions to present their award-winning work. Or it may be used to acquire an important piece of equipment. Perhaps your support will endow a scholarship, professorship or chair. Gifts of all sizes make a positive difference for the University of Alaska and the state we serve.

We take great pride in being careful stewards of the gifts entrusted to us, ensuring that they are expended in accordance with donor intent. For our longer-term funds, we have developed and implemented sound investment strategies that consistently produce remarkable results and a healthy income stream to support the university.


Ann Parrish, Chair
University of Alaska Foundation
Board of Trustees

Mark Hamilton, President
University of Alaska
Board of Trustees

FY07 FOUNDATION LEADERS

BOARD OF TRUSTEES
Will Anderson
Carla Beam
Robert Boswell
Alison Browne
Brian Brandin
Jeff Cook
Laraine Derr
Gordon Evans
Mike Everette
Ted Farhauser
Mike Felix
Sharon Gagnon
Jack Griffin
Greg Gursey
Mark Hamilton
John Hughes
Mary Hughes
Thomas Jensen
Steve Jones
Bill MacKay
Elaine Maimon
Carl Marrs
Jo Michalski
Rick Myster
Ann Parrish
John Pugh
Grace Schaible
Arlis Sturgulewski
Tara Sweeney
Fran Ulmer
Carolynne Wallace
Eric Wohlforth
Phil Younker Sr.

EXECUTIVE COMMITTEE
Ann Parrish, Chair
Jeff Cook
Sharon Gagnon
Mark Hamilton
Grace Schaible
Mary Rutherford, Ex-Officio

COMMITTEE ON TRUSTEESHIP
Arlis Sturgulewski, Chair
Jeff Cook
Sharon Gagnon
Mary Hughes
Thomas Jensen
John Pugh
Carolynne Wallace
Ann Parrish, Ex-Officio
Mary Rutherford, Ex-Officio

DEVELOPMENT COMMITTEE
Sharon Gagnon, Chair
Carla Beam
Alison Browne
Ted Farhauser
Michael T. Felix
Jack Griffin
Mary K. Hughes
Bill MacKay
Jo Michalski
Rick Myster
Ann Parrish, Ex-Officio
Mary Rutherford, Ex-Officio

FINANCE AND AUDIT COMMITTEE
Jeff Cook, Chair
Mike Everette
Darren Franz
Arlis Sturgulewski
Phil Younker, Sr.
Ann Parrish, Ex-Officio
Mary Rutherford, Ex-Officio

INVESTMENT COMMITTEE
Eric Wohlforth, Chair
Mike Burns
Gary Dalton
Winthrop Gruening
Greg Gursey
Jim Lund
Brian Rogers
Grace Schaible
Robert Storer
Ann Parrish, Ex-Officio
Mary Rutherford, Ex-Officio

2006-2007 LETTER FROM THE BOARD CHAIR AND UNIVERSITY PRESIDENT

2006-2007 FY07 FOUNDATION LEADERS
UA alumnus Ronald Cosgrave has a history of firsts at UA. In 1958, he became the first student to graduate from the university with a chemical engineering degree. He was also the first UA graduate to receive a teaching fellowship at the Massachusetts Institute of Technology (MIT). And he was the first donor to make a personal gift of $2.6 million to the UA Foundation – the single largest unrestricted contribution ever made by a living alumnus.

Cosgrave placed no restrictions on his gift, allowing university leaders to use it as they saw fit for the long-term benefit of the university and the state as a whole. They chose to use the contribution to purchase 30 acres of undeveloped land directly across from the UAF campus. The purchase opens up many opportunities, such as educational, commercial or residential development, that did not exist before Cosgrave’s historical donation.

“This is truly a transformational gift for the university,” said UA president Mark Hamilton. “We are grateful to Ron for the trust he is placing in us. We take this responsibility seriously and we thank Ron for his generosity.”

It’s fitting that Cosgrave’s gift was used to purchase land near campus. Back when he was a student at UA, Cosgrave and a small group of fellow students formed Northern Alaska Development Corporation. The group began investing in and developing real estate near the university – some of which Cosgrave still owns today.

The corporation was formed with the encouragement of then – UA President Charles E. Bunnell. Cosgrave, who was known as one of “Bunnell’s Boys,” cites the former university president as a major influence on his years at UA.

“The university has had a profound effect on my life and helped me achieve the success I’ve enjoyed,” Cosgrave said. “It’s an honor and a pleasure for me to give back to the university, which has given me so much.”
Many students, including Jess Parks, are drawn to UAS for its picturesque location and access to the great outdoors. “I can’t imagine a campus with better access to the outdoors. I have learned so much through the field work I have done as part of my science classes here at UAS,” said Jess Parks. “Not only is UAS surrounded by world-class natural science research opportunities, but when you want to take a break from studying, you can go hiking, paddling, cross-country skiing or ice skating right from campus.”

With a recent pledge from former Alaska Governor Bill Sheffield, UAS will soon be even more closely connected with the great outdoors. Sheffield’s $100,000, three-year pledge to UAS’ Auke Lake Trail Campaign will assist the university in efforts to restore the old Auke Lake Trail. The project is a partnership between UAS and the City and Borough of Juneau.

“Gifts like Governor Sheffield’s demonstrate public support for the educational and recreational opportunities the university can provide for the people of Alaska,” said UAS chancellor John Pugh. “It enables the university to utilize the area for educational purposes, and provides students, faculty, staff and the community with additional recreational resources.”

In making his pledge, Sheffield took advantage of an IRS provision that allowed individuals to transfer funds from their Individual Retirement Accounts (IRA) to nonprofits – without realizing those distributions as income.

In recognition of Sheffield’s contribution, a pedestrian bridge along the trail will be named after the former governor. In addition to connecting the trail to campus and parking areas, the bridge will offer one of Juneau’s most spectacular views of Mendenhall Glacier.

“Mendenhall Glacier and Auke Lake are not only two of my favorite sights in Juneau, but are also favorites with residents and visitors alike,” Sheffield said. “The university is fortunate to have these wonders in their ‘backyard’ for thousands of people to view and enjoy. I am honored to participate in this worthwhile endeavor and thank the university for giving me the opportunity.”

**Bill Sheffield**
Former Alaska Governor Bill Sheffield, originally from Spokane, Washington, came to Alaska in 1953. During the 1970s and 1980s, Sheffield built a name for himself as a successful hotelier, operating hotels across the state. His political career began in 1981 when he ran for governor — a position he held from 1982 – 1986. In 1995, Sheffield was appointed to the Alaska Railroad board of directors, where he served as chairman. From 1997 — 2001, Sheffield served as president/CEO of the railroad. Currently, Sheffield is the director of the Port of Anchorage.
The research taking place at UAF will one day affect conservation efforts in developing countries such as India, from which UAF graduate student Archana Bali recently arrived. Bali is the first recipient of the George Schaller Fellowship, which was established by the Liz Claiborne and Art Ortenberg Foundation in honor of Dr. George Schaller, a prominent UAF alumnus whose life’s work has been dedicated to wildlife conservation.

Over the next 10 years, the Foundation’s $250,000 gift will be used to bring international graduate students from developing countries to Fairbanks, where they will participate in UAF’s world-class Resiliency and Adaptation Program (RAP). At the end of their studies, students will return home to practice wildlife conservation professionally. “This gift has global impact, because it enables UAF to bring international students to Fairbanks to learn and research,” said Mary Rutherford, president of the UA Foundation. “These students will then return home to use their knowledge to address conservation challenges in their country.”

Gary Kofinas, director of RAP, said Alaska offers fantastic opportunities to these student researchers. “Alaska’s indigenous peoples have strong cultural traditions, with close ties to land and animals, and wildlife is in great abundance,” he said. “Yet, the ecological and social systems of Alaska are undergoing rapid change. In these ways, many of the problems we face in Alaska are similar to those of developing nations.”

During her time in Alaska, Bali will complete her dissertation, which is focused on how global changes are affecting caribou and the communities that depend on them. While caribou in Alaska and conservation in India may seem unrelated, Bali said she sees plenty of similarities. “In India, issues are different, but the basic philosophy is the same,” she said. “We want these systems to be sustainable and we want to continue using them, so conservation that allows for human use is important.”

“IT’S ALL ABOUT THE GLOBAL CHANGES OUR ECOSYSTEMS ARE GOING THROUGH AND ADAPTING TO THOSE CHANGES — LIKE HERE IN ALASKA.”

ARCHANA BALI, UAF GRADUATE STUDENT

AN INTERNATIONAL IMPACT

THE LIZ CLAIBORNE AND ART ORTENBERG FOUNDATION

The Liz Claiborne and Art Ortenberg Foundation, a private foundation dedicated to the survival of wildlife and the vitality of human communities, established the George Schaller Fellowship in honor of UAF alumnus Dr. George Schaller, who graduated from UAF with bachelor’s degrees in biology, zoology and anthropology in 1955, and received an honorary doctorate in 1992.

Dr. Schaller is currently vice president of the Wildlife Conservation Society’s science and exploration program, and has spent most of the past 50 years in the wilds of Asia, Africa and South America.
The Rasmuson Foundation’s positive effects can be felt around the state of Alaska – including at each of the University of Alaska campuses. A long-time supporter of the university, the Foundation recently presented UA with one of its largest gifts ever – a six-year, $5 million grant awarded to the UAF School of Fisheries and Ocean Sciences (SFOs). “The Foundation is committed to building capacity to garner alumni, community and corporate financial support for the university. Our investments in education are vital to building a university that will meet the diverse challenges in Alaska’s future,” said Diane Kaplan, president of the Rasmuson Foundation. “The return on these investments is immeasurable. They help ensure that Alaskans will continue to have a bright future and better quality of life.”

SFOs, which currently has more than 50 faculty scientists and 150 graduate students engaged in world-class research and education across Alaska, plans to use the funds to reinvigorate the undergraduate fisheries program, including developing a new fisheries minor, as well as an interdisciplinary bachelor of arts degree in fisheries. In addition to the new programs, the funds will also allow SFOs to add new faculty, expand recruitment efforts for Alaska Native and rural students, improve teaching facilities, and expand distance-learning opportunities.

“The Rasmuson Foundation dedicates itself to being a catalyst to promote a better life for Alaskans and, like all great change-agents, its gift promises far-reaching implications,” said Denis Wiesenburg, dean of SFOs.

