

# ENDOWMENT REPORT

2013–2014



UNIVERSITY OF  
TORONTO

**BOUNDLESSIMPACT**



# A Tradition of Generosity

Over the University of Toronto's history, endowed gifts have provided critical funding to support our core academic missions of teaching and research. These gifts sustain us over the long term—funds from endowed donations are invested so that earnings from the gift provide ongoing support in perpetuity, forming a lasting legacy. For the past 188 years, support from U of T alumni and friends has been lifting our University by creating a strong foundation of generosity built on individual gifts.

Behind every one of these gifts there is a story—of people and groups who support the University to help advance its mission; of students who benefit from donors' generosity; and of world-changing research breakthroughs and innovations.

Inside this report, you will read some of the stories that convey how endowed giving supports programs, research, faculty salary support, and student aid. Stories such as the McLean Award, created from an endowed gift, which is one of the University's most prestigious awards for emerging leaders in basic research. You will read about families such as the Simmonds, who honoured a loved one by developing an endowed scholarship focused on compassionate nursing care, and about the Emilio Goggio Chair in Italian Studies that helps fund our robust Italian Studies department, as well as one of the most extensive library collections of Renaissance materials in North America. You will also read about the Herst Awards which support talented medical students.

Thanks to donors like you, there are thousands more stories like these, each illustrating how generosity and vision has helped build U of T into the research and teaching powerhouse it is today.

In these pages, you will also read about the performance of U of T's endowment over the past year. Maintaining and growing the value of the endowment over time is critical to ensuring that the steady source of income it provides will continue to help U of T thrive as one of the world's great universities. You can read more about the details of the endowment's performance beginning on page 10.

While funding from tuition and government helps U of T's core operations and sustainability, philanthropic support creates countless new opportunities for students, catalyzes important research discoveries and innovations that will create a better future in Ontario and Canada, and strengthens U of T's standing among the best universities in the world.

Your generosity has helped countless students and faculty in their pursuit of knowledge and discovery, and fuelled our pursuit of excellence and accessibility. Thank you for your support of the University of Toronto.



A handwritten signature in blue ink that reads "David Palmer".

**David Palmer**  
Vice-President, Advancement



ERNEST GOGGIO AND GRANDSON, AARON PULVER

# Honouring a Renaissance Man

The Emilio Goggio Chair in Italian Studies  
Honours the Scholar and Community Builder

---

**If Emilio Goggio (MA 1910) were alive today, he'd be delighted at the impact and influence of Italians and Italian-Canadians in the business, cultural, public and private sector of Canada. It's a different world than the one in which he experienced growing up as an immigrant's son in Boston, says his son Ernest (BA 1944 UC).**

---

“There was a lot of discrimination against Italians in the early days. My father was very big not only on teaching Italian but being able to show what Italians have contributed to world culture.”

In 1995, Ernest and his siblings, the late Dr. Alfredo Goggio (BA 1935 UC, MD 1938) and Anita Lannom (BA 1946 SMC), established the Emilio Goggio Chair in Italian Studies in honour of their father, who taught at the Department of Italian and Spanish from 1920 to 1956, and served 10 years as chair. The Goggio Chair also honours the memory of their mother Emma, who fully supported her husband's career and belief in strengthening the influence of the Italian diaspora.

Since its creation almost two decades ago, the Goggio Chair has made a profound impact on the University's capacity and reputation in Italian Studies. The endowment has attracted such distinguished visiting scholars as Italian novelist Umberto Eco, and part of the endowment has been directed towards the Emilio Goggio Italian Studies Collection. This fund is used to build on the approximately 40,000 titles found in the Italian collection in U of T's Robarts Library. One of the library's outstanding features is its holdings on the Renaissance. The Goggio fund serves to enhance this and other important areas of strength in the collection.

It's a fitting tribute to a man whose life was devoted to the rich cultural past of the country where he was born. In addition to his stature as a Dante scholar, Emilio Goggio was an art lover who also translated opera lyrics. Along with funding the chair and library collection, Ernest and his brother established several scholarships within the Italian Studies department. It's appropriate, he says, that Toronto—which contains one of the largest Italian communities outside of Italy—should be home to such a strong program.

**“It's an extension of the dream my father had: to see to it that people knew of the contributions made in literature, the arts, the whole spectrum of cultural events that have been part of Italian history.” Ernest Goggio**

This past spring, Ernest, who lives in San Francisco, came back to campus with his 12-year-old grandson, Aaron Pulver, to see the office overlooking the University College cloisters where more than a half century earlier, Emilio Goggio made his impact on U of T and the Italian community. “It was very special to come back here,” says Ernest. “We have a deep appreciation for the University and its influence on my father's career and life.” Would he like to see his young grandson walk the cloisters as a student some day? “Absolutely. U of T is a world-class school and we are proud to have played a small part in helping it reach such status. It would be delightful for future generations of our family to be back here.”

