



LEHIGH

UNIVERSITY.

2008
ANNUAL REPORT
PLANNED GIVING PROGRAM

Table of Contents

	<i>Page</i>
<i>Introduction</i>	
<i>Introductory Letter</i>	1
<i>Planned Giving Program Statistical Summary</i>	2
<i>Planned Giving Program Contact Information</i>	3
<i>Planned Giving Funds Over \$100,000</i>	4
<i>Fund Administration</i>	6
<i>Planned Giving Program Graphical History</i>	7
<i>Gift Annuities</i>	11
<i>Pooled Life Income Funds</i>	
<i>Overview</i>	18
<i>Balanced</i>	21
<i>High Yield</i>	26
<i>Post '69</i>	31
<i>Separately Invested Funds</i>	36
<i>Additional Information</i>	
<i>Current Year Gifts over \$10,000</i>	41



LEHIGH
UNIVERSITY

David L. Hammer
Assistant Treasurer

Finance and Administration
27 Memorial Drive West
Bethlehem, PA 18015-3088
(610) 758-3110 Fax (610) 758-6528
e-mail: dlh5@lehigh.edu
<http://www.lehigh.edu>

April 2009

Dear Life Income Participant:

Enclosed is your copy of the 2008 Annual Report of Lehigh University's Planning Giving Program. This report provides financial and other information about each of our Life Income Funds, the Gift Annuity Program, and the University's Planned Giving Program.

This year, Lehigh's life income beneficiary payments and asset value were \$3.5 million and \$65 million, respectively. The turbulence in the markets over the past year has certainly affected investment performance. However, the asset-allocation model helped our returns despite the downturn. While the decline in our trust portfolios was generally better than the broader market indices, we take little comfort in that. We continue to remain focused on a long-term investment horizon and our strategic asset allocation.

Our Deferred Giving Program continues to be blessed with loyal alumni and friends like you, who understand the unique way this program strengthens Lehigh's endowment fund and the University's educational programs. Your continued support, guidance and commitment are truly appreciated.

As always, if you have any questions about the report, please feel free to contact me at (800) 523-0565.

Sincerely,

David L. Hammer
Assistant Treasurer

*Planned Giving Program
 Statistical Summary of Internally Managed Funds
 December 31, 2008*

	<u>Market Value</u>	<u>Number of Participants</u>
Gift Annuities	\$26,679,438	313
Pooled Life Income Funds:		
Balanced	3,954,615	28
High Yield	487,715	25
Post '69	721,656	28
Separately Invested Funds:		
Charitable Remainder Unitrusts	9,109,151	32
Segregated Funds	<u>1,096,434</u>	<u>1</u>
	<u>\$42,049,009</u>	<u>427</u>

Planned Giving Program Contact Information

OFFICE OF PLANNED GIVING

Office

(800) 523-0565
(610) 868-6560 (fax)

Website

www.lehigh.edu/giftplanning

Lorraine Wiedorn
Director of Planned Giving
Development Office
(610) 758-4874
Lms1@lehigh.edu

Karla Morales
Planned Giving Officer
Development Office
(610) 758-5958
Kam4@lehigh.edu

Terry Caskey
Administrative Coordinator
Development Office
(610) 758-4749
Tcc206@lehigh.edu

ADMINISTRATIVE OFFICES

For non-local calls, use Lehigh's toll-free number: (800) 523-0565

David Hammer
Assistant Treasurer
Finance & Administration
(610) 758-3110
Dlh5@lehigh.edu

Kathleen Milmine
Coordinator
Finance & Administration
(610) 758-3179
Kg06@lehigh.edu

