

2010  
ENDOWMENT  
REPORT

SMU  
*Unbridled*<sup>SM</sup>

THE SECOND CENTURY CAMPAIGN





As SMU approaches the centennials of its founding in 1911 and its opening in 1915, the University is strengthening its position among national universities by dramatically increasing resources and endowment to support student quality, faculty and academic excellence and SMU's campus experience. SMU is defining a second century of achievement. Unlimited. Unstoppable. Unbridled.

# FROM THE PRESIDENT

## IT IS MY PLEASURE TO SHARE HIGHLIGHTS OF ANOTHER YEAR OF REMARKABLE PROGRESS AND GROWTH AT SMU IN THIS ENDOWMENT REPORT.

The University continued to move forward in fiscal 2009-10 despite the uncertain economic environment that has affected the finances of individuals, organizations and institutions worldwide.

As one indication of the University's ongoing progress, SMU rose 12 places – from 68 to 56 – in the *U.S. News & World Report* ranking of the best national universities. Although rankings do not represent the definitive word on the overall quality of a university, they are markers that attract considerable attention and discussion among prospective students and families.

In this report, you will read how SMU's endowment is providing support for essential University priorities – improving student quality through merit-based scholarships, recruiting and retaining top faculty, strengthening academic programs and enhancing the campus experience. The endowment also enables SMU to take major strides as a leader in creating new knowledge to meet the challenges faced by the nation and the world.

It has been encouraging to see signs of recovery in the value of the SMU endowment during the fiscal year. This increase is attributable to generous new gifts, prudent management and a partial rebound in U.S. financial markets. Please review the enclosed Treasurer's Report, which provides additional endowment information.

This year's report also focuses on some of the many donors who have chosen to create endowments, both recently and over the years. I am deeply grateful for the leadership of all those who have provided endowment support as a means of ensuring that the University has a strong foundation for the future. Because of their generosity, SMU is continuing to advance as a nationally recognized center for teaching, learning, scholarship, research and achievement in a range of fields.

With the interest and support of those who care about the University's future, we will continue to lay the groundwork for an extraordinary second century at SMU. Thank you.



A handwritten signature in black ink, reading "R. Gerald Turner". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

**R. Gerald Turner**  
*SMU President*

# STUDENT QUALITY

In 2009-10, the SMU endowment provided more than \$21 million for undergraduate and graduate scholarships in support of SMU's goal of increasing student quality. These include traditional offerings, such as President's Scholarships, and a growing number of awards offered by SMU's schools to recruit students committed to specific disciplines. Through donor generosity, SMU has created a total of 84 new scholarship and fellowship endowments since the beginning of The Second Century Campaign. They have contributed to an increase in student applications and selectivity, rising SAT scores and a growing number of SMU students selected for the most prestigious and nationally competitive grants, such as the Fulbright, Truman and Goldwater awards.

With additional endowment support for student scholarships, SMU will continue to attract exceptional students from across the United States and around the world who come to the University to learn, grow and ultimately become tomorrow's leaders.

## DRAWING YOUNG SCHOLARS TO DEDMAN COLLEGE

Endowments from an alumni couple with deep family roots at SMU and from the estate of a beloved late professor's wife are attracting academic scholars to Dedman College of Humanities and Sciences.

Timothy P. Moen '74, '75 and his wife, Paulette McConachie Moen '75 (with their daughter Kelly Moen '08, right), have established The Moen Family Dedman College Scholar Endowment Fund. Their gift created one of nine new Dedman College Scholarships awarded for the 2010-11 academic year.

"Because SMU had a huge impact on our lives, we want to give back to the University and help its students have the same wonderful experiences we had," Tim Moen says. The Moens volunteer with SMU's Campaign Steering Committee for Chicago.

The first Moen Family Scholarship was awarded to Samuel Metzger '14 of Arlington Heights, Illinois, who plans to major in history and international studies.

The Estate of Catherine Perrine created two undergraduate scholarship endowments at the University she and her husband dearly loved: The Laurence and Catherine Perrine Endowed President's Scholarship Fund and The Laurence and Catherine Perrine Endowed University Scholarship Fund. English professor Laurence Perrine served at SMU from 1946 to 1980.