# Paving the Way: The McLean Award

Prestigious award honours emerging leaders

---

**One of U of T's most prestigious awards and honours, the McLean Award is given annually to support an emerging research leader conducting basic research in physics, chemistry, computer science, mathematics, engineering sciences, or the theory and methods of statistics.**

---

Valued at \$100,000, the McLean Award was created in 1995 by the late William F. McLean, a U of T alumnus and benefactor whose father, the late J.S. McLean established the noted McLean Foundation. The gift created a \$1 million endowment that was matched by U of T's Connaught Fund—established through the sale of Connaught Laboratories, which first mass-produced U of T's Nobel award-winning discovery of insulin.

For close to two decades—2015 marks the 20<sup>th</sup> anniversary of the groundbreaking gift—the McLean Award has provided essential funding for researchers who are studying solutions to some of the most complex issues of our time. Professor David Sinton, Director of the Institute of Sustainable Energy at the Faculty of Applied Science and Engineering, is a 2013 McLean Award winner. Sinton's research involves the study and application of small-scale fluid mechanics (microfluidics, nanofluidics and optofluidics) for use in energy systems and analysis. He and his team of students and postdoctoral researchers are also interested in the small-scale plumbing challenges of storing carbon dioxide underground, and reducing the carbon-footprint of traditional oil recovery processes. "The McLean award is a tremendous honour," says Sinton. "I'm thrilled that our group's work has been recognized with this award."



PROF. DAVID SINTON



PROF. MILICA RADISIC

The 2012 McLean Award winner, Milica Radisic, is also combining her expertise at the forefront of different fields to develop innovative solutions to complex problems. The Canada Research Chair in Functional Cardiovascular Tissue Engineering, Radisic is an Associate Professor, holding joint appointments at the Institute of Biomaterials and Biomedical Engineering (IBBME) and the Department of Chemical Engineering and Applied Chemistry. A major focus of Radisic's research is finding ways to repair damaged hearts using patches of specially engineered tissue and stem cell technology.

Radisic is developing a prototype network that involves the seeding of vascular tissues with cells that she hopes will create rapid new tissue growth. She says the McLean Award is wonderful recognition for her research group and is grateful for the funding to help keep the momentum going on this essential research.

“I am greatly honoured that the Connaught Committee recognized my research with the 2012 McLean Award. The funds have enabled me to hire students and post-docs to develop new solutions to the vascularization of engineered tissues in vitro and in vivo, paving the way for new discoveries.” **Milica Radisic**

# A Legacy of Compassion and Care

Gift honours Monty Simmonds' appreciation of nursing

---

**Monty Simmonds had a long and distinguished career in which he made an impact on the health care landscape of Toronto. As chairman of Mount Sinai Hospital in the 1970s, Monty oversaw the construction of the new building on University Avenue and had the honour of welcoming Queen Elizabeth and Prince Philip to its opening in 1974. After his passing in 2011, his family wanted to set up a lasting tribute to him to symbolize both his contributions to health care and his belief and appreciation of nursing care.**

---

The Monty M. Simmonds Memorial Award, established with an endowed donation from the Simmonds family, is presented every year to an undergraduate student in the Lawrence S. Bloomberg Faculty of Nursing who demonstrates an interest in clinical and compassionate care.

“My father understood that nursing care has many dimensions; both the technical skills and compassionate care are equally important,” says daughter Anne Simmonds, a graduate of U of T’s collaborative program in Nursing and Bioethics and a lecturer at the Bloomberg Faculty. “He was aware that in a system that values efficiency, it is challenging for nurses to balance skills in compassionate care that focus on the patient.”

Anne knows first-hand the value an endowed gift can make in a student’s life. She herself was a recipient of the Kay King Fellowship, named in honour of former Dean, Professor Kathleen “Kay” King, who led the Faculty from 1972 to 1979.



“Receiving the fellowship meant a lot to me, not only from a financial perspective, but as acknowledgement of my academic achievement.”

**Lyndsey McRae**



FROM LEFT TO RIGHT: JILLIAN CHERNIAK, ANNE SIMMONDS, JUDY SIMMONDS AND LYNDSEY MCRAE

It's a sentiment that is shared by the entire Simmonds family, who knew that a meaningful way to honour their father was to recognize his appreciation of higher education by supporting students who could benefit from financial assistance.