STATE STREET BANK AND TRUST COMPANY

Betsey Norton
Relationship Manager
(800) 635-9001 ext 42351

**LIFE INCOME FUNDS OVER \$100,000
MARKET VALUE
INCLUDED IN LEHIGH'S FINANCIAL REPORT**

<u>CLASS</u>	<u>NAME OF FUND</u>
1900	Albert D. Hollingsworth
1918	Paul G. Breinig
1922	Joseph L. Boltz
1924	Jane B. and Ralph C. Swartz
1926	Virginia Lyon Anderson
1928	Arthur F. Searing
1930	Robert J. and Linda W. Lincoln
1931	Elmer C. Easton
1931	Lucien H. Platt
1932	Shirley Solomon (Mrs. Samuel)
1933	Robert J. and Ruth M. Myers
1933	Margaret E. and Robert S. Taylor
1933	Verna O. and Remo Canova
1934	Helen K. and Patrick H. Loughran
1934	Elinor C. and S. Murray Rust, Jr.
1935	Ruby W. and Shelton A. Musser
1935	Ruth H. and Clayton L. Squier
1936	Louis Weinstock
1935	Madge R. and James E. Redcay
1936	Hilda Brennan and Frederick S. Dornblatt
1938	Ivah and Wayne G. Duncan
1938	Louise W. and Charles H. Hoffman
1938	Teresa N. and R. Donald Walp
1938	Helen Marie and Charles F. Zell
1939	Frances and Michael Bock, II
1939	Cortland F. Carrier
1939	Jean E. and Robert B. Evans
1940	Elizabeth and George P. Maginness
1940	Edward G. Uhl
1941	Frederick C. Butler
1941	Marvin and Renee Kent
1941	William A. and Claire L. Siegele
1941	Elizabeth V. and Robert D. Stout
1943	Harriet and David H. Schaper
1944	Jean D. and Mark H. Schwarz
1947	Stewart E. Wenzel
1948	Myer and Shirley Alperin
1948	Eugene W. Baer, III and Catherine C. Casey
1947	Ernest C. Rumbaugh

LIFE INCOME FUNDS OVER \$100,000 (Con't)

<u>CLASS</u>	<u>NAME</u>
1948	Jeanne K. and Donald W. Swift
1948	Donald Van Roden
1949	Lionel P. Adda
1949	Joan and John V. Berdan
1949	Webster Dawley
1949	Emmeline and Leonard R. Dimmick
1949	Eugene W. Hubler
1949	Mary N. Kunsman
1949	Raymond R. and Jeanne B. Mellen
1949	Marijane and Walter C. Schrader
1949	Judith C. and Fred C. Stoll
1949	Elizabeth F. Watson
1950	Helene and Edward Hills
1950	Annabel and Herbert Schnall
1951, Ph.D	Marjorie M. Nemes
1952	Noel D. Eichhorn
1952	Howard and Marie Figueroa
1952	Ruth Anne and Donald B. Herterich
1952	Robinette Hall and David R. Steetle
1953	Marilyn and Robert W. Walton
1953	William L. Westerman
1954	D. Beverly and Jack L. Fox
1955	Robert E. Kiley
1955	William P. Mangus
1956	Elizabeth M. and Ferdinand Thun
1957	James E. Coraza
1957	John E. and Joan K. Zollinger
1958	Mary Foster and Robert A. Orben
1958	Dale S. Strohl
1959	Kathryn and Arthur E. Waltking
1960	Edward A. and Patricia K. Argue
1961	Peter S. Hagerman
1961	Michael F. and Joan Hoben
1964	William W. Crouse
1967	Michael J. Caruso
Friend	Barbara A. Barker
Friend	Dale C. Goodwin
Friend	John F. Magdith
Parent '75	Regina McWilliams Hartzell