"Laurence Perrine was a wise and gentle teacher who loved poetry and communicated that love to students at SMU and across the nation, from middle school to graduate school," says Marshall Terry '53, '54, E.A. Lilly Professor *Emeritus* of English and a close friend and colleague of Professor Perrine.

The Perrine President's Scholarship fund supports two students with majors in Dedman College. The President's Scholarship is SMU's most prestigious academic award, providing full tuition and fees and other opportunities for undergraduate students who demonstrate exceptional ability.

The Perrine President's Scholarships were awarded to Ronnie Barakat '10 of Allen, Texas, who will graduate this fall with a double major in biology and Spanish, and Rebecca Quinn '11, a triple major in French, Spanish and art history from Dallas.





## TRAINING CHINESE LAW GRADUATES

For 12 years the Sohmen Chinese Scholars Program has been providing scholarships for top law graduates in China to attend Dedman School of Law's international L.L.M. program. The scholarships are funded through the support of Helmut Sohmen '66 (above with Sohmen scholars) and a matching grant from the Dedman Foundation.

In 2010 an additional gift from Dr. Sohmen endowed two more scholarships, enabling SMU to host six Sohmen Scholars annually. "My wife and I have always been interested in education because we believe it is the first and foremost solution to the problems of the world," says Dr. Sohmen, who graduated from SMU Law School, as it was then known. He is an SMU trustee as well as co-chair of SMU's Second Century Campaign Steering Committee for International Regions and a member of the Campaign Steering Committee for Dedman School of Law.

Upon their return to China, many Sohmen Scholars have become partners in leading law firms, general counsels in major businesses and professors at prestigious educational institutions.

"Being a Sohmen Scholar is shorthand for being extraordinarily bright and successful," says John B. Attanasio, the Judge James Noel Dean and Professor of Law at Dedman School of Law.

# excellence



## SUPPORTING EDUCATION IN ARTS MANAGEMENT

Established in 2010, The Jennifer and Marty Flanagan Endowed MA/MBA Scholarship Fund will support a graduate student pursuing a career in arts management. The nationally recognized joint degree program in arts administration and business is offered by Meadows School of the Arts and Cox School of Business.

"Arts leaders today need the rigorous knowledge of business and arts that our unique program provides," says Dean José Antonio Bowen of the Meadows School.

"This endowment is critical because arts leaders often don't make huge salaries," stresses Zannie Giraud Voss, professor and chair of Arts Administration in Meadows School of the Arts and Cox School of Business. "Scholarships such as this make it possible for the best students to work in this sector without the burden of paying back big loans."

Jennifer D. Flanagan '82, who studied art history, and Martin L. Flanagan '82, a business major (left), elected to support the program because of their dual interests. The Flanagans are co-chairs of SMU's Campaign Steering Committee for Atlanta, and their son, Casey '12, is an SMU business student.

Outstanding faculty enrich the quality of a university's academic environment by ensuring that key subject areas remain the focus of teaching, scholarship and research. They also lead the way in addressing societal issues and enhance a university's stature among peer institutions.

In 2009-10, the SMU endowment continued to support faculty and academic excellence by providing more resources for chairs and professorships, and more funds for research required to create new knowledge.

Since the beginning of The Second Century Campaign, SMU donors have created 17 new endowments for faculty positions. In addition, four new institutes or academic centers have been established to expand opportunities for faculty and students to focus on specialized areas of inquiry.

## SUPPORTING RESEARCH

"Supporting and encouraging faculty is one of the most important ways a donor can make a contribution to the University," says Frank M. Dunlevy '71 (right).

That was the principle behind the decision by Dunlevy, a trustee, co-chair of the Campaign Steering Committee for Cox School of Business and honorary chair of the Campaign Steering Committee for San Francisco, and his wife to create The Frank and Susan Dunlevy Faculty Fellowship Program in Cox School of Business.