A unique aspect of the Foundation’s gift is that it requires the university to raise $5 million in matching funds. “The Rasmuson Foundation’s commitment to the university will help increase private support, which extends beyond what is possible with state funding alone,” said Mary Rutherford, president of the UA Foundation. “Its gift opens doors for the university to partner in unique ways to meet the matching-gift requirement.”

The contribution to SFOs is only one way the Rasmuson Foundation shows support of the university. For example, at UAA, alumni donations or pledges of $1,000 or more in 2007 were matched by the Foundation. Through this special challenge grant, UAA received $100,000 in matching funds and many new, higher-level alumni donors. And at UAS, the Foundation made a $500,000 commitment to the UAS Trail Campaign, including a $250,000 gift and a $250,000 challenge grant. The UAS Foundation challenge generated over $250,000 in private contributions.

“Partnersing for a Strong University

RASMUSON FOUNDATION

The Rasmuson Foundation was founded in May 1955, by Jenny Rasmuson, in honor of her late husband, “E.A.” Its first grant was $125. Today, the Foundation awards approximately $30 million annually to promote a better life for all Alaskans.

Photo by Todd Fardo, University Marketing and Publications
For our Lifetime Giving donors, supporting education is a way of life, a promise made for the long term. This sort of dedication is the perfect demonstration of how one life, one gift, can make a profound difference in the lives of many.

LIFETIME GIVING RECOGNITION

**BUNNELL SOCIETY** Recognizes those individuals and organizations who made gifts or pledges of $100,000 to $499,999 and those organizations who made gifts or pledges of $150,000 to $499,999 over their lifetime.

**INDIVIDUALS**
- Dr. Walt and Marita Babula
- Isabel J. Becker
- Jean H. Rehila
- Mary Emily Carlson
- Edward and Alice Christiansen
- J. Robert Glass
- John A. Clark
- Frances and Emerson G. Coller
- Minnie Crowh
- John F. Dole
- Ted and Mary Anne Fathauer
- John B. Hakala
- Ruth Hurley
- Mary K. Hughes and Andrew Eker
- Luther Hess
- Dorothy Johnhans
- William P. Johnson Jr
- Cary A. Kelley, M.D.
- Medicine Fairbanks
- James and Mary Lou King
- Detahl Lanes
- Robert Lechow
- Seng Tce Lec
- Howard I. Mackey
- James W. and Barbara H. Matthews
- Faniie Mac Donald
- Jesse O’Byrne
- McNamara Family
- Mary Jean McNamara
- Barry and Dork McWeyne
- W. F. Mack
- Harry M. Mikami
- Terri Minero
- Horace Willard Nagley II
- Lily Noyer
- Jack O’Brian
- Donna and Argentina Paraco
- Lanac and Karen Parrish
- Rosalina E. Pecore
- Mary Louise Romanos
- Dorothy Jean Ray
- Bill and Francis Ray
- Paul and Terry Richard
- Leo F. Rhodes
- Clifford and Patricia Rogers
- Robert C. Ruff
- Jon Robinson and Suzanne La Pierre
- Craig Sibiski
- Governor Bill Sheffield
- William G. Stroebler
- Veronica D. Tekle
- Elizabeth A. Tower
- Jerry E. Ulmer
- Jon and Jona Van Zile
- Margaret L. and Charles West
- Sandra M. Warnke
- Sydney Well
- Mark and Kaliicous Wood
- Dale and M. Jeanne Toder

**ORGANIZATIONS**
- Alaska Airlines
- Alaska Ocean Seduced
- Alfred P. Sloan Foundation
- Aleda Pipelines Service Company
- American Seaboard Company
- Anchorage Daily News
- Arctic Storm
- Bentley Family Trust
- Bill and Merilns Gates Foundation
- BP
- ConocoPhillips Alaska
- Council for Better Corporate Citizenship
- First Interstate Bank
- First National Bank Alaska
- Glaciers Fish Company
- Golden Alaska Seafoods
- Highland Light
- Holland America Line
- KeyBank
- J. M. Morud Charitable Trust
- Northern Bank
- Providence Health System
- in Alaska
- Rasmuson Foundation
- Schlumberger GeoQuest
- Seafarers Town
- Tonset Ocean Trader Express
- Trident Seafoods
- Unalamal Insurance
- Unibred Cool Mint
- Wadler Investment Services
- Wells Fargo
- Williams Alaska Petroleum

**SOURDOUGH SOCIETY** Recognizes those individuals who made gifts or pledges of $500,000 to $999,999 over their lifetime.

**INDIVIDUALS**
- Harry M. Mikami
- Robert B. Arwood
- Isabel Becker
- Edith R. Bullock
- Ronald F. Congrove
- Helen A. Fathauer
- Nathan T. Geoxon
- John C. Hughes
- Fred A. Kebson
- Elaine E. Rasmussen
- Grace Reg. Schubel
- Frank Underbill
- W. Dean and Ana Weidner
- W. F. Meek
- Marie George
- John P. Doyle
- Caroline M. Coons
- Edward and Alice Christiansen
- J. Robert Glass
- John A. Clark
- Frances and Emerson G. Coller
- Minnie Crowh
- John F. Dole
- Ted and Mary Anne Fathauer
- John B. Hakala
- Ruth Hurley
- Mary K. Hughes and Andrew Eker
- Luther Hess
- Dorothy Johnhans
- William P. Johnson Jr
- Cary A. Kelley, M.D.
- Medicine Fairbanks
- James and Mary Lou King
- Detahl Lanes
- Robert Lechow
- Seng Tce Lec
- Howard I. Mackey
- James W. and Barbara H. Matthews
- Faniie Mac Donald
- Jesse O’Byrne
- McNamara Family
- Mary Jean McNamara
- Barry and Dork McWeyne
- W. F. Mack
- Harry M. Mikami
- Terri Minero
- Horace Willard Nagley II
- Lily Noyer
- Jack O’Brian
- Donna and Argentina Paraco
- Lanac and Karen Parrish
- Rosalina E. Pecore
- Mary Louise Romanos
- Dorothy Jean Ray
- Bill and Francis Ray
- Paul and Terry Richard
- Leo F. Rhodes
- Clifford and Patricia Rogers
- Robert C. Ruff
- Jon Robinson and Suzanne La Pierre
- Craig Sibiski
- Governor Bill Sheffield
- William G. Stroebler
- Veronica D. Tekle
- Elizabeth A. Tower
- Jerry E. Ulmer
- Jon and Jona Van Zile
- Margaret L. and Charles West
- Sandra M. Warnke
- Sydney Well
- Mark and Kaliicous Wood
- Dale and M. Jeanne Toder

**ORGANIZATIONS**
- Alaska Airlines
- Alaska Ocean Seduced
- Alfred P. Sloan Foundation
- Aleda Pipelines Service Company
- American Seaboard Company
- Anchorage Daily News
- Arctic Storm
- Bentley Family Trust
- Bill and Merilns Gates Foundation
- BP
- ConocoPhillips Alaska
- Council for Better Corporate Citizenship
- First Interstate Bank
- First National Bank Alaska
- Glaciers Fish Company
- Golden Alaska Seafoods
- Highland Light
- Holland America Line
- KeyBank
- J. M. Morud Charitable Trust
- Northern Bank
- Providence Health System
- in Alaska
- Rasmuson Foundation
- Schlumberger GeoQuest
- Seafarers Town
- Tonset Ocean Trader Express
- Trident Seafoods
- Unalamal Insurance
- Unibred Cool Mint
- Wadler Investment Services
- Wells Fargo
- Williams Alaska Petroleum

**DISTRIBUTION IN SUPPORT OF UA**

| FY07 | BUSINESS ADMINISTRATION | $251,756 |
|      | ENGINEERING             | $867,130 |
|      | GENERAL                 | $9,565,350 |
| KUAC RADIO AND TELEVISION | $422,092 |
| LIBERAL ARTS               | $360,132 |
| LIBRARY                    | $178,788 |
| MUSEUM                     | $1,810,461 |
| NATURAL SCIENCES           | $204,573 |
| RESEARCH                   | $860,732 |
| STUDENT AID                | $2,220,139 |

*Denotes Deceased
*Denotes Gifts and Underwriting To EUSC
LEADERSHIP CIRCLE

Recognizes those individuals who made gifts or pledges of $20,000 or greater and organizations that made gifts or pledges of $50,000 or greater in FY07.

[Names of individuals and organizations listed]

AURORA CIRCLE

Recognizes those individuals who made gifts or pledges of $10,000 to $19,999 and those organizations that made gifts or pledges of $10,000 to $49,999.

[Names of individuals and organizations listed]

GLACIER CIRCLE

Recognizes those individuals and organizations that made gifts or pledge of $5,000 to $9,999 in FY07.

[Names of individuals and organizations listed]

Donations are tax-deductible. Additional details may be found on the Foundation’s Web site at www.alaska.edu/foundation/donor_relations.

Thank you to our donors and all those who have made gifts or pledges to the University.

Katherine A. Finstuen
Edward J. Morgan
LEGACY SOCIETY

LEGACY SOCIETY recognizes those individuals who have provided for the university through their wills or estate plans.