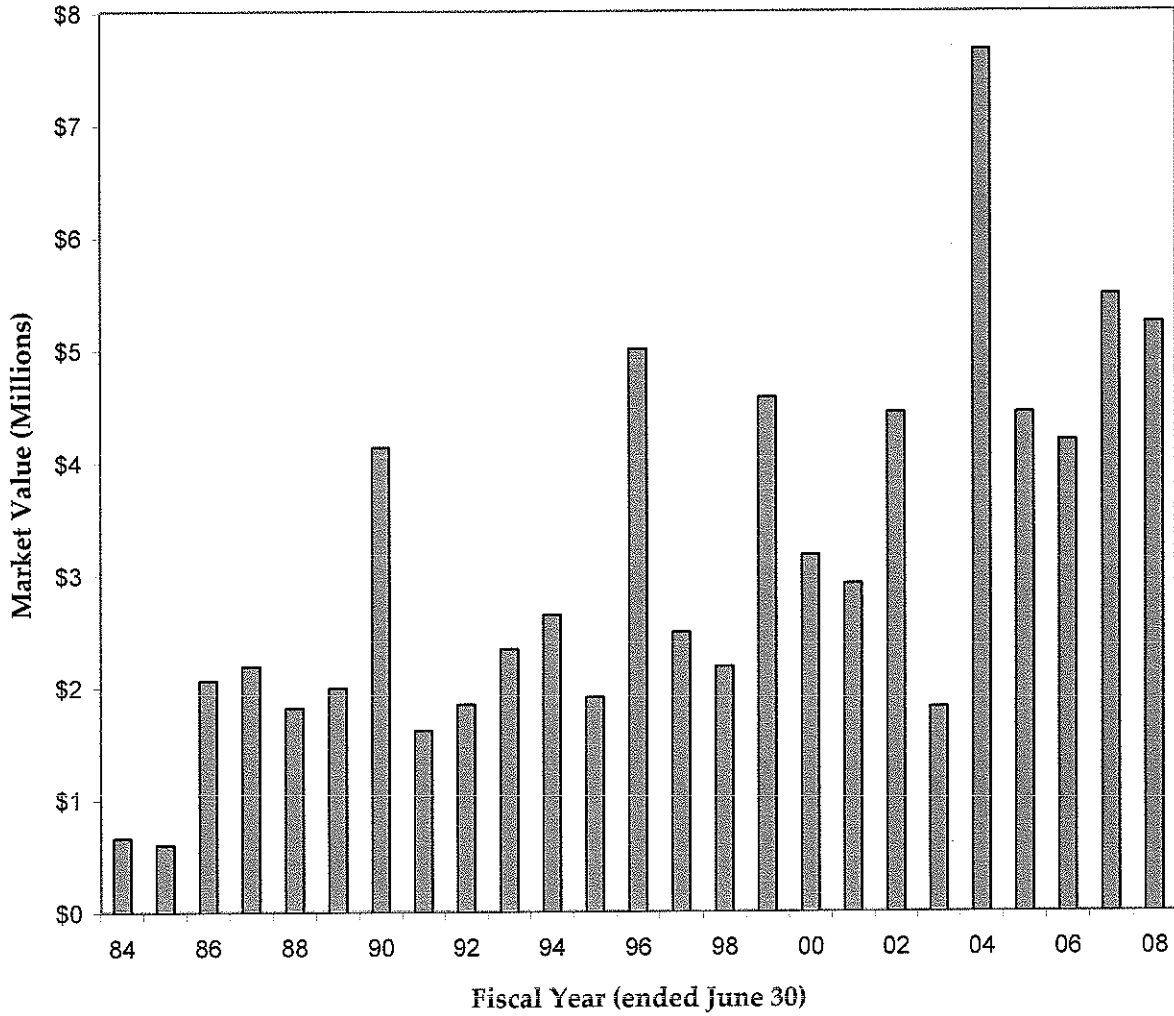
Revised 4/20/09

Fund Administration

State Street Bank and Trust Company

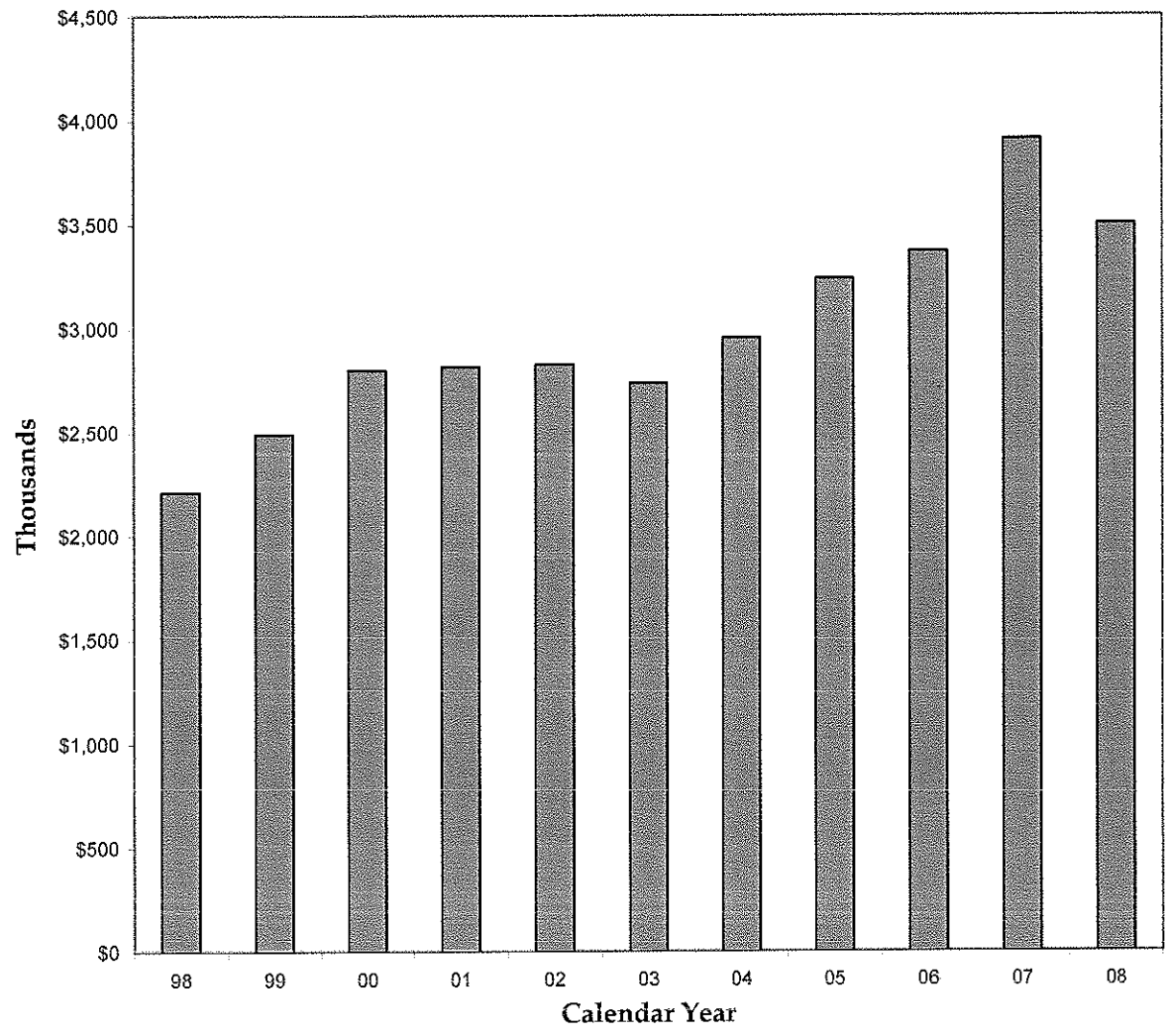
State Street Bank and Trust Company, founded in 1792, is the largest custodian of financial assets in the world. State Street Bank is also one of the largest trustees of Charitable Gift Trusts in the nation. Betsey Norton is the Relationship Manager responsible for Lehigh's Planned Giving Program funds. As a Relationship Manager, her primary responsibilities include the investment and administration of planned gifts including custody, revocable/irrevocable trusts, charitable remainder unitrusts and annuity trusts, pooled income funds, gift annuity funds, and unitized endowments. Betsey Norton works closely with David Hammer at Lehigh in administering the Life Income and Separately-Invested Funds. If you have any questions about your fund, please feel free to call David Hammer at Lehigh; or Betsey Norton at State Street at 1-800-635-9001, extension 42351.

