At age 31, Kevin Schneck ’09 is older than our typical undergraduates, has a wife and child, and served on active military duty in Iraq before attending Bucknell. But in many ways, Kevin is like most Bucknell students. He earned a scholarship to attend the University, through our community college transfer partnership with the Jack Kent Cooke Foundation. He also received a scholarship grant from Ken Langone ’57. He enrolled with a stellar academic record and has taken advantage of the myriad opportunities Bucknell offers. He exemplifies, in fact, what can happen at a university committed to investing in people, as this report describes.

An international relations major, Kevin is focusing on Asian studies. He has earned a place on the dean’s list two out of three semesters, is a member of the Korean Students Association, and did two summer internships. He has overcome his worries about the difficulty of studying a second language as an adult by taking Japanese. He has attended presentations by visiting lecturers and community meetings on topics such as the discovery of natural gas in northern Pennsylvania. He goes to as many Bison sporting events as he can, and has enjoyed performances by such artists as Da’ak, a Korean dance troupe. He has made some great friends.

Capitalizing on the opportunities available here, students like Kevin reinvigorate our commitment to marshaling our ideas and resources as people who care about the value of this institution today, and what it shall become tomorrow.

In this challenging economic time, we remain no less determined to live up to our aspirations, whether through our strategic plan, comprehensive campaign, or campus master plan. The impact of doing so is apparent in students like Kevin. When, in May, he and his fellow graduates in the Class of 2009 carry their Bucknell experience into the world, the meaning of this commitment will become all the more clear. And the people of Bucknell, because of all they do to strengthen this institution, will travel with them.

With thanks for your important role in the life of the University, I present this annual report to you and hope you find it informative.
When Assistant Professor Sharon Garthwaite entered the Bucknell Teaching and Learning Center in fall 2007, she was a new faculty member in the math department who had already distinguished herself as a rising scholar with expertise in number theory. Passionate about teaching, she also knew she needed practice to communicate as effectively as possible with undergraduates.

Through the guidance and support of the TLC, she introduced a new grading rubric that gave her students clear learning goals, established collaborative learning programs within her classes, and became part of the weekly seminars in which Bucknell’s professors draw on their collective experiences to advance the attentive, deliberative teaching skills that set them apart. “The center is already becoming a fundamental part of my life as a teacher here,” says Garthwaite.

But the Teaching and Learning Center is only the start. Since the formal establishment of The Plan for Bucknell in April 2006 by the Board of Trustees, following the unanimous endorsement of the student government and the faculty, the University has implemented 76 Plan tactics, set in motion another 143, and gathered more than 450 ideas for strengthening the work of the University. We have, for example, created an Environmental Center, established a fund to nurture closer working relationships between students and their faculty advisors, implemented a four-year competitive grant to build a transfer program for outstanding community-college transfer students, and begun developing a College of Management. Plan tactics touch upon every aspect of campus life, from the academic experience to housing, from research centers to athletics and recreation. They are reflected in the information and sample initiatives presented in this report. These tactics emerged from the ideas and imagination of the students, faculty, staff, alumni and parents of the University.
With every step taken in bringing The Plan into reality, these goals become an integrated whole, defining the educational experience that Bucknell offers in the 21st century. The common thread uniting all these investments is how they affect the people of Bucknell – everyone who looks to Bucknell to offer one of the finest learning opportunities available anywhere.

New faculty, new perspectives
One of the top priorities of The Plan, for example, has been hiring 37 new tenure-track faculty in three years so that we could introduce the five-course teaching load. A teaching load defines the number of courses a faculty member teaches per academic year.

By reducing our six-course teaching load, we will give every faculty member more time to spend working with students and on research and scholarship. Most of our peer institutions limit their teaching load to a maximum of five courses, and our ability to do the same makes us all the more competitive. The Plan is making a difference in how Bucknell invests in people, as the five-course load reflects.

Students entering the theatre classes of Assistant Professor Anjalee Deshpande-Nadkarni, for example, will study more than the finer points of acting. An accomplished actor and director, she challenges each class with a problem in a topic such as social justice, and guides the students as they develop solutions by putting together a public performance from start to finish.