<table>
<thead>
<tr>
<th>INDIVIDUALS</th>
<th>Recognize those individuals who have provided for the university through their wills or estate plans.</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Doyle*</td>
<td>Ruth McHenry</td>
</tr>
<tr>
<td>Lynn Dovers*</td>
<td>Dennis McMillan</td>
</tr>
<tr>
<td>Heather Flynn</td>
<td>W. F. Meck*</td>
</tr>
<tr>
<td>Janet Frederick*</td>
<td>Arnold Mildrum*</td>
</tr>
<tr>
<td>Marc George*</td>
<td>Horace Willard Ngley II*</td>
</tr>
<tr>
<td>Ralph Clinton George*</td>
<td>Patrick H. O’Neill</td>
</tr>
<tr>
<td>Nathan Gerson*</td>
<td>Jean Parsons</td>
</tr>
<tr>
<td>Willard Green</td>
<td>Andrew Payne</td>
</tr>
<tr>
<td>Renze Gross</td>
<td>Gwen Parne</td>
</tr>
<tr>
<td>Gregory Garvey</td>
<td>Marilyn Pethan</td>
</tr>
<tr>
<td>Lawrence Haines</td>
<td>Jan Petri Haines</td>
</tr>
<tr>
<td>Allan Hansen</td>
<td>Shirley Philips</td>
</tr>
<tr>
<td>Lyle Horvacc</td>
<td>Rachel Pike</td>
</tr>
<tr>
<td>John Howard</td>
<td>Rozalina Pomorsky</td>
</tr>
<tr>
<td>Anne Hiber</td>
<td>David Porter</td>
</tr>
<tr>
<td>Douglas Hiber</td>
<td>Linda Porter</td>
</tr>
<tr>
<td>Lois Irvan*</td>
<td>John E. “Jack” Randall II</td>
</tr>
<tr>
<td>jean Kirch</td>
<td>Elmer E. Rasmussen*</td>
</tr>
<tr>
<td>Lee Kromer</td>
<td>Leo Blood</td>
</tr>
<tr>
<td>Alice Koll*</td>
<td>Alberto Rodriguez</td>
</tr>
<tr>
<td>Kirk Lunsford</td>
<td>Eloisa Rodriguez</td>
</tr>
<tr>
<td>Marie J. Laugene</td>
<td>Brian Rogers</td>
</tr>
<tr>
<td>Richard Lee*</td>
<td>Dale Russell*</td>
</tr>
<tr>
<td>Jane Madison</td>
<td>Evelyn M. (Sally) Russell</td>
</tr>
<tr>
<td>Ellis Madison</td>
<td>John Ryder</td>
</tr>
<tr>
<td>Louise Maye*</td>
<td>Patricia Sutte</td>
</tr>
<tr>
<td>Grace Berg Schulte</td>
<td>John Scott</td>
</tr>
<tr>
<td>Irene M. Scary</td>
<td>William Sebaldt</td>
</tr>
<tr>
<td>Richard Sewell</td>
<td>Governor Bill Sheffield</td>
</tr>
<tr>
<td>Rumi Smith</td>
<td>Timothy Smith</td>
</tr>
<tr>
<td>Otto Stewart*</td>
<td>Ann Stockman</td>
</tr>
<tr>
<td>J. Clifford Stone</td>
<td>Scott Taylor</td>
</tr>
<tr>
<td>Mary C. Thomas</td>
<td>Lowell Thomas</td>
</tr>
<tr>
<td>Tey Thomas</td>
<td>Christopher Lockwood Vaughan</td>
</tr>
<tr>
<td>Franke Wakefield*</td>
<td>Carolyn Wallace</td>
</tr>
<tr>
<td>Chick Wallis</td>
<td>Candace Wangman</td>
</tr>
<tr>
<td>Charles West*</td>
<td>Earl Zervos</td>
</tr>
<tr>
<td>William Zervos</td>
<td>Larry Zervos</td>
</tr>
</tbody>
</table>

*Denotes Deceased

By making gifts or pledges through estate planning, the members of our Legacy Society have made a commitment that promises to benefit our students and our state for many years to come – leaving a truly lasting legacy.

One of the easiest ways to make a significant and lasting gift to the University of Alaska is to provide for the university in your will or estate plans. You can specify that a certain sum can come from your estate to the university (a specific bequest), or that a percentage of your estate, after other specific bequests have been made, comes to UA (a residual percentage bequest). Either type of bequest can be done very simply by adding language similar to that provided below when the will or trust is being drafted by your attorney. You may also decide whether you wish your bequest to be used to establish a perpetual endowment or a fund to be fully expended by the university. In making this decision, the size of the bequest becomes important as there is a minimum amount (currently $25,000) needed to establish perpetual endowment funds.

Your attorney may find the following language helpful when drafting bequest provisions to accomplish your estate gift to the University of Alaska:

“I hereby give to the University of Alaska Foundation, a tax-exempt organization as described under Subsection 501(c) (3) of the Internal Revenue Code, located in Fairbanks, Alaska, (for a specific bequest) the sum of $_____, (or for a residual percentage bequest “_____% of my residual estate”), to be used (if for the establishment of an endowment), should the size of this bequest be sufficient, to establish an endowment, (remaining language for all types of bequests) in support of (Department or College or other purpose) at the University of Alaska (Fairbanks, Anchorage, Southeast or leave blank to apply to the entire University System).”

Donors should always consult with their attorney when drafting wills and other legal documents and with their financial advisers when preparing estate plans.

Bequests are not only “painless” since they occur after your death, but they also can result in significant estate tax savings depending on your financial situation. If the bequest is used to establish an endowment, it can also provide a bit of immortality to your name and act as a perpetual reminder to your heirs and others of your lasting support of the University of Alaska.

The Legacy Society is one way we recognize and thank those individuals who provide for the university through their will or estate plans. If you have already included the university in your will or estate plans, please let the Campus Development Office know so we can thank you.
WAYS OF GIVING

Your gift to the UA Foundation is more than just a donation. It’s a way to help students achieve their dreams. Enable Alaskans to attain a top-quality education—right here at home. Bring relevant academic programs to Alaska. And make the difference between a good university—and a great one.

Supporting UA can provide significant financial benefits to you, as well. If you itemize on your taxes, you may be able to claim a federal charitable tax deduction. And, if your company pays state taxes of any kind, you may be eligible for a tax credit of up to $150,000 annually.

There are numerous ways to give to UA, and you can direct your gift anywhere you choose—to a specific program, scholarship or UA campus. Or you can give an unrestricted gift, which allows UA to utilize your contribution in the area of greatest need.

CASH
You can make a cash gift, which includes checks and credit card payments, to the UA Foundation. These types of gifts may be made online, in person or through the mail.

STOCK
The UA Foundation accepts gifts of publicly-traded stock and, in some situations, closely held stock. This giving option may provide significant tax advantages, so be sure to talk with your accountant or financial adviser.

LIFE INSURANCE
By naming the UA Foundation as beneficiary to your life insurance policy, you can provide funds in the future. Or you can donate the entire policy to the Foundation and, in return, take a charitable deduction for the cash value of the policy. You may also be able to deduct any premium payments made to maintain the policy after the transfer.

PERSONAL PROPERTY
The UA Foundation can accept gifts of personal property, including jewelry and art, if the item can be used to directly benefit the university or if it can be converted to liquid assets.

REAL PROPERTY
Gifts of real property are very beneficial to the university, as they can be used for educational purposes or sold to support other programs. Plus, by gifting real property, you may be eligible for significant tax benefits. For example, you may be able to deduct the fair market value of the property from your federal income taxes—up to 30 percent of your adjusted gross income—and you can spread the deduction over a five-year period. This type of gift also frees you from property tax payments and allows you to avoid paying capital gains tax if you sell.

REQUESTS
Making a bequest in your will is another way to show support of the university. A bequest is a section of a will directing the executor of the estate to make a gift from the donor’s assets to a particular person or institution. Bequests may be used to provide gifts of money, real estate, stocks or even art or jewelry. They may also be used to establish charitable trusts.

There is great flexibility when making a bequest to the university. You may specify the bequest be used to benefit a particular campus, department or program, or a specific scholarship, faculty chair or equipment purchase. The gift may even be used to establish an endowment. To ensure the bequest will accomplish what you envision, you should ideally consult with both an attorney and the university prior to making a bequest.

Also, as there is specific language that must be used when making a bequest, it is recommended you have an attorney either draft or review the wording before the will is signed. For examples of bequest wording, visit www.alaska.edu.

CHARTERED REMAINDER TRUST
A charitable remainder trust allows you to transfer funds or properties to the UA Foundation, which will then invest the value of the donation. In turn, you will become a beneficiary of regular payments for a specified time period.

CHARTERED GIFT ANNUITIES
A charitable gift annuity enables you to make a gift to the UA Foundation and receive fixed annual payments for life. In addition to the annual payments, there may also be tax benefits, including income tax deductions, tax-free income payments and reduced capital gain taxes. Talk with your accountant to find out more about the benefits of this type of gift.

LEARN MORE
For additional information about ways of giving, please contact the UA Foundation or the Campus Development Office (see back cover).
When John Hughes and his daughter, Mary Hughes, made their generous $276,000 contribution to the UA Foundation recently, they did not write a check, count out cash or even use a credit card. Instead, the father and daughter chose to donate their individual interests in a Fairbanks real estate partnership. “The Hughes family has made a very special and unique gift,” said Mary Rutherford, president of the UA Foundation. “Supporting the university through gifts of real estate or stocks benefits not only our students, but offers significant tax benefits to the donor.”

The proceeds of the Hughes’ gift will be used to benefit the Patricia Ann Hughes Eastaugh Memorial Teaching Scholarship, which covers tuition, books, and room/board for the education of aspiring teachers at UA. “As a public institution serving the state, it is the university’s desire to make education accessible to all Alaskans,” said UA president Mark Hamilton. “Private support, like that provided by the Hughes family, helps reduce students’ reliance on personal debt to achieve their educational goals.”

The endowed scholarship was created in 1999 by John Hughes and his late wife, Marjorie, in honor of their late daughter, Patricia Ann Hughes Eastaugh, a UA graduate. The “Patti Ann” scholarship is awarded to outstanding Alaskan high school graduates who wish to remain in Alaska and teach. The nine “Patti Ann” scholars were raised in communities across Alaska – Ekwok, New Stoyuhuk, Kake, Wrangell, Unalaska, as well as Anchorage, Chugaiak and Palmer. “The university has been an important part of our family’s life,” John Hughes said. “It has provided an excellent educational experience not only for our daughters, but for thousands of other Alaska students.”

Over the years, the Hughes family has continued to support the fund and, today, more than $40,000 is available annually for scholarships. Two “Patti Ann” scholars have already graduated and are teaching in Alaska. “Our family is proud to support the university because so many Alaskans benefit from the opportunities UA offers,” Mary Hughes said. “Our personal involvement and financial support are ways we can share in the university’s success in enriching the lives of Alaskans.”

The father and daughter are also well known within Alaska’s legal profession. John Hughes, who began practicing law on Kodiak Island in the late 1940s, moved to Anchorage in 1951, where he became a partner of Davis, Renfrew & Hughes (now Hughes Pfiffner Gorski Seedorf & Odsen LLC). He retired in 1985. A life-long proponent of education, he served for many years on both the Kodiak and Anchorage School District boards. Mary Hughes is also a former Hughes law firm partner and Anchorage Municipal Attorney. She most recently served as the Alaska State Director in the Office of U.S. Senator Lisa Murkowski and hosts a weekly radio show on AM 700 KBYR. She is also a member of the boards of trustees of the Alaska Humanities Forum and Willamette University.

When John Hughes and his daughter, Mary Hughes, made their generous $276,000 contribution to the UA Foundation recently, they did not write a check, count out cash or even use a credit card. Instead, the father and daughter chose to donate their individual interests in a Fairbanks real estate partnership. “The Hughes family has made a very special and unique gift,” said Mary Rutherford, president of the UA Foundation. “Supporting the university through gifts of real estate or stocks benefits not only our students, but offers significant tax benefits to the donor.”