**Lehigh University
Twenty-Five Years of Planned Giving**

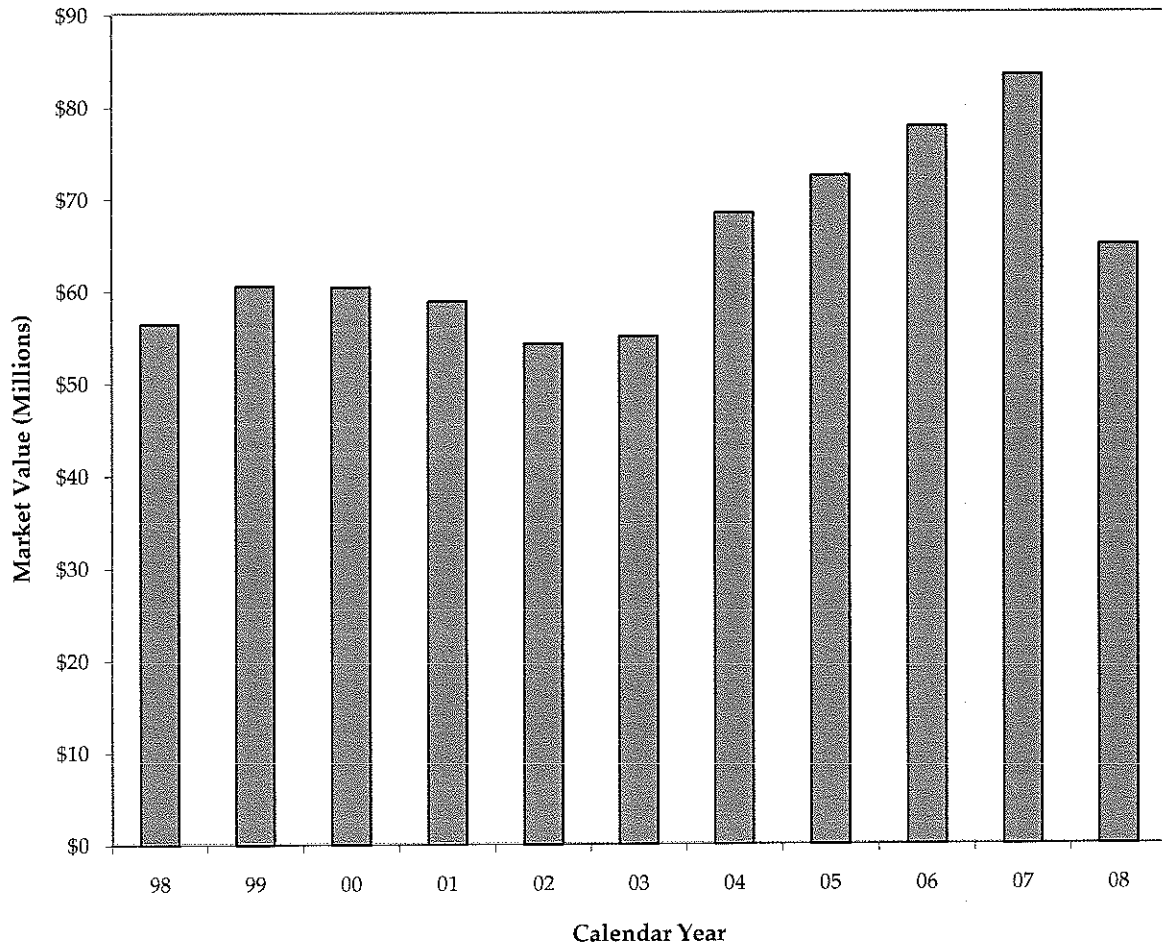


The above information includes gifts to trusts administered by Lehigh as well as those held by outside trustees.