“They have to make their own guidelines,” Deshpande-Nadkarni observes. “That’s what I think higher education should be. It challenges them to create a problem-solving technique for themselves. They need to do that as leaders.”

Measurable success
Besides enhancing the quality of the living and learning experience at Bucknell day to day, The Plan has also made a difference in key metrics that help to define Bucknell’s competitive standing.

“We as trustees,” says Board of Trustees Chair Susan J. Crawford ’69, “have set specific metrics for The Plan for Bucknell that we aim to hold ourselves accountable, to track progress and adjust our actions where we need to, and ultimately to spur ourselves as a university to dream bigger and go even further than we might otherwise imagine in strengthening Bucknell.”

The University has already surpassed, for example, what only a couple of years ago was an ambitious goal in our admissions yield rate, which defines the number of first-time, first-year students who matriculate each fall as a percentage of the students offered admission. Yield rates indicate how many students consider a university their first choice for college, and are a meaningful commentary on perceptions of excellence.

In 2006, Bucknell’s yield rate was 31 percent. In 2008, the Board of Trustees targeted a yield rate of 39 percent for 2016. This year, our yield rate reached 40 percent, a level of success attained by few institutions in higher education. In addition, since passage of The Plan, we have reduced our student-faculty ratio from 12:1 to 11:1. This change is a direct result of the University’s commitment to the five-course teaching load. This change is also significant because student-faculty ratio is a critical marker of individual attention to students.

The percentage of alumni contributing financially to the University has also risen as the comprehensive campaign that is securing Bucknell’s financial future continues (see page 11). We rely on our donors to support the University. Without them Bucknell would not be the distinguished institution it is today, and without them we will not fulfill the ambitious vision articulated in The Plan: “to offer the premier undergraduate experience in American higher education.”

The Plan for Bucknell has set our sights high, but with the continued passion and commitment of Bucknellians near and far, we will achieve its goals and all they mean for the future.

Investing in People: The Plan for Bucknell

Student-faculty ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>12:1</td>
</tr>
<tr>
<td>2008</td>
<td>11:1</td>
</tr>
</tbody>
</table>

The Susquehanna River Initiative

Just as the branches of the Susquehanna River converge near the Bucknell campus, the ideas of students and professors are converging in a new program that centers on this powerful resource.

The Susquehanna River Initiative focuses on learning, research and community outreach activities related to the ecology of North America’s longest non-navigable river, the major source of fresh water for the Chesapeake Bay. The project is supported by a four-year, $450,000 grant from the Henry Luce Foundation’s program in Public Policy and the Environment. The grant will culminate in 2010 with the “Semester on the Susquehanna” program, which will offer students an intensive learning experience that combines field research, natural history and the humanities.

Co-directed by professors Peter Wirthszen and Craig Kochel, the SRI is developing a research program in watershed science and humanities, an interdisciplinary teaching curriculum, and environmental outreach to groups and programs beyond campus, such as an annual river symposium for the community.

“Bucknell’s riverfront location, liberal arts curriculum and tradition of strong student-faculty relationships serve the initiative well. We’re capitalizing on these advantages and providing students with hands-on learning experiences usually reserved for the graduate level,” says Kochel.
The five goals of The Plan

1. Strengthen the academic core
2. Deepen the residential learning experience
3. Enhance diversity
4. Build bridges
5. Secure our financial future

Tactic status by strategy

**Strengthen the academic core**
- Tactic received: 8
- Business plan progressing: 27

**Deepen the residential learning experience**
- Tactic received: 44
- Business plan progressing: 5
- Implementation progressing: 2

**Enhance diversity**
- Tactic received: 25
- Business plan progressing: 16
- Implementation progressing: 7

**Build bridges**
- Tactic received: 37
- Business plan progressing: 11
- Implementation progressing: 6
- Implementation complete: 17

**Secure our financial future**
- Tactic received: 34
- Business plan progressing: 6
- Implementation progressing: 7
- Implementation complete: 15
Yet times like these tend to heighten the impact that donors can have on the lives of those served by their generosity. American higher education is an engine for talent, economic growth and cultural opportunity that is the envy of the world. The campaign offers a special means for donors to strengthen Bucknell and, through our graduates, our society.