The proceeds of the Hughes’ gift will be used to benefit the Patricia Ann Hughes Eastaugh Memorial Teaching Scholarship, which covers tuition, books, and room/board for the education of aspiring teachers at UA. “As a public institution serving the state, it is the university’s desire to make education accessible to all Alaskans,” said UA president Mark Hamilton. “Private support, like that provided by the Hughes family, helps reduce students’ reliance on personal debt to achieve their educational goals.”

The endowed scholarship was created in 1999 by John Hughes and his late wife, Marjorie, in honor of their late daughter, Patricia Ann Hughes Eastaugh, a UA graduate. The “Patti Ann” scholarship is awarded to outstanding Alaskan high school graduates who wish to remain in Alaska and teach. The nine “Patti Ann” scholars were raised in communities across Alaska – Ekwok, New Stoyuhuk, Kake, Wrangell, Unalaska, as well as Anchorage, Chugaiak and Palmer. “The university has been an important part of our family’s life,” John Hughes said. “It has provided an excellent educational experience not only for our daughters, but for thousands of other Alaska students.”

Over the years, the Hughes family has continued to support the fund and, today, more than $40,000 is available annually for scholarships. Two “Patti Ann” scholars have already graduated and are teaching in Alaska. “Our family is proud to support the university because so many Alaskans benefit from the opportunities UA offers,” Mary Hughes said. “Our personal involvement and financial support are ways we can share in the university’s success in enriching the lives of Alaskans.”

The father and daughter are also well known within Alaska’s legal profession. John Hughes, who began practicing law on Kodiak Island in the late 1940s, moved to Anchorage in 1951, where he became a partner of Davis, Renfrew & Hughes (now Hughes Pfiffner Gorski Seedorf & Odsen LLC). He retired in 1985. A life-long proponent of education, he served for many years on both the Kodiak and Anchorage School District boards. Mary Hughes is also a former Hughes law firm partner and Anchorage Municipal Attorney. She most recently served as the Alaska State Director in the Office of U.S. Senator Lisa Murkowski and hosts a weekly radio show on AM 700 KBYR. She is also a member of the boards of trustees of the Alaska Humanities Forum and Willamette University.
**TAX BENEFITS OF GIFTS**

of appreciated property such as stock or real estate

1962

100 shares of XYZ Stock (or real estate) for $10/share.

1963–2006

Stock (or real estate) goes up in value, splits etc.

2007

Stock (or real estate) is donated to the Foundation. Due to appreciation, the stock or real estate is now worth $10,000.

**TOTAL DONATION VALUE: $10,000**

2007

A federal income tax savings of $2,800 for this gift:

(28% OF THE GIFT VALUE: $10,000 x 28% = $2,800)

2007

A federal capital gains tax savings of $1,350 for this gift, equal to 15% of gain on stock (or real estate):

| Original Value | $1,000 |
| Current Value  | $10,000 |
| Gain           | $9,000 |
| X 15%          | $1,350 |

Donation amount to the university: $10,000
Cost of this donation to the donor: $5,850
Income tax savings: ($2,800)
Capital gains tax savings: ($1,350)
TOTAL $5,850

**REDUCE YOUR BUSINESS TAXES**

with a contribution to the UA Foundation

Did you know you can save big on your tax bill by making a contribution to the UA Foundation! With the Alaska Higher Education Tax Credit, you may claim up to 50 percent of the first $100,000 gift and up to 100 percent of the next $100,000. That means with a gift of $200,000, you can save $167,500 in taxes! At the same time, you’ll be supporting a strong state university system – which benefits us all.

You’re eligible for the tax credit if you or your corporation pays any of these taxes to the State of Alaska:

- Income Tax
- Insurance Premium Tax/Title Insurance Premium Tax
- Oil and Gas Property Tax
- Oil and Gas Production Tax
- Fisheries Business Tax/Fisheries Landing Tax
- Mining License Tax

During her travels throughout Alaska and Canada, Dr. Elizabeth “Betsy” Tower developed an avid interest in our closest neighbor, leading her to make a $110,000 contribution to UAA’s Canadian studies program.

“I felt it was important for UAA to continue to have a Canadian studies program because of Alaska’s close relationship with Canada,” Dr. Tower said.

In addition to growing awareness of the program, Dr. Tower’s gift creates an endowment to sustain it in the future.

**CONNECTING WITH CANADA**

“Having an endowment guarantees that our small, but successful, program will always be able to contribute to UAA and the community.”

DR. BORN VAN DOMMELEIN, PROGRAM CHAIR

For more information, contact Jennifer Simonoff, Corporate & Foundation Relations Manager, at 907.786.1146 or snjhs@email.alaska.edu.
Dr. Alex Hills has an extensive – and impressive – history in Alaska. While living in rural Alaska during the 1970s, he was closely involved in the development of the state’s telecommunications networks. He later served as Alaska’s deputy commissioner of administration and chief telecommunications official, as well as UA’s chief information officer. He created “Wireless Andrew,” the network that led to Wi-Fi technology, and he currently owns Alex Hills Associates, a small consulting company based in Palmer.

Dr. Hills continues to be closely involved with the university, serving as a member of the UA College of Fellows and on the UAA School of Engineering advisory board. He is also a board member for the American Red Cross Alaska Chapter, a member of the Greater Palmer Chamber of Commerce, and chief scientist of Helium Networks, Inc.

Keeping the best and brightest students here in Alaska is one of UA’s top priorities – and offering high-quality research opportunities is an important way to support this effort. “The best universities in the nation provide undergraduate research opportunities,” said Ronald Spatz, dean of the University Honors College at UAA. “It is critical for UA to do the same if we’re going to remain competitive and attract and retain the brightest students.”

The Dr. Alex Hills Engineering Research Award, founded by Alaska engineer Dr. Alex Hills, is working to do just that. The competitive award, administered by the Office of Undergraduate Research and Scholarship (OURS), provides funding to a UAA undergraduate engineering student undertaking a research project showing exceptional merit. “I was interested in helping with academic excellence at UAA, and I was impressed with the University Honors College, which supports OURS. With my background in engineering, I wanted an award to focus on engineering,” Dr. Hills said. “This gift allowed me to bring these interests together and make an impact on students.”

Last year, two impressive award applications came across the desk at OURS. One project, proposed by mechanical engineering student Paul Bilodeau, aimed to model and test mechanisms that amplify input motion. The other project, proposed by civil engineering student Jenny Jemison, looked to harness the powerful tidal energy of the Cook Inlet. “Both of these proposals were so exceptional that, with the assistance of the Undergraduate Research Fund, we were able to award both students with full project support and stipends,” Dean Spatz said.

This year’s award recipient, Samantha Tanner, is evaluating undergraduate surveying education in Alaska. She hopes to determine the reasons for low retention and completion rates, and suggest changes to improve these rates, so the needs of Alaska’s geospatial sciences industry may be met. “It’s exciting because, in addition to supporting these students’ educational goals, we are also supporting research discoveries that are relevant to the state’s needs,” Dr. Hills said.
It’s a well-known dilemma in Alaska – there are plenty of career opportunities in high-demand industries, but there aren’t always enough trained workers to fill the jobs. The Ruth Lister Memorial Scholarship aims to address that issue by providing scholarships to students pursuing vocational training and degrees.

“These areas of study often lead to careers in high-demand fields,” said Mary Rutherford, president of the UA Foundation. “Scholarships such as the Lister Scholarship prepare students to enter jobs that serve the needs of Alaska’s business and industry.”

The scholarship, which was established in 2003 in memory of Ruth Lister, is directed toward single mothers, such as this year’s recipient, Melonie Robinett.

Like Lister herself, Robinett is a feminist, activist and single mother who has struggled in the past, but is rising above life’s challenges. She ran away from home at 15. Struggled out of a violent marriage. Found herself raising her daughter and son alone. Spent four months in jail. And lost her kids. Then, in 2003, Robinett took control of her life and began working toward a brighter future.

“I was able to get my kids back from the state and make a new life,” Robinett said. “I’m not proud of who I was, but I am very proud of who I am today. I have a mission in mind: to become everything I ever wanted to be and always thought I couldn’t.”

Robinett, who is the only one out of 18 siblings to attend college, is currently pursuing the paralegal studies program at UAF’s Tanana Valley Campus. Past graduates of the program, which is certified by the American Bar Association, have had 100 percent success finding jobs immediately after graduation.

“I am setting an example for my children to show them that, even when it seems that all odds are against them, they can achieve their dreams if they set their minds to it.”

Ruth Lister, PhD, served UAF for nearly a decade, first as associate dean of UAF’s School of Career and Continuing Education, and then as director of UAF’s Tanana Valley Campus (TVC). During her career, she brought together leaders from business, industry, government and education to develop vocational training opportunities to meet the needs of the community and economy.