**Lehigh University
Planned Giving Beneficiary Payments**

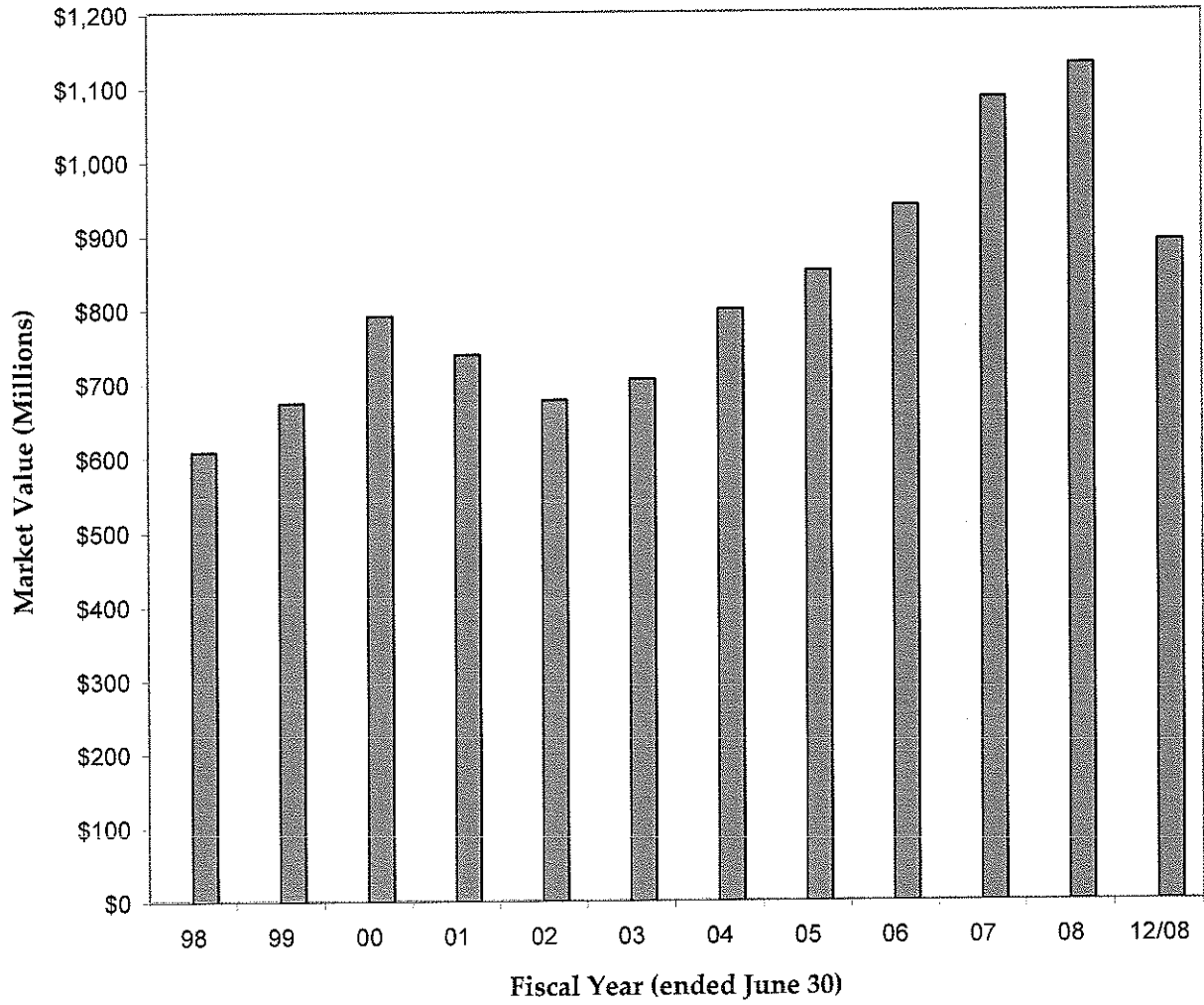


**Lehigh University
Planned Giving Program Asset Growth**



Includes Funds Held in Trust by Others

**Lehigh University
Endowment Fund Asset Growth**



Gift Annuity Program

Summary Report

December 31, 2008

Gift Annuity Program

Lehigh University offers both current and deferred payment annuities. A person who enters into a gift annuity agreement with Lehigh is actually doing two things - making a gift to Lehigh and purchasing a fixed income for life. In the case of a deferred payment annuity the person agrees to wait one or more years before life income payments start - in return for a somewhat higher rate of return than the immediate annuity offers.

Lehigh bases its Gift Annuity Rates on those established by the American Council on Gift Annuities, a national organization of charities which issue gift annuities. The Council reviews rates periodically, at which time rates may be changed for new gift annuities. Sample current one-life rates as of July 2008 are as follows:

<u>AGE</u>	<u>RATE</u>	<u>AGE</u>	<u>RATE</u>
55	5.3%	73	6.5%
56	5.3%	74	6.6%
57	5.4%	75	6.7%
58	5.4%	76	6.9%
59	5.4%	77	7.0%
		78	7.2%
60	5.5%	79	7.4%
61	5.5%		
62	5.6%	80	7.6%
63	5.6%	81	7.8%
64	5.7%	82	8.0%
		83	8.3%
65	5.7%	84	8.6%
66	5.8%		
67	5.9%	85	8.9%
68	6.0%	86	9.2%
69	6.0%	87	9.5%
		88	9.8%
70	6.1%	89	10.1%
71	6.2%		
72	6.3%	90 and over	10.5%

The annuity rates are less than those offered by insurance companies, but donors have the satisfaction of obtaining a charitable tax deduction for part of the value of the gift, as well as doing something of lasting benefit for the University.

The rates have been computed to produce a “residuum”, or gift to Lehigh at the expiration of the agreement, which is on average 50% of the amount of the initial contribution. The rates are based on actuarial studies of mortality experience among gift annuitant lives and consideration for the income rate expected from the invested reserve funds.

Beneficiaries receive monthly annuity payments for life according to the terms of a simple contract. These payments are fixed and guaranteed by the revenues and assets of the University.

Description of Reserve

Gifts to the annuity program are invested in accordance with state requirements. The assets held generate income to distribute to beneficiaries and provide a reserve of capital, if needed, to make up the difference between the income earned and the required distributions. Upon the termination of the life interests covered by a given contract, a proportionate share of the entire reserve is applied to the purpose outlined in the original gift annuity agreement. At maturity the contract balance is invested in the endowment fund.

Lehigh has completed applications for all states with annuitants and all state requirements for registration of gift annuity programs. At June 30 each year, Lehigh performs an internal review of our gift annuity reserve compared to the total reserve assets to the present value of the reserve’s liabilities. Our reserve assets at December 31, 2008, are well in excess of the present value of its liabilities.