All donors, in fact, are helping students with whom they have much in common: individuals determined to succeed and serve, who are gaining the sense of confidence and perspective that comes from studying at one of the finest universities in the country.

Eighteen months into the largest fundraising campaign in Bucknell’s history, alumni, parents, grandparents, friends and other donors have committed more than $100 million in new resources — or one-fourth of the $400 million campaign goal. In addition, record levels of new state and federal support have contributed another $15 million.

We proceed now amid great economic turmoil.

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The impact of donor support
More than 26,021 individuals have already contributed to the campaign. As a result, 12 fully funded new scholarships have been put into place, three endowed faculty positions have been initiated to recruit and retain the finest teacher-scholars, and new internships and new research funds have been set in motion. The human difference of the campaign is considerable, and it has only begun.

We are grateful for the generosity, leadership and thoughtfulness of every one of our donors to the life and success of Bucknell.

Campaign progress

$100 million

$400 million goal

(as of January 2009)
For some donors, giving means recognizing that when times are tough, those without adequate resources need the scholarship support that comes from private gifts. In fact, 50 percent of our students receive financial aid, indicating the magnitude of the need.

Other donors prioritize investments in the academic core. The campaign offers opportunities to support professorships that secure the finest teacher-scholars at Bucknell, scholars-in-residence who offer visiting talent, and specific academic programs. It offers opportunities to pool resources with others so that new curricular initiatives can go forward at a level of participation that would be impossible without private support.

Others find greatest meaning in supporting high-impact extracurricular programs and the teaching, research and athletic spaces that make Bucknell such a vibrant institution. In fact, every building and every athletic and recreational space on campus has in some way been improved over the years through the generosity of donors.

Pride and potential

Across this campaign, the Bucknell community is joining together to set Bucknell apart, draw the best students and faculty from around the world, and prepare them to succeed and serve at an exceptional level.

Two charts on the opposite page indicate this promise. The top chart shows the percentage of alumni who contribute financially to the University, which has risen from 33 percent to 37 percent in the past two years. This is a meaningful marker of the sense of pride and expectation our alumni have for Bucknell. Although many of our peers enjoy a higher level of alumni participation, our alumni are rising to the challenge and becoming part of the University’s financial future to a greater degree than ever before.

The middle charts on page 11 suggest how important such participation can be. As private giving has increased our endowment over the past 20 years, the percentage of our budget dependent on tuition has decreased. Such a change has made Bucknell affordable for more students than it otherwise would be. Today, the average Bucknell student graduates with only $17,000 in total loan obligations, far less than at most of our peers, while almost half of our students receive some form of financial aid.

Still, we are too dependent on tuition, and must attain our campaign goals, including for scholarships, to ensure access and opportunity for all fully qualified students. In any economic situation, but notably in tough times, private donors can make all the difference in the ability of students to afford Bucknell and the ability of the University to fulfill its role in society.

“Private giving has a powerful impact on Bucknell,” says Trustee Ken Freeman ’72, “We are proud to contribute to the campaign because the Bucknell experience has meant so much to us, and because we know how much of a difference giving will make for current and future Bucknellians.”

A culture of giving

As important as the campaign is to Bucknell’s impact, it is but one part of the culture of giving that is so important to the life of the Bucknell community. Bucknell is strong because of alumni, parents, grandparents and friends who support the University in multiple ways – as class reporters and hosts of Bison gatherings, as admissions volunteers and through Bucknell clubs, as participants in the B-Link online alumni community and as internship sponsors, as trustees and members of advisory boards, and in many more volunteer roles. We are grateful to them.

Investing in People: Campaign Update

Luce Foundation invests in women engineers

Grants awarded to Bucknell indicate a positive view of the University’s accomplishments and confidence in its potential. The College of Engineering was recently honored with $400,000 grant from the Henry Luce Foundation, which counts toward the campaign total.

Women comprise 27 percent of the college – well over the national average of 17 percent. But it was the college’s exceptional retention rate of more than 80 percent that caught the attention of the foundation last fall. Its Clare Boothe Luce Program awarded Bucknell a five-year grant for 20 scholarships for women engineering majors.

The scholarships will be given to first-year students to help Bucknell attract and retain the very best students, according to James Orbison, dean of the college. Bucknell’s Office of Admissions will match the grant with $1.2 million in scholarships, which will be awarded based on merit.