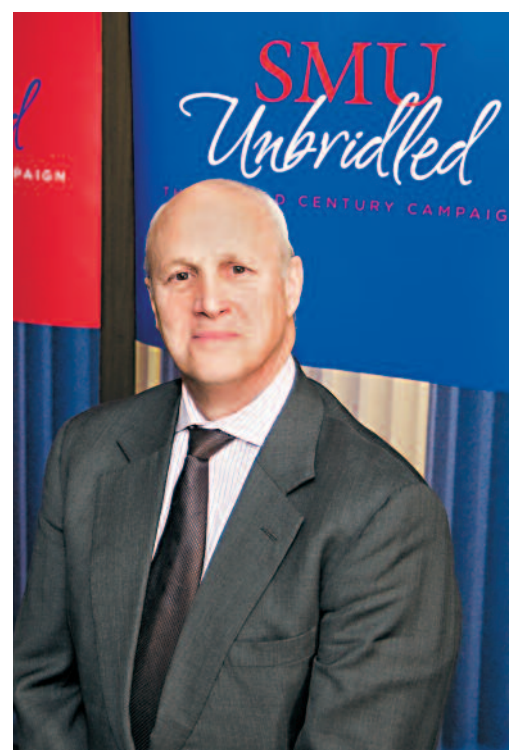
Developed in consultation with Cox School Dean Albert W. Niemi, Jr., the program provides financial support for distinguished Cox faculty to pursue professional research during summer months and other nonacademic periods. Recipients are chosen by the dean and referred to as Dunlevy Fellows.

"Dean Niemi said this kind of stipend program would give him the maximum flexibility to recruit, retain and support a top faculty," says Dunlevy, who attended the Cox School as an undergraduate.

Dunlevy says his support was motivated, at least in part, by a desire to honor the role played by former Finance Professor Don Jackson, who encouraged him to study finance and later helped him get his first job.

Since its inception in 1997, the Dunlevy Fellows program has enabled Cox faculty to conduct research on a range of topics and has resulted in numerous papers, book chapters and other publications.

Dunlevy Fellows for 2009-10 were Associate Professor Ulrike Schultze, whose research focuses on business applications of virtual worlds and avatars, and Associate Professor Mel Fugate, who studies employee reactions to organizational changes.



## PROMOTING INTERCULTURAL EXPERIENCES

Patria Agustin-Smith '78 and her husband, Paul, are committed to promoting intercultural understanding.

That's why they established The Paul D. Smith, Jr. and Patria Agustin-Smith Endowment for Global Theological Education. The endowment provides financial resources for groups of Perkins students to travel abroad (above, in El Salvador) for cultural immersion learning.

"We want Perkins' students to be contextually immersed with the everyday lives of people in other cultures," explains Agustin-Smith, an ordained Methodist minister who grew up in the Philippines and then studied at Perkins School of Theology. "The world should be their classroom and their field of work."

Robert Hunt, director of the Global Theological Education program, says the endowment supports the goal of providing cultural immersion courses for 100 percent of Perkins' Master's degree students.

"Almost all Christian pastors today are engaged in some kind of international ministry, and almost all of them live in multicultural communities," he says. "It's important for them to seriously consider theological ideas in other cultural contexts."



# opportunity

## ADDRESSING SOCIAL ISSUES

Two new endowed professorships in Bobby B. Lyle School of Engineering are examples of how SMU is continuing to develop as an institution addressing important social issues.