Gift Annuity Disclosure Statement

Description of a Gift Annuity

A gift annuity is a simple contract between the donor(s) and Lehigh University (hereinafter "Lehigh"). In exchange for the donor's(s') contribution, Lehigh promises to make fixed payments for life to one or two annuitants (usually, but not necessarily, the donor(s)). The amount paid is based on the age(s) of the annuitant(s), in accordance with Lehigh's rate schedule.

Not a Commercial Investment

The act of establishing a gift annuity with Lehigh is not, and should not be viewed as, an investment. Rather, it is a way to arrange for annuity payments while making a charitable donation. In this respect, a gift annuity issued by Lehigh is different from a commercial annuity. However, the fact that you are making a charitable gift may result in tax benefits, including a current federal income tax charitable deduction (if you itemize your deductions), annuity payments which are partially tax-free, and future estate tax savings.

Gift Annuity Rates

Generally, the gift annuity rates paid by Lehigh are those suggested by the American Council on Gift Annuities, which is a national organization of charities that has been in existence since 1927. These rates have been calculated so as to provide attractive payments to the donor and/or other annuitant(s) and also to result in a significant portion of the contribution remaining for the charity. Because a charitable gift is involved, the rates are lower than those available through commercial annuities offered by insurance companies and other financial institutions.

Assets Backing Annuity

The annuity payments are a general obligation of Lehigh, and they are backed by all of our assets (subject to security interests). On 12/31/2008, our total invested funds exceeded \$1,000,000,000. We also maintain a gift annuity reserve fund valued at more than \$18 million in accordance with the laws of the states in which we offer gift annuities. Assets received by Lehigh for gift annuities are managed internally, in a conservative and disciplined manner. If Lehigh should ever fail financially, individuals entitled to receive annuities will qualify as general creditors of Lehigh.

Responsibility for governing Lehigh, which was established in February 9, 1866, is vested in a Board of Trustees. Common investment funds managed by our organization are exempt from registration requirements of the federal securities laws, pursuant to the exemption for collective investment funds and similar funds maintained by charitable organizations under the Philanthropy Protection Act of 1995 (P.L. 104-62). Information in this letter is provided to you in accordance with the requirements of that Act.

Points to Remember

- A contribution for a gift annuity is irrevocable.
- The right to annuity payments may not be assigned to any person or organization, other than Lehigh.
- The gift date is the date when you actually transfer assets. In the case of cash, it is the date you mail or deliver a check. In the case of an electronic transfer of securities, it is the date they are received into the account of Lehigh. If you have certificates, it is the date they are properly endorsed and mailed or delivered.
- The gift annuity is governed by applicable state laws.

For More Information

This disclosure statement is intended to provide basic information regarding the gift annuities issued by Lehigh. If you have additional questions concerning Lehigh's gift annuity program, please call (610) 758-4874 or write Lorraine S. Wiedorn, Director of Planned Giving, Lehigh University, 27 Memorial Drive West, Bethlehem, PA 18015-3086.

*Gift Annuity Program
Investment Data*

December 31

	<u>2008</u>	<u>2007</u>
Market Value at January 1	\$35,377,836	\$36,960,850
Additional Gifts	2,316,013	1,072,617
Liquidation of Shares	(1,144,072)	(3,276,066)
Income Earned *	1,533,173	1,500,897
Annuity Payments **	(2,226,306)	(2,524,284)
Market Losses	<u>(9,177,206)</u>	<u>1,643,822</u>
Market Value at December 31	<u>\$26,679,438</u>	<u>\$35,377,836</u>
Number of Participants	313	313

* Income earned is reinvested until it is needed for distribution to beneficiaries.

** If earnings are not sufficient to cover distributions, principal is divested.

Pooled Life Income Funds

Summary Report

December 31, 2008

Pooled Life Income Funds

Lehigh University's Pooled Life Income Funds operate in much the same way as a mutual fund. Gifts to each fund are pooled and invested with other gifts to that fund. Income earned by the fund is distributed to all participants on a quarterly basis. A fifth and final check is mailed to participants before the end of January each year to distribute the prior year's remaining income.