The culture of giving at Bucknell has many meanings – giving of time, ideas, energy and enthusiasm, and, yes, resources that will strengthen this campaign and Bucknell. As we look ahead to the public phase of the campaign, we do so knowing that Bucknellians will again rally around the University that depends upon them to succeed.

Alumni participation

- 33% in 2006
- 37% in 2008

Bucknell operating budget and impact of endowment growth

- 1988: 8.2%, 5.7%, 86.1%
- 1998: 6.8%, 8.9%, 84.3%
- 2008: 5.7%, 16.1%, 78.2%

Private gifts and grants

- Endowment income
- Tuition, fees and other revenues

Campaign designations (in millions)

- $25M: The student experience
- $75M: The faculty
- $125M: Scholarships
- $100M: The campus
- $75M: The academic program

“This campaign is a testament to generations of Bucknellians, their consistent generosity and their understanding of the value of a Bucknell education. But this is more than a quid pro quo. A campaign speaks to a shared sense of responsibility and pride, a shared sense that the Bucknell we all appreciate requires private giving – and that every Bucknellian can share in the impact of the University year after year, generation after generation.”

Jackie Denning ’10
Mechanical engineering

Ken Freeman ’72

Sam Lundquist, Vice President for Development and Alumni Relations
“Words cannot describe the sincere gratitude I have for the [Myles] Sampson Family Scholarship. The opportunities I have been given go so far beyond the classroom. I have been able to broaden my horizons by traveling to Nicaragua as part of the Bucknell Brigade, working in a homeless shelter, teaching in Amish schools and meeting students from all across the world. I am so grateful for every day I have been given here at Bucknell.”
In the early 1930s, the United States grappled with staggering unemployment, economic disaster and geopolitical unrest overseas. Here in Lewisburg, Bucknell suffered a particular tragedy when the heart of campus, Old Main, burned to the ground.

Yet despite all the challenges of the era, the University had the foresight to appreciate that bad times do end and the determination to forge ahead.

In 1932, Bucknell established the Larson Plan, a visionary view of the future campus. Created by the noted campus master planner Jens Larson, this plan guided the evolution of campus buildings and space for the rest of the century, and carried the University through some of its greatest challenges.

Today Bucknell is again seizing the opportunity to prepare for future generations by expanding upon the Larson Plan. Approved in 2008 by the Board of Trustees, the new campus master plan gives University leaders the opportunity to carry forward the many fine features of today’s campus into a new landscape that will support student life and learning for decades to come.
Expanding Larson's vision

To achieve this goal, Bucknell hired one of the country’s finest campus planning firms, Shingleys Biffen Richardson & Abbott, to evaluate every space on campus, compare our campus with those of our peer institutions, and conceive what is possible for Bucknell in the decades ahead. We have elicited the ideas of faculty, staff and students representing departments across campus. We have looked outward as well, to downtown Lewisburg, the Susquehanna River and Union County, to assess regional growth, real estate and economic trends. Out of these studies and the time and commitment given to them by every campus constituency, the details of the campus master plan for the 21st century have emerged.

The new plan emphasizes better integration of the campus’s academic and nonacademic areas. It envisions a more holistic campus, one whose functional lines are blurred, that meets students where they are and encourages them to play where they learn, socialize where they study, and appreciate and sustain the natural physical environment that surrounds them.

The downtown connection

Decades ago, Bucknell students were deeply connected to downtown Lewisburg. They attended church there, frequented the soda fountains and shopped in the stores. But once the University began providing many of these services, students had fewer reasons to leave campus.

Thanks to the close cooperation of town officials, Bucknell’s new plan will relocate the campus bookstore to Market Street and place downtown about 75 full-time University employees. The bookstore will dramatically expand available book inventory for our students as well as the entire community, and include space for features like an in-store coffee shop. Placing fundraising and related staff downtown will use otherwise empty offices, increase foot traffic downtown, and free campus offices for faculty and staff who must be on campus daily.

Both moves will help protect and preserve the economic viability of downtown Lewisburg and make it an even more vital part of the Susquehanna River corridor – enhancing the campus and firmly establishing Lewisburg as a catalyst for the entire region.