Lister died in 2002 after an 18-year battle with cancer. Colleagues, family and friends established the Ruth Lister Memorial Scholarship to honor the feminist, activist and single mother who worked tirelessly to improve conditions and opportunities for Alaska’s women and children. Ruth’s friends continue to actively raise funds for the scholarship.
After casting their proverbial pebble into the water, our scholarship fund donors can stand on shore and watch as the effect of their gift ripples out—touching lives, opening doors, launching dreams.
<table>
<thead>
<tr>
<th>Scholarship Name</th>
<th>Recipient(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006-2007 SCHOLARSHIP RECIPIENTS</td>
<td>ROBERT D. COGGRAVE</td>
</tr>
<tr>
<td>QUINN UIO COSTELLO MEMORIAL SCHOLARSHIP</td>
<td>Japan Lee</td>
</tr>
<tr>
<td>COUER D’ALEME WINES ENVIRONMENTAL LEADERSHIP SCHOLARSHIP</td>
<td>rosesa Brown</td>
</tr>
<tr>
<td>DEREK K. DICKERSON MEMORIAL FELLOWSHIP</td>
<td>sebastian Brown</td>
</tr>
<tr>
<td>MARLENE H. CRAWFORD MEMORIAL SCHOLARSHIP</td>
<td>Lenin Brown</td>
</tr>
<tr>
<td>MIKE DILLON MEMORIAL SCHOLARSHIP</td>
<td>devin Brown</td>
</tr>
<tr>
<td>TED DION MEMORIAL SCHOLARSHIP</td>
<td>jessica Brown</td>
</tr>
<tr>
<td>VIOLETA DOCTOLEO SCHOLARSHIP - KODIAK</td>
<td>angel Brown</td>
</tr>
<tr>
<td>JAMES R. CROOK MEMORIAL FELLOWSHIP</td>
<td>everett Brown</td>
</tr>
<tr>
<td>RUTH CRATON MEMORIAL SCHOLARSHIP</td>
<td>robin Brown</td>
</tr>
<tr>
<td>CULINARY ARTS HOSPITALITY SCHOLARSHIP</td>
<td>sophia Brown</td>
</tr>
<tr>
<td>ECONOMICS DEPARTMENT SUPPORT</td>
<td>victoria Brown</td>
</tr>
<tr>
<td>JOHN W. ERWIN MD FELLOWSHIP</td>
<td>matt Brown</td>
</tr>
<tr>
<td>J. ELLSWORTH MCCAUNY MEMORIAL SCHOLARSHIP</td>
<td>thomas Brown</td>
</tr>
<tr>
<td>C.T. EVELY MEMORIAL FUND</td>
<td>maria Brown</td>
</tr>
<tr>
<td>EUGENE EVANSO SCHOLARSHIP</td>
<td>tim Brown</td>
</tr>
<tr>
<td>EXCELLENCE IN SCHOLARSHIP</td>
<td>george Brown</td>
</tr>
<tr>
<td>FAIRBANKS ASSOCIATION OF LEGAL ASSISTANTS (FALA) SCHOLARSHIP</td>
<td>ethan Brown</td>
</tr>
<tr>
<td>FOOD FACTORY FINE ARTS SCHOLARSHIP</td>
<td>sarah Brown</td>
</tr>
<tr>
<td>JAMES W. DAVIS SUMMER FINES ARTS CAMP MEMORIAL SCHOLARSHIP</td>
<td>emily Brown</td>
</tr>
<tr>
<td>JAMES W. DAVIS SUMMER FINES ARTS CAMP MEMORIAL SCHOLARSHIP</td>
<td>sarah Brown</td>
</tr>
<tr>
<td>FAIRBANKS CHAPTER IUAFA LEGACY SCHOLARSHIP</td>
<td>celeste Brown</td>
</tr>
<tr>
<td>PIA DENVOSWALDER MEMORIAL SCHOLARSHIP</td>
<td>diana Brown</td>
</tr>
<tr>
<td>DERECE Gentry</td>
<td>Leesa Brown</td>
</tr>
<tr>
<td>DERECK NASKY - TRUST SCHOLARSHIP</td>
<td>beth Brown</td>
</tr>
<tr>
<td>ALBERT H. DICKER MEMORIAL SCHOLARSHIP</td>
<td>sam Brown</td>
</tr>
<tr>
<td>NICK DILLON MEMORIAL SCHOLARSHIP</td>
<td>erin Brown</td>
</tr>
<tr>
<td>BRENDA Karche</td>
<td>Ann Brown</td>
</tr>
<tr>
<td>TIM DION MEMORIAL SCHOLARSHIP</td>
<td>jessica Brown</td>
</tr>
<tr>
<td>JAMES ROGERS MEMORIAL SCHOLARSHIP</td>
<td>victoria Brown</td>
</tr>
<tr>
<td>ANNA ROBERTSON MEMORIAL SCHOLARSHIP</td>
<td>thomas Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>sam Brown</td>
</tr>
<tr>
<td>ROBIN GARBER-Slaght</td>
<td>sarah Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>mollie Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>ethan Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>sarah Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>jessica Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>victoria Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>sarah Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>victoria Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>sarah Brown</td>
</tr>
<tr>
<td>ROBERT D. COGGRAVE SCHOLARSHIP</td>
<td>jessica Brown</td>
</tr>
</tbody>
</table>

**Cycles of Giving**

“When my experience in Russia, I see the world in a different light. I wanted the opportunity to impact other students in this way.”

- Chris Helkenn, 2004 Graduate

When Chris Helkenn enrolled in a Russian history course at UAA, he didn’t know it would lead him to become the first recipient of the Kibrick and Bergelson Scholarships in Russia Scholarship — and spend six months at Moscow State University. The life-changing experience prompted Helkenn, now a UAA alum, to give back to the university. He recently contributed $1,000 to the scholarship fund for a $1,000 match from the Rasmussen Foundation.
Field Research Scholarship
Brian Leader
Cavinta Irizarry
Kathleen Johnson
Montana Krysko
Megan Ott
Rachel Westbrook
Ann Wilson

Roger Hickel Scholarship
Lauren Mollison

Dr. Alex Hills Award
Paul Baloian

Don Hodes Memorial Geology Scholarship
Shawn Colburn

Dr. Doblau Hodgson Memorial Scholarship for Marine Science
Jeremy Mull

Horning Memorial Scholarship
William Farrell
Jessica Untert

TortoiseAir Flight
Tomasz Suszko

Hot Licks Education Scholarship
Tracy Augustint

Harry Konventen Memorial Field Research Scholarship
Michelle Augustint

Mike Hoyt Society of American Foresters Scholarship
Jason Mover

Velma Hubbard Memorial Scholarship
Unika Nelson

Huber Civil Engineering Scholarship
William Galligan

Patricia Hughes Eastakoff Teaching Scholarship
Crystal Blanks
Manitka Kazimirovicz
Auré Rodriguez

William R. Hunt History Scholarship
Robin Keesler

Paul C. Hunter Engineering Scholarship
Philip Fitzgerald
Katherine Johnson

Hilda Pottula Ellifff Memorial Scholarship
Andrea Gerald

Theresa Jimenez Memorial Scholarship
Cindy Cox

John M. Johnson Scholarship
Dwanye Myers
Karen Okirin

Brian Jones Memorial Scholarship
Samuel Vanderwaal

Juneau Chamber of Commerce Scholarship
Sterling Snyder
Elizabeth Wade

Juneau Elk Lodge Scholarship
Sterling Snyder

Juneau Empire Scholarship
Ekamia Oleas

Juneau Garden Club Scholarship
Lisa Rolins

Juneau Retired Teachers Association Scholarship
Amee Durham

Juneau Rotary Club Scholarship
Candis Anderson
Timothy Bunch
Leslie Correa
Ryan Jones

Stacy Kaiser Memorial Fund
Kay O’Leary

Connie B. Kalita Memorial Scholarship
Jamie Callahan
Mandol Walland

Heini Kanerva Memorial Scholarship
Paul Schauer

Kenai Peninsula College Scholarship
Kristina Durrettova

Kennecott Minerals Company Recruiting Scholarship
Gregory Brolin
Drew Kichman

Kru Student Scholarship
Jocelyn Adamou

Seth A. and Inez M. Hutton Scholarship
Michael Anderson
Nathan Ayotte
Bonahla Bare
Charles Bolari
Gregory Brolin
Baron Denvon
Shulita Dinhaga
James Frost
Topsi Hanan
Eric Hall
Christina Johnson
Jacob Kambyacher
Lyrazi Khamtina
Drew Kichman
Alexander Kotlovsko
Erik Leeman
Tommy Lloyd
Kelly Lyons
William Mangano
Maria Mercedev
Sachi Miller
Dustin Ray
Roi Samuel
Elizabeth Ubselli
Raymond Zimmer

Juneau Kiwanis Scholarship
Angela Perry
Kris Wilson

Kuskokwim Campus Persistence Scholarship
Bethany Springer

Edgar Lang Memorial
Theodora Castillo
James Inters

Austin E. Lathrop Student Scholarship
Eric Mathias
Trevor Thomas

KOC Native Student Scholarship
Aradon Giddley
Cynthia McCormick

Kodiak College Council Scholarship
Kara Foster

Kodiak Viola Dolcorto Scholarship
Rose Bengoa
Nicholas Pennington

Robert W. Korn
Charlotte Deiander
Rebekah Land
Nasuo Morris

NPCP Brockle Family Scholarship
Paul Tornow

Alexandra Krauss Memorial Scholarship
Anna Perez Raboff

Rudy Krejci Memorial Scholarship
James Bevier
Sargent Sturtevant

Marschall and Lois Lind Scholarship
Russell Statten Jr.
Jena Jordan

Ruth Lister Scholarship
Vanessa Derendorf

Theodore and Audrey Lotus Scholarship
Dominic Orr

Nancy Lotus Wiegeert Scholarship
Phyllis Armstrong

Leona Lowery Memorial Scholarship
Christopher Houlette

David Luchin Memorial Scholarship
Grant White

Jack R. Lynch Memorial
Adela Falk

Anne Luch Memorial Scholarship
Reagan Anderson
Lee Greenwald
Scott Holland
Namie Ito
Lisa JJost
Julie Johnson
Heather Krachner
Jana Kresticky
Ryan Rocks
Hanna Stevenson
Leyna Warren
Jamie Way
Melina White
Jonathan Williams

Peter Mackith Memorial Endowment for Geological Sciences
John Ritchie

Seth A. and Inez M. Hutton Scholarship
Sylva Hazard
John Roberson III

William C. Leary Memorial Emergency Services Scholarship
Terri Hancock
Mary Ann Ward

Richard E. Lee Endowment
Dominic Orr

Charles W. and Hortense W. Lewis Scholarship
Natalya Larry
Dameselle Wooster

Flores Licht Rhodes Scholarship Fund
Tabitha Johnson
Patrick Tilly

Marschall and Lois Lind Scholarship
Russell Statten Jr.
Jena Jordan

Ruth Lister Scholarship
Vanessa Derendorf

Theodore and Audrey Lotus Scholarship
Dominic Orr

Nancy Lotus Wiegeert Scholarship
Phyllis Armstrong

Leona Lowery Memorial Scholarship
Christopher Houlette

David Luchin Memorial Scholarship
Grant White

Jack R. Lynch Memorial
Adela Falk

Anne Luch Memorial Scholarship
Reagan Anderson
Lee Greenwald
Scott Holland
Namie Ito
Lisa JJost
Julie Johnson
Heather Krachner
Jana Kresticky
Ryan Rocks
Hanna Stevenson
Leyna Warren
Jamie Way
Melina White
Jonathan Williams

Peter Mackith Memorial Endowment for Geological Sciences
John Ritchie

Stuart S. Mackowiak Scholarship
Rebecca Ursula Runfola

John F. Marquand Memorial Scholarship
Joshua Schmidt

Tom Martin Memorial Scholarship
Hunter Scholz

Ronnie Martin McGee Memorial Nursing Scholarship
Laura Storiey

Stanton E. Maynes Memorial Scholarship
Ryan Rocks

Earl Maxwel Memorial Scholarship
Andrew Longbloom

Astre L. and Gordon S. McBeth Scholarship
Kole Callin

Dake McCloud Aviation Memorial Walter Haken

George McDaniel SME Fund
Ruby Brillwick
Jason Morgan
Aaron Pelto

George McDaniel Writing Fund
James Rutes
Brooke Sheridan

Emma W. Mcinnnon Scholarship
William Farrell

Mechanical Engineering
Chris Brender
Daniel Oliva

Lois E. Meier Accounting Scholarship
Fun Lin

Lois E. Meier Guidance and Counseling Scholarship
Sarah Cleworth

Lois E. Meier Scholarship
Kimberly Harris
Anne Jones

Richard Mellon Scholarship
Victoria Hunt
Molly Ipadosk

Edward A. Mercox Memorial Scholarship
Yvonne Olen

Meridian Management PM Scholarship
Joyce Douglas

Dolph R. Millicett Memorial Scholarship
Tyler Goodstein
Kimberly Heimich
Deanna Strunk

George and Reine Mikami Scholarship
Rachel Westbrook
Jonathan Williams

Mike Miller Endowed Scholarship
Jennifer Thortonsson

Steven Miller Creative Writing Fund
Amber Beraa

Music lovers Ed and Alene Christiansen, founders of the Edward K. and Alene R. Christiansen Music Scholarship, didn’t just see how their support benefited a student – they got to hear it.