Lyndsey McRae, a second-year student in U of T's post-degree BScN, is the 2013 recipient of the Monty M. Simmonds Memorial Award. She says

she is honoured to be the 2013 recipient and to be recognized as a provider of compassionate clinical care. "Through the provision of compassionate care, the nurse builds trust, which allows a truly healing nurse-client relationship to flourish," she says. Further, she says that having enjoyed a clinical placement at Mount Sinai Hospital, she feels particularly grateful for the award, knowing Mr. Simmonds' connection to the institution.

# A Boundless Promise

U of T Medicine graduates Roslyn and Murray Herst are creating opportunities for students to excel



DR. ROSLYN HERST, PAIGE ZHANG, AND DR. MURRAY HERST

---

**Dr. Roslyn Herst says she and her husband Dr. Murray Herst followed unconventional paths after graduating from U of T Medicine. And through their financial support, medical students today are finding their own paths that lead to successful careers.**

---

The Hersts have been supporting the Faculty of Medicine since 1985 and jointly established two awards in support of undergraduate MD students, one in 2012 under the Boundless Promise Matching Program and another in 2006 under the the Ontario Trust for Student Support program. Their remarkable commitment has helped U of T honour its pledge that no qualified undergraduate student will have to decline admission or withdraw from studies due to financial circumstances.

“The really interesting thing about medicine is that the work can be so varied,” Roslyn Herst said. “We both had interesting and successful careers and we wanted to give something back to the faculty that helped us along our path.”

Her specialty was haematology and for 22 years she was the Medical Director at the Regional Blood Centre in Toronto for the Canadian Red Cross Blood Transfusion Service (now called Canadian Blood Services). Murray Herst practised Family Medicine and served as Chief Medical Director of the City of Toronto Homes for the Aged. They met while she was in high school at Harbord Collegiate and he was in medical school. Roslyn graduated in 1958; Murray in 1955. They are now retired.

The Hersts recently met Paige Zhang, a 2014 winner of the Dr. Murray and Dr. Roslyn Herst Award at the Faculty of Medicine Student Awards Reception this spring. “She was so grateful, it was very moving to meet her,” Roslyn said. “She was interested in literature, and the narrative approach to medicine.”

“I’m very appreciative of Dr. Murray and Dr. Roslyn Herst for their generous support—it means that I can focus on my studies and not the financial stresses of pursuing an education,” said Zhang. “It was great to meet the Hersts at the awards dinner—they were both very kind and supportive and full of great advice that I will use as I continue my medical education.”

Philanthropic support is essential to nurturing the promise of our most talented students.

The Boundless Promise Program matches the annual payout on donations of \$25,000 or more in support of needs-based awards at the University. These matching funds, drawn from the University’s operating fund, go above and beyond what U of T already commits to student financial aid annually. When a donor makes such a gift, that benefaction is invested in the endowment, which in turn generates a permanent annual payout for the student award. This remarkable giving opportunity will make a lasting impact in the lives of our students and the future of our country.

# Endowments to April 30, 2014

**Sheila Brown**

Chief Financial Officer

Thank you for your endowed gift to the University of Toronto. It is in part due to your generosity that the University of Toronto is recognized as a global leader for its excellence in research and teaching. Endowments such as yours enable students and academics from around the world to benefit from our distinguished faculty, groundbreaking research and wealth of innovative academic opportunities. The University has therefore been able to sustain its trajectory of excellence, unique to Canada, rare in any public university, and increasingly relevant to Canada's international aspirations.

In summary:

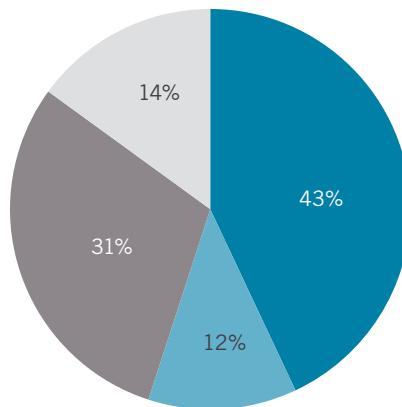
- investment return net of investment fees and expenses for 2013-14 was 14.6%;
- endowment spending allocation (“payout”) was 4.4% of the opening balance market value; and
- fees and expenses were 1.0% of the opening balance market value.

The University of Toronto Endowments totaled \$1.9 billion at April 30, 2014 and included over 5,700 individual endowment funds. In establishing these funds, donors have chosen to support the institution's highest, continuing academic priorities.

---

## Purposes of Endowments at April 30, 2014

---



● Student Aid      ● Chairs & Professorships  
● Research        ● Academic Programs

Despite the financial downturn of 2003 and the severe global financial crisis of 2009, endowments grew from \$1.4 billion to \$1.9 billion over the last ten years and provided \$557.6 million of spending for much needed student aid, chairs and professorships, research and other academic programs. This is thanks to your support.