Investing in People

“Larson’s enduring legacy

This campus master plan will finally realize elements Larson dreamed of – including stronger connections to downtown Lewisburg and the Susquehanna River and a conference center. It prioritizes environmental stewardship, regional economic vitality, and use of space to encourage optimum learning. Like Larson’s plan, it capitalizes on existing facilities as well as space where new ideas are possible.

Bucknell originally sought Larson’s guidance after acquiring 170 acres of land. Larson, who had earned his reputation with exemplary work at Dartmouth and Colby, brought to Bucknell ideas of graceful quads and ringed central academic buildings featuring structures for residence halls, dining facilities, a chapel, playing fields and Greek life residences. His vision proved prescient and enduring; as the 20th century unfolded, the majority of his plan was enacted, with minimal changes.

Although higher education evolved dramatically in the decades that followed, the flexibility of Larson’s plan allowed Bucknell to keep up with the changes. Today, the rapid confluence of technology, globalization and diversity demands a new vision, one that prepares the University for the next 75 years while seamlessly connecting to the past.

“Bucknell has a unique sense of place, and we are entrusted to both protect and enlarge it through careful attention on building a campus for the future,” says Susan Hopp, dean of students.

A singular experience

The Bucknell experience is a singular one. Much of our appeal springs from the physical environment of the campus, which has always been one of our greatest assets.

The new master plan seeks to extend and reinforce the charm and grace of campus. We intend to do so with great care so that Bucknell will not only continue to look like Bucknell, but also continue to feel like Bucknell.

“The campus master plan is essential to the continuing success of our students, faculty and staff,” says Provost Mick Smyer. “We are stewards of the ecology of learning and living, now and in the future.”

The characteristic beauty fostered by Larson’s plan will not change. If anything, it will grow stronger even as the University adapts and responds to the needs of its time. Those who benefit from the Bucknell we know and love, especially our students and alumni, will be able to enjoy that experience for decades to come.

As a close-knit residential community, Bucknell is a place where undergraduates develop lasting friendships with classmates, and enduring relationships with faculty and staff which sustain them personally and professionally over a lifetime.”

— The Plan for Bucknell

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— The Plan for Bucknell

“On planning the Bucknell campus for the 21st century, we seek to create greater opportunities for interaction and interdisciplinary work. When programs are adjacent to one another – like international relations and geography, or geography and environmental studies – it facilitates that interdisciplinary approach. In that regard, the campus master plan will directly influence the academic core.”

Abe Feuerstein
Associate professor of education and associate dean of social sciences
“A residential campus is more than the sum of all its parts. As we plan for the future, we must be mindful to build places where community is fostered and learning is at the center of the enterprise.”

– Susan Hopp, Dean of Students

Features of the new campus master plan

■ New academic spaces, most notably an academic quad extending south from Bertrand Library
■ A comprehensive fine arts center
■ Dramatic investments in a variety of laboratories
■ New student housing, with more flexible living arrangements
■ New space for student life, including “hearth spaces” where students and faculty can gather informally, encouraging a seamless learning experience
■ Environmental features such as greenways, a river walk, reduced surface parking and enhanced green space
■ A more efficient use of current buildings
■ More physical connections to downtown Lewisburg and the Susquehanna River to capitalize on our distinctive location
■ A new inn and conference center

An eye to the environment

Environmental stewardship and sustainability, issues of great interest for our students and great potential for academic study, are essential to the new campus master plan. The possibilities include

■ An environmental center for the more than 50 faculty working on related teaching and research programs
■ Underground parking to open more campus space to pedestrians
■ New access points to the river so that students can enjoy this magnificent natural resource for learning and recreation
■ Bike trails that link the campus to neighboring areas to enhance Bucknell’s connection to the community
Today nearly 1,800 students at Bucknell, or about half of those enrolled, receive endowed scholarships, while every student receives what amounts to a “silent scholarship” of approximately $10,000 – the difference between the operating cost to the University per student at Bucknell and the comprehensive fee charged to students. Our goal is to provide every student we enroll the chance to be part of the best possible student community, and endowment makes that fundamental mission achievable.

In simple terms, Bucknell’s endowment can be compared to a savings account. It is a pool of money that is invested to generate a constant stream of income to support the University.