The Christiansens were recently treated to a vocal performance by UA student Dean Shannon at a private donor reception. Shannon, who is pursuing a music education and performance degree, was the first recipient of the scholarship, which was established in June 2007.
DONOR BILL OF RIGHTS

Philanthropy is based on voluntary action for the common good. It is the tradition of giving and sharing that is primary to quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I. To be informed of the organization’s mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purpose.

II. To be informed of the identity of those serving on the organization’s governing board and to expect the board to exercise prudent judgment in its stewardship responsibilities.

III. To have access to the organization’s most recent financial statements.

IV. To be assured their gifts will be used for the purposes for which they were given.

V. To receive appropriate acknowledgment and recognition.

VI. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share. (The University of Alaska Foundation does not share its mailing lists.)

X. To feel free to ask questions when making a donation, and to receive prompt, truthful and forthright answers.
The University of Alaska Foundation is a public nonprofit corporation, operated as a public charity, which was established in 1974 to solicit, manage and invest donations for the exclusive benefit of the University of Alaska. The Foundation is a tax exempt organization as described in Subsection 501 (c) (3) of the Internal Revenue Code. Donations made to the Foundation are deductible according to schedules established under income and estate tax regulations.

The Foundation is legally separate and distinct from the University of Alaska and is organized under its own Articles of Incorporation and Bylaws. It is governed by its own Board of Trustees which establishes the Foundation’s investment policy, manages donated property and oversees the distribution of the Foundation’s assets to its sole beneficiary, the University of Alaska.
UNIVERSITY of ALASKA FOUNDATION ANNUAL REPORT

FINANCIAL STATEMENTS

JUNE 30, 2007 AND 2006

(WITH INDEPENDENT AUDITOR’S REPORT THEREON)
## Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Auditor's Report</td>
<td>2</td>
</tr>
<tr>
<td>Statements of Financial Position</td>
<td>3</td>
</tr>
<tr>
<td>Statements of Activities</td>
<td>4-5</td>
</tr>
<tr>
<td>Statements of Cash Flows</td>
<td>6-7</td>
</tr>
<tr>
<td>Notes to Financial Statements</td>
<td>8-13</td>
</tr>
</tbody>
</table>
The Board of Trustees
University of Alaska Foundation:

We have audited the accompanying statements of financial position of the University of Alaska Foundation as of June 30, 2007 and 2006, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the University of Alaska Foundation’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States America. These standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the University of Alaska Foundation at June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

The 2007 financial statements include investments valued at $38.2 million, (23.1% of net assets) whose carrying values have been estimated by management in the absence of readily determinable fair values. Management’s estimates are based on information provided by the fund managers or the general partners.

October 26, 2007

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$12,931,717</td>
<td>$6,168,989</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>57,509</td>
<td>135,246</td>
</tr>
<tr>
<td>Short term investments</td>
<td>-</td>
<td>20,497</td>
</tr>
<tr>
<td>Contributions receivable, net</td>
<td>6,639,563</td>
<td>6,085,330</td>
</tr>
<tr>
<td>Escrows receivable</td>
<td>189,399</td>
<td>205,889</td>
</tr>
<tr>
<td>Inventory</td>
<td>77,363</td>
<td>79,173</td>
</tr>
<tr>
<td>Other assets</td>
<td>424,560</td>
<td>454,439</td>
</tr>
<tr>
<td>Pooled endowment funds</td>
<td>119,528,125</td>
<td>99,097,957</td>
</tr>
<tr>
<td>Other long term investments</td>
<td>29,365,174</td>
<td>31,805,809</td>
</tr>
<tr>
<td>Total assets</td>
<td>$169,213,410</td>
<td>$144,053,329</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Due to the University of Alaska</td>
<td>$1,920,407</td>
<td>$1,634,622</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>272</td>
<td>540</td>
</tr>
<tr>
<td>Remainder trust obligations</td>
<td>331,739</td>
<td>346,364</td>
</tr>
<tr>
<td>Term endowment liability</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>3,252,418</td>
<td>2,981,526</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>43,757,289</td>
<td>37,228,379</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>71,759,108</td>
<td>56,212,188</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>50,444,595</td>
<td>47,631,236</td>
</tr>
<tr>
<td>Total net assets</td>
<td>165,960,992</td>
<td>141,071,803</td>
</tr>
<tr>
<td>Total liabilities and net assets</td>
<td>$169,213,410</td>
<td>$144,053,329</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the financial statements.
## University of Alaska Foundation

### Statements of Activities

For the Years Ended June 30, 2007 and 2006

### Revenues, Gains and Other Support

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>2007</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$4,150,193</td>
<td>$13,035,229</td>
<td>$2,850,185</td>
<td>$20,033,607</td>
<td>$5,084,053</td>
<td>$10,868,330</td>
<td>$2,266,503</td>
<td>$18,218,886</td>
</tr>
<tr>
<td>Investment income</td>
<td>1,832,691</td>
<td>1,914,824</td>
<td>-</td>
<td>3,747,515</td>
<td>1,513,066</td>
<td>1,721,348</td>
<td>-</td>
<td>3,234,414</td>
</tr>
<tr>
<td>Net realized and unrealized investment gains</td>
<td>4,512,365</td>
<td>12,670,683</td>
<td>-</td>
<td>17,183,048</td>
<td>2,156,903</td>
<td>6,900,657</td>
<td>-</td>
<td>9,057,560</td>
</tr>
<tr>
<td>Other revenues</td>
<td>941</td>
<td>124,844</td>
<td>-</td>
<td>125,785</td>
<td>714</td>
<td>101,994</td>
<td>-</td>
<td>102,708</td>
</tr>
<tr>
<td>Actuarial adjustment of remainder trust obligations</td>
<td>-</td>
<td>(1,500)</td>
<td>(7,151)</td>
<td>(8,651)</td>
<td>-</td>
<td>(726)</td>
<td>30,479</td>
<td>29,753</td>
</tr>
<tr>
<td>Losses on disposition of other assets</td>
<td>(23)</td>
<td>(83,145)</td>
<td>(98)</td>
<td>(83,268)</td>
<td>-</td>
<td>(22,985)</td>
<td>(140)</td>
<td>(23,125)</td>
</tr>
<tr>
<td>Administrative assessments</td>
<td>340,197</td>
<td>(130,951)</td>
<td>(17,222)</td>
<td>192,024</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Support from University of Alaska</td>
<td>830,000</td>
<td>-</td>
<td>-</td>
<td>830,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net assets released from restriction</td>
<td>11,744,234</td>
<td>(11,744,234)</td>
<td>-</td>
<td>-</td>
<td>13,038,023</td>
<td>(13,038,023)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total revenues, gains and other support</td>
<td>23,410,596</td>
<td>15,783,750</td>
<td>2,825,714</td>
<td>42,020,060</td>
<td>21,792,759</td>
<td>6,530,595</td>
<td>2,296,842</td>
<td>30,620,196</td>
</tr>
</tbody>
</table>

### Expenses and Distributions

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenses</td>
<td>1,620,368</td>
<td>-</td>
<td>-</td>
<td>1,620,368</td>
</tr>
<tr>
<td>Distributions for the benefit of the University of Alaska</td>
<td>15,510,503</td>
<td>-</td>
<td>-</td>
<td>15,510,503</td>
</tr>
<tr>
<td>Total expenses and distributions</td>
<td>17,130,871</td>
<td>-</td>
<td>-</td>
<td>17,130,871</td>
</tr>
<tr>
<td>Excess of revenues over expenses</td>
<td>6,279,725</td>
<td>15,783,750</td>
<td>2,825,714</td>
<td>24,889,189</td>
</tr>
<tr>
<td>Transfers between net asset classes</td>
<td>249,185</td>
<td>(236,830)</td>
<td>(12,355)</td>
<td>-</td>
</tr>
<tr>
<td>Increase in net assets</td>
<td>6,528,910</td>
<td>15,546,920</td>
<td>2,813,359</td>
<td>24,889,189</td>
</tr>
<tr>
<td>Net assets, beginning of year</td>
<td>37,228,379</td>
<td>56,212,188</td>
<td>47,631,236</td>
<td>141,071,803</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>$43,757,289</td>
<td>$71,759,108</td>
<td>$50,444,595</td>
<td>$165,960,992</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the financial statements.
# University of Alaska Foundation