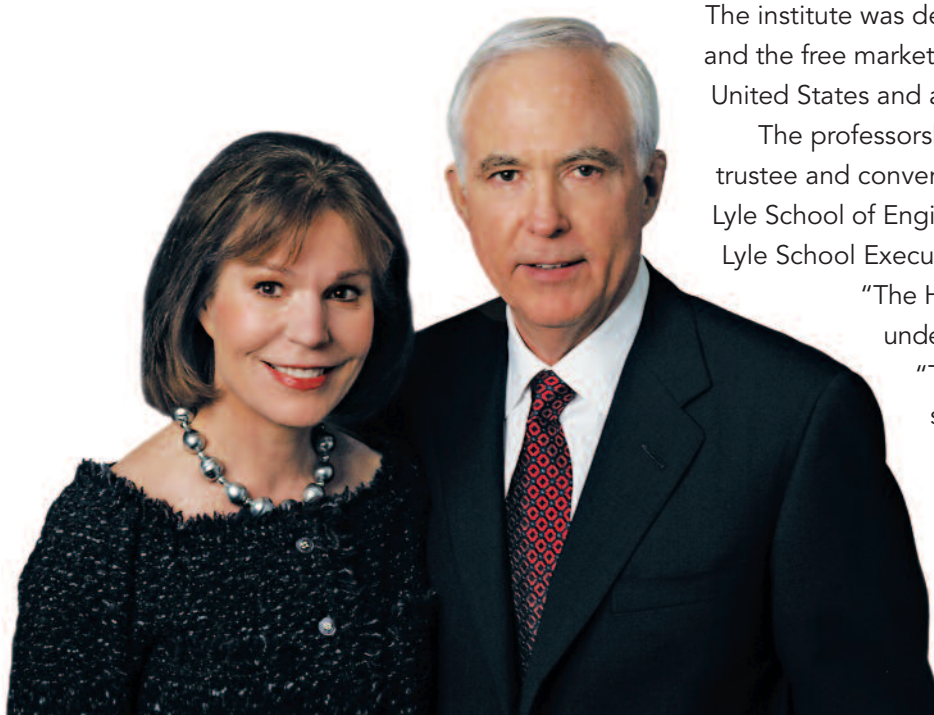
The William T. and Gay F. Solomon Endowed Professorship in Engineering and Global Development and The Bobby B. Lyle Endowed Professorship of Leadership and Global Entrepreneurship were created to support the work of the new Hunt Institute for Engineering and Humanity.

The institute was designed to apply the power of engineering, collaboration and the free market to address the needs of impoverished people in the United States and abroad.

The professorships were established with gifts from Bobby B. Lyle '67, trustee and convening co-chair of the Campaign Steering Committee for Lyle School of Engineering; and William T. Solomon '64, a member of the Lyle School Executive Board, and Gay F. Solomon (left).

"The Hunt Institute focuses on problems that acutely affect large underdeveloped segments of society," says Bill Solomon.

"The professorships are key elements in this broader mission and therefore an opportunity to invest in something we believe in and which we feel is unique and important, with excellent prospects for making a real contribution."



The campus experience is a vital component of an SMU education. Campus activities provide opportunities for students to develop leadership skills, serve the community, encounter diverse outlooks and grow as citizens and members of the community.

In 2009-10, the SMU endowment continued to provide support for extracurricular programs and opportunities for student-athletes. The endowment also contributed to the renovation and construction of new facilities that constitute the special place that is SMU.



### HELPING STUDENTS GAIN REAL-WORLD EXPERIENCE

Internships enable students to apply knowledge and skills learned in the classroom and gain invaluable experience, helping prepare them for successful careers. Many internships, however, do not provide stipends, which hampers student participation in such opportunities.

Through the Hegi Family Career Development Center, The Roger and Marion Palley Family Internship Endowment Fund provides grants to SMU students who are participating in domestic or international internships.

"Internships help students learn about the real world and then relate this knowledge to classes and programs at the University," says Roger Palley. "Internships also enhance the résumés of future job seekers and contribute to the character development of young scholars, preparing them for success in our fast-paced international economy."

The Palleys (above), whose sons Stuart '11 and Rennick '13 currently attend SMU, are co-chairs of the Campaign Steering Committee for Los Angeles and members of the Parent Leadership Council.

"Internships provide students with an invaluable opportunity for experiential learning beyond the classroom, an environment to explore a career interest and a practical venue for employability skills development," says Troy Behrens, executive director of the Hegi Career Center.

## SUPPORTING STUDENT LEADERS

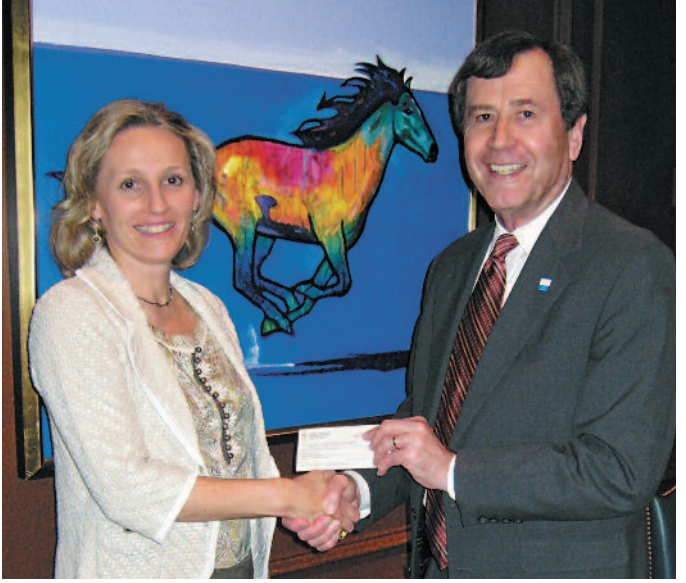
Deborah Brames Michel '85 (above) received scholarship support that made it possible for her to attend SMU as an undergraduate. She was a student at the University when SMU's Student Senate launched its own scholarship program, and she served on the student committee that managed the scholarship funds.