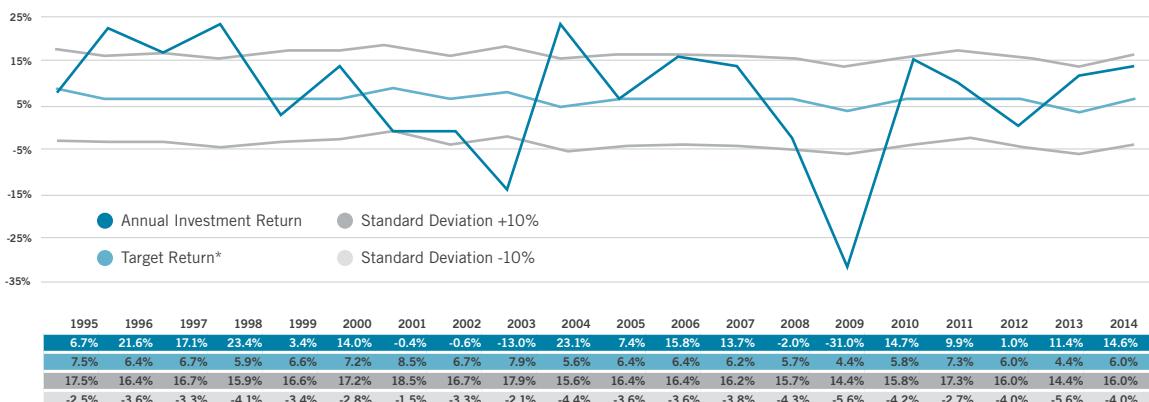
To ensure your endowment will provide the same level of economic support to future generations as it does today, the University adopted a policy that grows the capital value of the endowment while allowing spending to increase over time as a percentage of your original donation. To this end, our strategy is to not spend everything earned through the investment of funds in years when investment markets are good. In favourable years,

funds in excess of the spending allocation are set aside and reinvested. This enables both a protection against inflation and builds up a reserve for years when investment markets are poor.

The target spending allocation is 3% to 5% of the opening balance market value and the actual endowment spending allocation for 2013–14 was 4.4%. To fund the spending allocation and to preserve capital against inflation over time, the University has established an investment

return target of a 4% real investment return after inflation and net of investment fees and expenses with a risk tolerance of 10% over 10 years. The investment to meet those targets is managed by the University of Toronto Asset Management Corporation (UTAM) under the direction of the University. Endowments are managed in a unitized pool. Almost all of the University's endowments hold units in this unitized investment pool, entitled the Long-Term Capital Appreciation Pool (LTCAP). Over a 20-year period, the one-year annual returns

### Long-Term Capital Appreciation Pool (LTCAP): 1-Year Annual Rates of Return



\*The target return from 1995 to 2002 was 5% plus CPI and after 2002, it was set at 4% plus CPI with a 10% standard deviation.

exceeded the target returns 12 times. Compared to the 10% risk corridor, returns over the same period were within the corridor 14 times, above it four times and below it twice. The investment return net of investment fees and expenses for 2013–14 was 14.6%.

Each endowment account holds units in LTCAP that reflect the number of dollars contributed and the unit value on the dates of contribution. The market value of each unit changed as follows:

Unit market value at May 1, 2013	\$172.58
Investment earnings per unit	\$26.77
Fees and expenses	(\$1.72)
Endowment spending allocation	(\$7.56)
Unit market value at April 30, 2014	\$190.07

The amounts pertaining to your particular endowment account are obtained by multiplying the value per unit by the number of units in your endowment accounts. For example, if an endowment account holds 750 units, the market value of the endowment at April 30, 2014 was 750 times \$190.07 or \$142,553.

A detailed review of last year's investment performance, which is managed and measured on a calendar year basis by UTAM, is available in UTAM's 2013 Annual Report that may be found on UTAM's web site at [www.utam.utoronto.ca](http://www.utam.utoronto.ca).

Also, more information on endowments is available on the University website at [www.finance.utoronto.ca/alerts/endowrpts.htm](http://www.finance.utoronto.ca/alerts/endowrpts.htm).



Philanthropy is an increasingly crucial factor in the continued success of the University of Toronto. Endowed gifts, which generate permanent funding for our people, programs and infrastructure, are at the heart of the University of Toronto's deep tradition of giving and will be essential in making it possible for us to maintain our standard of excellence among the top universities in the world, and to ensure U of T remains accessible for all qualified students, regardless of financial background. We thank you for your continued support of the University and its mission. We could not have achieved our standing or created the opportunities for students that we have, without the support of so many alumni and friends who give so generously and consistently.



UNIVERSITY OF  
TORONTO

**BOUNDLESSIMPACT**