Endowment forms the foundation upon which the nation’s best universities build and sustain excellence. It is, in fact, the single most important financial indicator of an institution’s quality and reputation. As the chart on the next page shows, gifts made 100 years ago are still benefitting Bucknell.

The University spends endowment income at a set annual rate of 4.5 percent and reinvests any additional earnings back into the fund, benefitting Bucknellians of today and tomorrow. This income supports every aspect of the University: scholarships, professorships, library resources, academic programs, facilities improvements, extracurricular learning experiences and more.

Endowment income, supplemented by annual giving, underwrites this expense and makes Bucknell stronger and more affordable.
Reducing tuition dependence

The University relies on three primary sources to cover 97 percent of its operating revenue: tuition and fees, endowment income, and gifts and grants (see chart, page 11). Because the size of a school’s endowment determines interest earned, schools with relatively large endowments enjoy a greater stream of income from investments. They are less dependent on tuition and fees to cover operating expenses, which reduces the need to raise costs for students. To ensure that the University enjoys the same advantages as these institutions in recruiting and educating students, the comprehensive campaign aims to increase Bucknell’s endowment per-student by at least 50 percent. In fact, endowed funds comprise 56 percent of the campaign’s $400 million goal.

Greater educational opportunities

A stronger endowment will allow the University to seize opportunities and fulfill the goals set out by The Plan for Bucknell. For example, increased scholarship resources are the campaign’s top priority (see page 11) because of the impact they have on the experience of the entire student community. Endowed professorships and chairs are essential to The Plan because they are instrumental in retaining and recruiting the best faculty. Endowed funding for classrooms and laboratories, meanwhile, ensures our present and future students the best possible facilities for learning. Other examples include endowment support for the University’s library, a resource at the very heart of Bucknell’s academic life.

A healthy endowment benefits the entire Bucknell community

Alumni enjoy continued appreciation in the value of their degree.

Current students have increased access to scholarships and top-quality resources that define the country’s best liberal arts universities.

Prospective students can have confidence that Bucknell’s quality will continue to grow. Potential applicants also pay attention to college rankings – which are partially determined by endowment per student.

Parents benefit from less institutional dependence on tuition hikes for operating expenses.

Current and prospective faculty members see a clear demonstration of Bucknell’s commitment to enduring academic excellence.

A century of support

An endowment investment of $10,000 made in 1909 could have a 2009 hypothetical market value of $250,000, and cumulative distributions of $300,000 in support of Bucknell students. This chart shows potential value assuming annual investment returns of 8 percent and a 4.5 percent payout.

Comparative per-student endowment, FY2007

A healthy endowment = greater resources to educate students

Strength to weather the storm

Throughout its history, the University has carefully tended its investments to steer its endowment through the most tumultuous financial circumstances. Now, amid difficult global economic conditions, the benefits of firm oversight and good stewardship are clear:

While the value of Bucknell’s endowment has declined 17 percent since the beginning of the fiscal year (to an October 2008 value of $460 million), timely asset reallocation and diversification of the portfolio have mitigated losses in this turbulent market (see charts on page 22).

Endowment liquidity is in good shape. In fact, the endowment ended FY2008 with the largest cash balance in recent history. This enables Bucknell to meet quarterly obligations and provides the freedom to explore new investment opportunities created by market unrest.

Vigilant stewardship of the endowment allows Bucknell to continue to invest in the people, programs and facilities that make this University strong.

In the same way that the earliest donors more than 100 years ago helped create a legacy that benefits today’s students, today’s donors are building the strong endowment that is the foundation of Bucknell’s future. Whatever new fields of study and careers emerge in the 21st century, Bucknellians who contribute to the endowment ensure that Bucknell is ready for generations of students yet to come.
Bucknell's investment process: A case study

The University’s Endowment Office conducts extensive research that informs every endowment investment decision. Here’s how they reached one recent decision.

The Board of Trustees Investment Committee, following an asset allocation study, wanted to increase the fund’s exposure to real estate, yet the U.S. and developed European real estate markets were not attractively valued.