These experiences led her to create The Deborah Brames Michel Endowed Scholarship Fund, which supports a Student Senate scholarship for a student who has demonstrated leadership through participation in University organizations or clubs.

"I always wanted to repay SMU for the scholarship that allowed me to attend," says Michel, "and a Student Senate scholarship seemed like the perfect vehicle."

Members of the Student Senate Scholarship Committee interview students and award scholarships in the fall and spring semesters. Awards are based on various criteria, including leadership, academic excellence and need. The scholarship fund is now managed as part of the University's endowment.

"I love that the program allows student leaders to take responsibility for awarding scholarships," says Michel. "They learn so much during that process. I also love that the scholarships help students who are already doing well to remain at SMU."



# leadership

## ENDOWING ATHLETIC ACHIEVEMENT

"My dad gives SMU a lot of the credit for his success, both in life and in business," says R. Steve Folsom '81, speaking about his father, former Dallas Mayor Robert S. Folsom '49. "He feels SMU gave him so much, both in the great education he received and the people he met."

Folsom is sharing the motivation behind his father's support for SMU over many years, including the creation of two scholarship endowments for student-athletes: the Robert S. Folsom Athletic Endowment for general scholarships and the Robert Folsom Men's Golf Endowment.

Robert Folsom, who served on the SMU Board of Trustees, Cox School of Business Executive Board and Alumni Association Board, has had a lifelong interest in athletics. Among his other athletic accomplishments, Folsom (pictured above, front row, number 84) was Mustang football team co-captain with Doak Walker '49 (above, front row, number 37).

"Sports was a big part of Dad's experience at SMU," says Steve Folsom, a member of the Campaign Steering Committee for Athletics. "It was important to him that other students get to have similar experiences as part of their education."