## Statements of Cash Flows

For the Years Ended June 30, 2007 and 2006

<table>
<thead>
<tr>
<th>category</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions received</td>
<td>$16,436,334</td>
<td>$16,473,899</td>
</tr>
<tr>
<td>Investment income received</td>
<td>3,825,252</td>
<td>3,284,989</td>
</tr>
<tr>
<td>Distributions for the benefit of the University of Alaska</td>
<td>(15,234,167)</td>
<td>(16,251,938)</td>
</tr>
<tr>
<td>Cash paid for operating expenses</td>
<td>(1,321,274)</td>
<td>(762,967)</td>
</tr>
<tr>
<td>Other receipts</td>
<td>958,871</td>
<td>446,270</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>4,665,016</td>
<td>3,190,243</td>
</tr>
</tbody>
</table>

| **Cash Flows from Investing Activities:**          |               |               |
| Net increase in investments                        | (429,992)     | (4,013,027)   |
| Receipts from disposition of assets                | 16,490        | 520,418       |
| Net cash used in investing activities              | (413,502)     | (3,492,609)   |

| **Cash Flows from Financing Activities:**          |               |               |
| Contributions restricted for permanent investment  | 2,534,490     | 2,689,052     |
| Investment income on charitable remainder trusts   | 40,634        | 5,518         |
| Payment of charitable remainder trust obligations  | (63,910)      | (17,256)      |
| Net cash provided by financing activities           | 2,511,214     | 2,677,314     |

| **Net Increase in Cash and Cash Equivalents:**     |               |               |
| Net increase in cash and cash equivalents           | 6,762,728     | 2,374,948     |
| Cash and cash equivalents, beginning of year        | 6,168,989     | 3,794,041     |
| Cash and cash equivalents, end of year              | $12,931,717   | $6,168,989    |

## Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities:

<table>
<thead>
<tr>
<th>category</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>$24,889,189</td>
<td>$14,535,202</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions of noncash assets</td>
<td>(465,577)</td>
<td>(147,167)</td>
</tr>
<tr>
<td>Net realized and unrealized investment gains</td>
<td>(17,183,048)</td>
<td>(9,057,560)</td>
</tr>
<tr>
<td>Loss on disposition of other assets</td>
<td>83,268</td>
<td>23,125</td>
</tr>
<tr>
<td>Non-cash operating expenses</td>
<td>4,786</td>
<td>10,287</td>
</tr>
<tr>
<td>Non-cash distributions to the University of Alaska</td>
<td>94,099</td>
<td>61,254</td>
</tr>
<tr>
<td>Contributions restricted for permanent investment</td>
<td>(2,534,490)</td>
<td>(2,689,052)</td>
</tr>
<tr>
<td>Actuarial adjustment of remainder trust obligations</td>
<td>8,651</td>
<td>(29,753)</td>
</tr>
</tbody>
</table>

| Changes in assets and liabilities:                                     |               |               |
| (Increase) decrease in interest receivable                             | 77,737        | 50,575        |
| (Increase) decrease in contributions receivable                        | (596,926)     | 1,420,099     |
| (Increase) decrease in inventory                                       | 1,810         | 1,681         |
| Increase (decrease) in due to the University of Alaska                 | 285,785       | (973,877)     |
| Increase (decrease) in other liabilities                               | (268)         | (14,571)      |
| Net cash provided by operating activities                               | $4,665,016    | $3,190,243    |

## Noncash Investing Activity

<table>
<thead>
<tr>
<th>category</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions of investment assets</td>
<td>$355,995</td>
<td>$98,441</td>
</tr>
<tr>
<td>Remainder trust securities received as trustee</td>
<td>-</td>
<td>$658,726</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the financial statements.
1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION
The University of Alaska Foundation (foundation) was established May 30, 1974 to solicit donations and to hold and manage such assets for the exclusive benefit of the University of Alaska. The foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

In preparing the financial statements, management is required to make estimates that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the statement of financial position and revenue and expenses for the period. Actual results could differ from those estimates. The more significant accounting and reporting policies and estimates applied in the preparation of the accompanying financial statements are discussed below.

BASIS OF PRESENTATION
These financial statements are prepared on the accrual basis of accounting and focus on the foundation’s resources and activities as a whole. Net assets and revenues, expenses, distributions, gains and losses are classified based on the existence or absence of donor-imposed or other external restrictions. Accordingly, net assets of the foundation and changes therein are classified and reported as follows:

- **Unrestricted net assets**: Assets, net of related liabilities, which are not subject to donor-imposed or other external restrictions.
- **Temporarily restricted net assets**: Assets, net of related liabilities, which are subject to donor-imposed or other external restrictions that may or will be met by actions of the foundation and/or the passage of time and unconditional promises to give that are due in future periods and are not permanently restricted.
- **Permanently restricted net assets**: Assets, net of related liabilities, which are subject to donor-imposed or other external restrictions and will be held in perpetuity by the foundation.

Revenues are reported as increases in unrestricted net assets, unless use of the earnings is subject to donor-imposed or other external restrictions. Gains and losses on investments and other assets and changes in liabilities are reported as increases or decreases in unrestricted net assets, unless subject to donor-imposed or other external restrictions. Expirations of temporary restrictions on net assets through expenditure for the stipulated purpose or the passage of the stipulated time period are reported as reclassifications between the applicable classes of net assets. Expenses and distributions are reported as decreases in unrestricted net assets.

BASIS OF ACCOUNTING
The foundation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is a procedure by which resources are classified for accounting purposes in accordance with activities or objectives as specified by donors, with restrictions or limitations imposed by sources outside the institution, or with directions issued by the governing board.

All investments, not held for long-term investment, with original maturities of three months or less are reported as cash and cash equivalents.

Investments in fixed income and equity marketable securities are stated at fair value based on quoted market prices. Investments in private partnership interests are valued using the most current information provided by the general partner. General partners typically value privately held companies at cost as adjusted based on recent arms’ length transactions. Public companies are valued using quoted market prices and exchange rates, if applicable. Real estate partnerships and funds are valued based on appraisals of properties held and conducted by third-party appraisers retained by the general partner or investment manager. General partners of marketable alternatives provide values based on quoted market prices and exchange rates for publicly held securities and valuation estimates of derivative instruments. General partners of oil and gas partnerships use third-party appraisers to value properties. Valuations provided by the general partners and investment managers are evaluated by management and management believes such values are accurate at June 30, 2007. Other investments, which consist of equity collateralized debt obligations, are stated at cost. When, in the opinion of management, there has been a permanent impairment in the asset value, the asset is written down to its fair value. Income from other investments is recognized when received.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statement of net assets.

At June 30, 2007, the foundation had approximately $58.2 million in investments which were not readily marketable. These investments represent 23.6% of total investments and 23% of net assets at June 30, 2007. These investment instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of regulatory oversight, dependence upon key individuals, and non-disclosure of portfolio composition. Because these investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed. Such difference could be material.

The net realized and unrealized appreciation (depreciation) in fair value of investments is reflected in the statement of activities. Income and net gains on investments of endowment and similar funds are generally reported as increases in permanently restricted net assets if the terms of the respective gift require that they be added to the principal of a permanent endowment; as increases in temporarily restricted net assets if the terms of the gift impose restrictions on the use of the income; or as increases in unrestricted net assets in all other cases. Losses on the investments of a donor-restricted endowment fund reduce temporarily restricted net assets to the extent that donor-imposed temporary restrictions on net appreciation of the fund have not been met before the loss occurs. Any remaining losses are classified as underwater endowment losses and reduce unrestricted net assets. Subsequent gains that restore the fair value of the assets of the endowment fund to the required level are classified as increases in unrestricted net assets.

Noncash assets are stated at cost basis. The carrying value of donated assets other than marketable securities represents the fair value of the asset as determined by independent appraisal or management’s estimate at the time of receipt or contribution. Inventories of artworks and books for sale are stated at the lower of cost (first-in, first-out method) or market.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions expected to be received one year or more in the future are discounted at a discount rate commensurate with the risks involved. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management’s judgment including such factors as prior collection history, type of contribution, and nature of fund-raising activity.

Contributions received for memorials or prospective endowments that have not yet met the minimum requirements for acceptance as an endowment are accumulated in temporarily restricted accounts. The accumulated contributions are transferred to permanently restricted endowment accounts when the minimum requirements are fulfilled. If the requirements are not fulfilled, consistent with the conditions of acceptance, the contributions are expended for the purpose received.

2. CASH AND CASH EQUIVALENCES
Cash and cash equivalents include the following:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Items in transit, non interest bearing</td>
<td>$3,274,068</td>
<td>$3,530,979</td>
</tr>
<tr>
<td>Interest bearing funds</td>
<td>9,657,449</td>
<td>2,638,010</td>
</tr>
<tr>
<td>$12,931,517</td>
<td>$6,168,989</td>
<td></td>
</tr>
</tbody>
</table>

3. SHORT TERM INVESTMENTS
Short term investments consist of donated marketable securities valued at 50 and $20,498 at June 30, 2007 and 2006, respectively.
4. CONTRIBUTIONS RECEIVABLE

Unconditional promises to make contributions are included in the financial statements as contributions receivable and temporarily restricted revenue. Contributions receivable as at June 30, 2007 and 2006 were recorded at the discounted present value of the future cash flows using a discount rate of 5% through June 30, 2002, 2.5% from July 1, 2002 through June 30, 2005, and 5% after that date. Contributions receivable are expected to be realized in the following periods:

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>in one year or less</td>
<td>$5,411,864</td>
<td>$4,945,770</td>
</tr>
<tr>
<td>between one year and five years</td>
<td>$1,211,528</td>
<td>1,263,722</td>
</tr>
<tr>
<td>more than five years</td>
<td>217,533</td>
<td>217,533</td>
</tr>
<tr>
<td>Discount</td>
<td>(198,476)</td>
<td>(124,752)</td>
</tr>
<tr>
<td>Allowance for uncollectible accounts</td>
<td>(884)</td>
<td>(11,410)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,289,363</strong></td>
<td><strong>$6,085,330</strong></td>
</tr>
</tbody>
</table>

Included in contributions receivable was $4.9 million and $3.7 million at June 30, 2007 and 2006, respectively, due pursuant to a charter agreement between certain oil companies and the State of Alaska. The agreement provides that annually, these oil companies will designate an amount based on aggregate net Alaska liquids production after royalty and for the West Texas Intermediate crude oil for funding charitable organizations and causes within Alaska. The agreement specifies that 30% of this amount shall be given to the University of Alaska Foundation and the remainder to general community needs. Commitments applicable to any periods subsequent to June 30, 2007 have not been formally communicated to the foundation, nor are they reasonably estimable and are therefore not included in the accompanying financial statements.

5. EQUITY RECEIVABLE

The foundation’s escrows receivable are secured by deeds of trust from land sales, payable in monthly installments including interest of 7.25% to 10%.

6. REAL PROPERTY

Under a cooperative agreement with the University of Alaska, the net proceeds from the sale of gifted real estate by the university, unless otherwise specified by the donor or the university president, will be transferred to the foundation to be managed in accordance with donor intent. Proceeds transferred to the foundation were $0 and $327,818 for the years ended June 30, 2007 and 2006, respectively.