The fund’s consultant recommended a real estate fund that invests in Eastern Europe. Endowment staff then took the following steps:

1. Performed due diligence and identified potential, including making conference calls to the fund CEO and in-country fund managers.
2. Consulted with other colleges and universities that currently invest with the fund manager.
3. Researched World Bank economic forecasts and political and social conditions of countries involved.
4. Consulted with a professor from the Economics Department for an independent perspective on the region and investment thesis.
5. Presented summary of findings to members of the committee, several of whom had personal investment experience in the region and raised additional questions.
6. Hired a consultant to travel to the region to conduct further research.
7. Requested that outside legal counsel review all fund legal documents.
8. Presented to the committee for final review.
9. Acted upon a decision to make an investment to take advantage of compelling opportunity.
10. Performed further follow-up due diligence following the Russian invasion of Georgia by consulting with two Bucknell professors, both of whom have extensive experience living and working in the region.
Fiscal

Prudent management of institutional resources.

Investing in People: The Budget

Operating revenues and expenses

The University’s operating margin since 2000 has averaged more than $5 million annually. These margins have been used to invest in new programs, faculty, scholarships and improved facilities.

2008 operating revenues

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<thead>
<tr>
<th>Source</th>
<th>2008</th>
<th>2007</th>
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<tbody>
<tr>
<td>Private gifts</td>
<td>5.7%</td>
<td>16.1%</td>
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<tr>
<td>Endowment income</td>
<td>16.1%</td>
<td>78.2%</td>
</tr>
<tr>
<td>Tuition, fees, other revenues (net of financial aid)</td>
<td>78.2%</td>
<td>16.1%</td>
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</table>

2008 operating expenses

<table>
<thead>
<tr>
<th>Source</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>General administration, fund raising, other</td>
<td>16.1%</td>
<td>36.4%</td>
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<tr>
<td>Student services, including auxiliary enterprises</td>
<td>36.4%</td>
<td>47.5%</td>
</tr>
<tr>
<td>Instruction, research, academic support</td>
<td>47.5%</td>
<td>16.1%</td>
</tr>
</tbody>
</table>

Assets and liabilities

The University’s balance sheet is well positioned to meet the objectives of The Plan for Bucknell. Assets exceed liabilities by a 7:1 margin. The University’s long-term debt of $42 million is at its lowest level since June 30, 1986. The University’s credit rating is a Aa2, which is one of the highest ratings possible.

<table>
<thead>
<tr>
<th>As of June 30, ($ in millions)</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, investments, and trusts held by others</td>
<td>$ 651</td>
<td>$ 691</td>
</tr>
<tr>
<td>Property and equipment, net of depreciation</td>
<td>216</td>
<td>214</td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Other assets (receivables, inventories)</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Total assets</td>
<td>$ 899</td>
<td>$ 931</td>
</tr>
<tr>
<td>Accounts payable and other current liabilities</td>
<td>$ 26</td>
<td>$ 24</td>
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<tr>
<td>Accrued retiree health care costs</td>
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<tr>
<td>Long-term debt</td>
<td>42</td>
<td>44</td>
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<tr>
<td>Annuities payable and other long-term liabilities</td>
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<tr>
<td>Total liabilities</td>
<td>137</td>
<td>135</td>
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<tr>
<td>Net assets</td>
<td>772</td>
<td>856</td>
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<tr>
<td>Total liabilities and net assets</td>
<td>$ 899</td>
<td>$ 931</td>
</tr>
</tbody>
</table>

Prudent management of institutional resources.

Angelica Scott ’11
Accounting
“A university like Bucknell is built for the long term. It is built to persevere, to serve, to seek and to set an example of excellence regardless of the prevailing conditions. That is what Bucknell has always expected of its young men and women. And that is what we expect of ourselves today — whether for the campaign, for the campus master plan for our living and learning environments, for our work with downtown Lewisburg, for our role in the state or in the nation, or for our commitment to achieving the aspirations of The Plan for Bucknell.”

–President Brian C. Mitchell
Homecoming 2008
Environmental impact estimates were made using the Environmental Defense Paper Calculator. For more information visit http://www.papercalculator.org.

<table>
<thead>
<tr>
<th>trees</th>
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<tbody>
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<td>8</td>
<td>2,793</td>
<td>5</td>
<td>359 pounds</td>
<td>673 pounds</td>
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