# NEW ENDOWMENTS ESTABLISHED 2009–10

## New endowments established at SMU during the past fiscal year (June 1, 2009 – May 31, 2010)

Donor Name	Fund Name
Anonymous	The Endowed Distinguished Research Chair in Art History
Anonymous	The Glenn Linden Endowed Professorship at Southern Methodist University
Anonymous	The Nancy Moses Endowed BBA Scholarship Fund
Anonymous	The Women and Gender Studies Endowment Fund
Horace Anson (Pat) Baker, Jr. '55	Baker Family Memorial Scholarship Fund *
Lisa Blue Baron	The Craig Watkins Endowed Public Interest Law Internship
Belo Corp.	The Marty Haag Scholarship Endowment Fund
Donald J. Carter and Linda J. Carter	The Don and Linda Carter Endowed Scholarship Fund
Ting L. Chu and Shirley S. Chu	The Ting L. and Shirley S. Chu Engineering Scholarship Fund
The Crain Foundation	The Ann Lacy Crain Fountain Endowed Maintenance Fund
Dolan Media Company	The Michael C. Barrett Endowed Scholarship Fund
Estate of Sarah C. Arnett	Dick and Sarah Arnett Scholarship Fund *
Estate of Robert J. Hieronymus	The Robert J. Hieronymus Endowed BBA Scholarship Fund *
Estate of Charles Polk Player '51, '74	The Charles Polk Player Endowed Loan Fund *
Estate of Jewella D. Riley	Judge Randell C. Riley (1948) Scholarship *
Jennifer Gelety Flanagan '82 and Martin L. Flanagan '82	The Jennifer and Marty Flanagan Endowed MA/MBA Scholarship Fund
James T. Garrett '49, '52	The Jackie Garrett Morriss Endowed Scholarship Fund
E.R. Hyde '49 and Mary Ann Hyde	The Edward R. and Mary Ann Hyde Endowed Meadows Scholar Fund *
Matthew L. Johnson '07, '09	The Judy G. and Michael L. Johnson Endowed BBA Scholarship Fund
Bobby B. Lyle '67	The Bobby B. Lyle Endowed Professorship of Leadership and Global Entrepreneurship
J. Scott Mattei '93 Mattei Foundation	The J. Scott Mattei Endowed Scholarship Fund
Deborah Brames Michel '85 and David L. Michel '84, '89	The Deborah Brames Michel Endowed Scholarship Fund
David B. Miller '72, '73 and Carolyn L. Miller David B. Miller Family Foundation	The Center for Financial Studies Endowment Fund
Paulette McConachie Moen '75 and Timothy P. Moen '74, '75	The Moen Family Dedman College Scholar Endowment Fund
Alice G. Nye and Erle A. Nye '65	The Alice and Erle Nye BBA Scholars Endowment Fund
Marion Palley and Roger B. Palley	The Roger and Marion Palley Family Internship Endowment Fund
Sarah Fullinwider Perot '83 and Ross Perot, Jr. The Sarah and Ross Perot, Jr. Foundation	The Sarah and Ross Perot, Jr. Endowed Meadows Scholars Fund
Amy Phelan and John C. Phelan '86	The John and Amy Phelan Endowed Meadows Scholar Fund
Hedy A. Rittenmeyer and Ronald A. Rittenmeyer	The Rittenmeyer Family Endowed BBA Scholarship Fund
Barbara Lange Rotto '64 and Richard L. Rotto '62 Family, Colleagues and Friends of Donald E. Savarese	The Dick and Bunnie Rotto Endowment for Engineering Leadership
Gay D. Scott and William F. Scott The Gay D. and William F. Scott Family Foundation	The Donald E. Savarese Endowed Memorial Scholarship Fund
Gay F. Solomon and William T. Solomon '64	The Scott Family Foundation BBA Scholars Endowment Fund
Gail Griffin Thomas '58 and Robert Hyer Thomas '53, '57	The William T. and Gay F. Solomon Endowed Professorship in Engineering and Global Development
	The Bascom Thomas Endowed Scholarship Fund

\* Provided by a realized or future irrevocable planned gift

# UNBRIDLED GRATITUDE

Gifts to the SMU endowment have a significant impact on students and faculty, providing life-changing opportunities as they support research, scholarship and academic achievement.

A few special messages of thanks from some who have benefited from endowment support:

I am passionate about empowering other students - especially those who are under-represented - to pursue a college education. I can only hope to help other students achieve their goals and professional aspirations as you have helped me.

- Erik Burgos-Soto '10

Don and Linda Carter Endowed Scholarship Recipient  
Lyle School of Engineering

The Hegi Family Career Development Center is the reason I've landed my internships. The counselors are always willing to help students, and they do an amazing job of navigating us through the internship process.

- Sana Merchant '11

Meadows School of the Arts, Intern through the endowed  
Hegi Family Career Development Center

I am honored to be a scholarship recipient and, thanks to your generosity, am the first in my immediate family to attend college.

- Christina Sims '10

Endowed Community College Scholarship Recipient  
Dedman College of Humanities and Sciences

Harold Seskey's passion for chemistry was legendary in the D-FW area and beyond. His ability to educate and mentor students touched the lives of many, and it's a true honor to represent him in my capacity.

- Brent Summerlin

Harold A. Jeskey Endowed Chair in Chemistry  
Dedman College of Humanities and Sciences

Because of SMU's financial support, I have flourished athletically and matured spiritually, academically and socially. This scholarship has not only benefited me and my family, but it has benefited SMU student-athletes from all walks of life.

- Kelvin Beachum '12

Endowed Student-Athlete Scholarship Recipient (SMU Football)  
Dedman College of Humanities and Sciences

**Thank you.** Those who have given in support of endowments have invested in young minds, leading scholars and innovative research that will contribute to the economic vitality of the region and help meet the challenges of tomorrow. The SMU community conveys its deepest gratitude for your unbridled generosity.