Sound Financial Management

LAU’s financial soundness is the result of steady and thoughtful stewardship, which has allowed us to weather the global crisis in excellent shape. Indeed, the university’s expansion rests on a well managed and growing endowment, as well as the unwavering enthusiasm of our outside donors.

LAU’s finance department continuously monitors relevant indicators and proactively seeks ways to further improve the university’s financial standing. It also works hand-in-hand with constituents to ensure satisfactory implementation of plans while maintaining healthy cash flows and financial stability.

The university’s endowment, which stands at $355 million (September 30, 2013), is performing well relative to policy benchmarks and scored a positive return of 17 percent this fiscal year (ending September 30, 2013).

LAU’s operational efficiency and effectiveness have contributed to its financial stability. While liabilities showed normal growth and debt ratios remained well below industry averages, the university’s assets grew substantially. Our net assets showed a remarkable jump, reaching $705 million by September 30, 2013, while our fixed assets (property, plant and equipment) stand at $225 million as of the same date.

In August 2013, LAU succeeded in issuing a tax-exempt and taxable bond in the U.S. to finance the acquisition and renovation of the New York Headquarters and Academic Center ($15.0 million tax-exempt and $2.50 million taxable). This is a pioneering financing transaction in the U.S. municipal market for a higher educational institution whose operations are entirely outside the U.S. This issue was coupled with yet another achievement: Standard & Poor’s rated the bond AA-, which is a three notch upgrade from LAU’s previous rating of A-, a fact which provides international recognition of the university’s financial health and management.
The university's success would be impossible without the loyal support of our extended donor family. Generous monetary and in-kind gifts have underpinned financial aid and programs of immediate benefit to students and faculty on both campuses.

Our inaugural five-year campaign, The Legacy and The Promise, raised an astonishing total of $67 million. Inspired by this success, we swiftly moved into a second, high-gear fundraising campaign, Fulfilling the Promise: LAU Campaign for Academic Excellence.

We aspire to raise $50 million, to be allocated as follows: $18 million for facilities, $12 million for academic chairs, $8 million for research, $6 million for new initiatives and $6 million for financial aid. While still in the silent phase, Fulfilling the Promise has already accrued close to $48 million dollars. We have every confidence that the public phase of the campaign will reap equally encouraging results and that LAU will once again exceed its fundraising goals.

The Advancement Services Office and the Development Office are working tirelessly to cultivate and deepen the all-important relationship between LAU and the constituencies essential to the university’s academic and social mission.

In March 2013, LAU held its second annual fundraising gala dinner in Beirut, where it formally launched the B.A. in Fashion Design in collaboration with Elie Saab. The sold out event raised over $1 million toward financial aid. By garnering the prestigious Heist Award for best collateral material for fundraising galas, the dinner added yet another laurel to the university’s growing collection of successes. Meanwhile, our third annual gala in New York in September 2013 secured significant endowment funds for the Institute for Women’s Studies in the Arab World.


**Keeping in Touch**

As part of the effort to keep our alumni deeply embedded in the life of the university, the Alumni Relations office launched an electronic newsletter titled “Alumni Tribune” and organized numerous lectures on topics relevant to our graduates.

LAU’s alumni have demonstrated extraordinary loyalty to their alma mater by establishing dozens of chapters across the world. The chapters remain active throughout the year, organizing events ranging from gala dinners, lectures, desert trips, films and picnics to social gatherings and comedy theaters. This year, the university inaugurated the Ghana Alumni Chapter, the first of its kind in Africa.

**Sharing our Successes**

Working closely with the entire LAU community, in 2013, the Marketing and Communications department (MarCom) expanded and improved key aspects of the university’s online presence, ensuring consistent representation and dissemination of our brand across all lines of communication.

Throughout the year, MarCom actively promoted the achievements of LAU’s various constituent entities, highlighting the dynamism of the university’s life through interviews, photo essays and faculty opinion pieces. In print media, MarCom’s award-winning LAU Magazine & Alumni Bulletin gained increased readership in 2013, drawn by the department’s innovative editorial approaches.

The Relations and Media office has exponentially increased its online outreach activities promoting LAU through a variety of social media platforms like Facebook, Pinterest and YouTube. The office has produced ten short videos celebrating the strength of the university and continues to ensure daily coverage of LAU’s accomplishment in various media outlets.