7. POOLED ENDOWMENT FUNDS

Effective July 1, 1997, management of the university’s land grant trust fund was transferred from the State Department of Revenue to the university. The foundation and the university agreed to consolidate the foundation’s pooled endowment funds and the university’s land grant trust funds into a Consolidated Endowment Fund (fund) for investment purposes.

The foundation’s investment represents 45% and 44% of the total fund at June 30, 2007 and 2006, respectively. The fund is managed by the foundation’s investment committee under the “total return” concept of investment management. Proceeds transferred to the fund are managed in accordance with donor intent.

8. OTHER LONG TERM INVESTMENTS

Other long term investments include the following:

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$20,662</td>
<td>$25,302</td>
</tr>
<tr>
<td>Fixed income securities</td>
<td>28,384,792</td>
<td>31,218,144</td>
</tr>
<tr>
<td>Equity securities</td>
<td>633,520</td>
<td>512,363</td>
</tr>
<tr>
<td>Real estate partnerships</td>
<td>326,400</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29,365,174</strong></td>
<td><strong>31,805,809</strong></td>
</tr>
</tbody>
</table>

Investment custodial and management fees for other long term investments totaled $50,702 and $45,435 for the years ended June 30, 2007 and 2006, respectively. These fees have been included as reductions to investment income.

9. SPLIT INTEREST OBLIGATIONS

The foundation has established charitable remainder trust and charitable gift annuity plans. These plans specify that donors may contribute assets to the foundation in exchange for the right to receive a fixed dollar amount for a specified period of time. The difference between the amount of the gift and the present value of the liability for future payments, determined on an actuarial basis, is recognized as a contribution at the date of the gift. The split interest obligations are revalued annually and any resulting actuarial gain or loss is recorded as a change in net assets.

10. TERM ENDOWMENT LIABILITY

In July 1997 the foundation accepted a term endowment. Earnings from the endowment are restricted for the maintenance of a student housing facility. The agreement with the donor requires the original principal of the endowment to remain in trust until April 30, 2030 at which time the original principal and the unexpended earnings, if any, will be returned to the donor. The original principal of $1,000,000 is recorded as a liability at June 30, 2007 and 2006.

11. NET ASSETS

Unrestricted net assets consisted of the following:

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available for current operations - amounts not designated by management for specific purposes or subject to donor-imposed restrictions</td>
<td>$7,425,734</td>
<td>$5,604,321</td>
</tr>
<tr>
<td>Designated for specific purposes - spendable earnings of quasi endowment funds and amounts designated for specific purposes by management</td>
<td>12,298,314</td>
<td>12,006,936</td>
</tr>
<tr>
<td>Quasi endowments - corpus of board designated endowment funds</td>
<td>15,984,063</td>
<td>14,364,762</td>
</tr>
<tr>
<td>Unencumbered endowment earnings - accumulated earnings in excess of designated spending limits for quasi endowment funds not subject to donor-imposed restrictions</td>
<td>8,049,178</td>
<td>5,232,340</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$43,257,289</strong></td>
<td><strong>$37,228,379</strong></td>
</tr>
</tbody>
</table>
Temporarily restricted net assets consisted of the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted for specific purposes - spendable earnings of endowment funds and other non-endowment net assets subject to donor imposed restrictions</td>
<td>$ 22,703,744</td>
<td>$ 21,011,333</td>
</tr>
</tbody>
</table>

Unconditional promises to give – contributions receivable in future periods that are not subject to donor imposed restrictions | 4,024,720 | 3,682,246 |

Quasi endowments - corpus of funds subject to donor imposed restrictions designated by the board as endowment funds | 6,952,040 | 4,962,315 |

Endowments - corpus of term funded endowments | 3,660,440 | 3,660,440 |

Unexpended endowment earnings - accumulated earnings in excess of designated spending limits for endowment funds subject to donor-imposed restrictions | 34,418,174 | 22,895,854 |

Permanently restricted net assets consisted of the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowments - corpus of endowment funds required by donor to be invested in perpetuity</td>
<td>$ 49,955,050</td>
<td>$ 47,134,540</td>
</tr>
</tbody>
</table>

Charitable remainder trusts - annuity trusts and unitrusts required by donor to be invested in perpetuity | 489,545 | 496,696 |

<table>
<thead>
<tr>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 50,444,695</td>
<td>$ 47,631,236</td>
</tr>
</tbody>
</table>

12. NET ASSETS RELEASED FROM RESTRICTION

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose, collecting payment on unconditional promises to give or by occurrence of other events specified by donors.

13. DISTRIBUTIONS FOR THE BENEFIT OF THE UNIVERSITY OF ALASKA

Distributions for the benefit of the University of Alaska, by functional classification, for the years ended June 30, 2007 and 2006 were as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Alaska Anchorage</td>
<td>3,520,363</td>
<td>3,072,987</td>
</tr>
<tr>
<td>Engineering</td>
<td>$ 520,708</td>
<td>$ 486,536</td>
</tr>
<tr>
<td>General</td>
<td>3,520,363</td>
<td>3,072,987</td>
</tr>
<tr>
<td>Liberal arts, human and rural development</td>
<td>113,283</td>
<td>54,919</td>
</tr>
<tr>
<td>Library</td>
<td>13,946</td>
<td>7,955</td>
</tr>
<tr>
<td>Management, business administration</td>
<td>174,821</td>
<td>200,054</td>
</tr>
<tr>
<td>Research</td>
<td>82,883</td>
<td>90,436</td>
</tr>
<tr>
<td>Student aid</td>
<td>684,926</td>
<td>773,013</td>
</tr>
<tr>
<td>Total</td>
<td>5,112,930</td>
<td>4,596,740</td>
</tr>
</tbody>
</table>

University of Alaska Fairbanks

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering</td>
<td>46,772</td>
<td>20,788</td>
</tr>
<tr>
<td>General</td>
<td>3,583,154</td>
<td>2,184,618</td>
</tr>
<tr>
<td>KUAC radio and television</td>
<td>842,092</td>
<td>846,226</td>
</tr>
<tr>
<td>Liberal arts, human and rural development</td>
<td>186,310</td>
<td>96,568</td>
</tr>
<tr>
<td>Library</td>
<td>150,267</td>
<td>73,960</td>
</tr>
<tr>
<td>Management, business administration</td>
<td>76,935</td>
<td>1,428</td>
</tr>
<tr>
<td>Museum</td>
<td>1,010,461</td>
<td>3,391,008</td>
</tr>
<tr>
<td>Natural sciences, agriculture and land resources</td>
<td>201,074</td>
<td>159,910</td>
</tr>
<tr>
<td>Research</td>
<td>777,849</td>
<td>581,262</td>
</tr>
<tr>
<td>Student aid</td>
<td>1,315,330</td>
<td>1,549,703</td>
</tr>
<tr>
<td>Total</td>
<td>8,190,244</td>
<td>8,307,473</td>
</tr>
</tbody>
</table>

14. ASSETS HELD IN TRUST BY OTHERS

The University of Alaska is a beneficiary of The Bentley Beneficiaries Trust which is managed by an independent trustee. In accordance with University of Alaska policy, the university’s interest in this trust will accrue to the foundation. Distributions from the trust have been recorded by the foundation as unrestricted income during the period the distributions were received. Management’s estimate of fair value of the university’s undivided one-eighth (12.5%) interest in the trust at June 30, 2007 and 2006 is approximately $0.8 and $0.4 million, respectively. The principal of the trust has not been recorded in the accounts of the university or the foundation.

The foundation is a remainder beneficiary of The Metcalf Family Trust which is managed by an independent trustee. Management’s estimate of fair value of the foundation’s undivided one-half (50%) interest in the trust was approximately $0.5 and $0.4 million at June 30, 2007 and 2006, respectively. Since the foundation does not have control over the trust assets and cash flows cannot be reasonably estimated, the principal of the trust has not been recorded in the accounts of the foundation.

The University of Alaska is a remainder beneficiary of The Anthony John Nordale Trust and The Anthony John Nordale Reserve Trust. These trusts are managed by an independent trustee. In accordance with University of Alaska policy, the university’s interest in these trusts will accrue to the foundation. Management’s estimate of fair value of the university’s undivided one-half (50%) interest in the Anthony John Nordale Reserve Trust at June 30, 2007 and 2006 is approximately $0.4 and $0.3 million, respectively. Management’s estimate of fair value of the university’s undivided one-half (50%) interest in the Anthony John Nordale Trust at June 30, 2007 and 2006 is approximately $0.1 million and $0.9 million, respectively. Since neither the university nor the foundation have control over the trust assets and cash flows cannot be reasonably estimated, the principal of the trusts has not been recorded in the accounts of the university or the foundation.

15. ADMINISTRATIVE ASSESSMENTS

Beginning July 1, 2006, the foundation charges assessments to cover administrative and fundraising expenses as follows.

Gifts – All cash gifts are assessed 1% of the gift value at the time of the gift. Non-cash gifts are assessed 1% at the time of conversion to cash by the foundation, based on the proceeds received.

Endowments – 1% is assessed by the foundation annually based on the asset valuation at the end of the previous calendar year.

Land Grant Trust Fund Assets – 16% is assessed by the foundation annually based on the asset valuation of the university’s land grant trust fund assets invested by the foundation as of the end of the previous calendar year.

16. RELATED PARTY TRANSACTIONS

The University of Alaska provided payment to the foundation in the amount of $0.8 million for institutional support during the year ended June 30, 2007. The university also provided administrative and accounting support for the foundation. In an effort to become more self-sufficient, the foundation reimbursed the university $4.6 and $0.7 million for these services for the years ended June 30, 2007 and 2006, respectively. These reimbursements are included in the statements of activities as operating expenses.
The University of Alaska Foundation is a public nonprofit corporation, operated as a public charity, which was established in 1974 to solicit, manage and invest donations for the exclusive benefit of the University of Alaska. The Foundation is a tax exempt organization as described in Subsection 501 (c) (3) of the Internal Revenue Code. Donations made to the Foundation are deductible according to schedules established under income and estate tax regulations.

The Foundation is legally separate and distinct from the University of Alaska and is organized under its own Articles of Incorporation and Bylaws. It is governed by its own Board of Trustees which establishes the Foundation’s investment policy, manages donated property and oversees the distribution of the Foundation’s assets to its sole beneficiary, the University of Alaska.