Lehigh is responsible for the investment management of its Pooled Life Income Funds, and State Street Bank and Trust is currently contracted to administer these funds. Summary Reports of each fund follow:

	Page
Balanced Fund	23
High Yield	28
Post '69 (Closed to New Participants)	33

The following is a summary of the investment objectives, which Lehigh follows for its various pooled income funds:

Moderate Income and principal growth
Balanced Fund

High Income without undue risk of principal
High Yield
Post '69

Description of Investments

Investment fund selection is made in order to achieve the specific investment objective of each pooled fund. The following is a brief description of the individual funds in which the Pooled Life Income Funds were invested during the year:

Vanguard High Yield Corporate Fund

Seeks to earn a high level of interest income. The fund's assets are composed of high yield corporate bonds, which pay high interest rates. The investment advisor seeks to reduce risk somewhat through solid credit research and broad diversification across companies and industries and by emphasizing high-yield bonds with relatively stronger credit ratings.

Vanguard Wellington Fund

Seeks to provide both income and long-term growth of capital without undue risk of capital appreciation. The fund's assets are composed of a mix of common stocks (65%) and fixed income securities (35%).

Vanguard Wellesley Income Fund

Seeks to provide a high level of income, long-term growth of income and moderate long-term growth of capital. The fund's assets are composed of 60-65% high-quality long-term and intermediate term bonds, with the remainder in dividend-paying stocks.

Balanced Pooled Life Income Fund

Summary Report

December 31, 2008

Balanced Pooled Life Income Fund
Selected Financial Data

	<u>December 31</u>	
	<u>2008</u>	<u>2007</u>
Market Value	\$3,954,615	\$5,019,218
Number of Shares	1,473,728	1,377,889
Market Value Per Share	2.68341	3.64269
Income Per Share*	.18572	.17986
Number of Participants	28	28

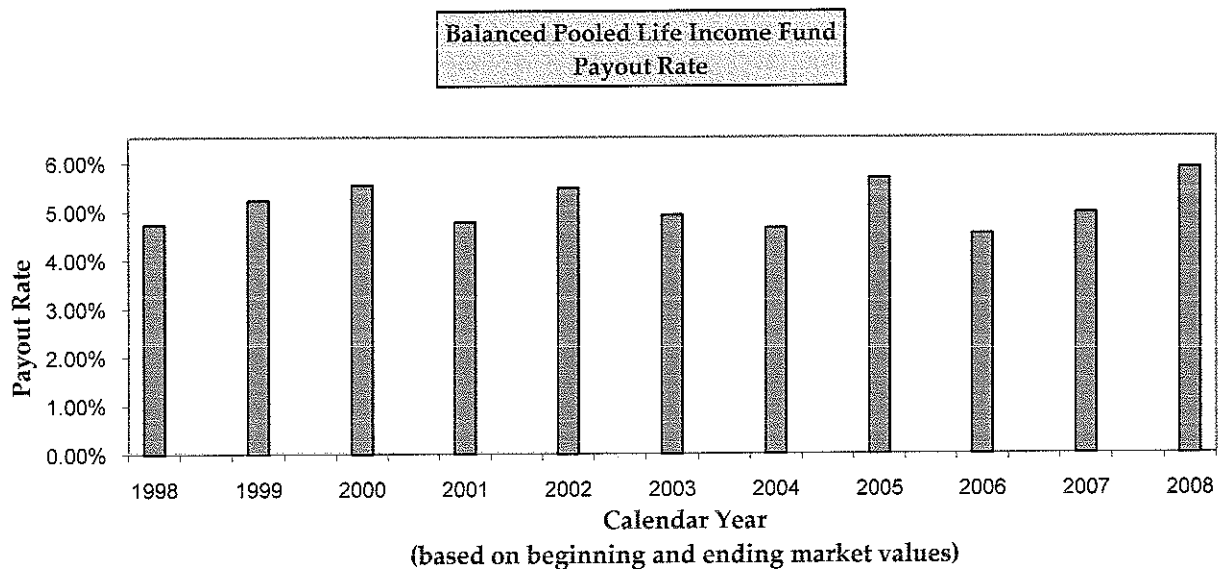
* Based on weighted average shares per year

Balanced Pooled Life Income Fund

Historical Data

<u>Year</u>	<u>Shares Outstanding</u> <u>At December 31</u>	<u>Market Value at 12/31</u>		<u>Income</u>	
		<u>Per Share</u>	<u>Total</u>	<u>Per Share*</u>	<u>Total</u>
1999	494,989.69	3.17864	1,573,392	.16747	79,609
2000	507,874.12	3.17633	1,613,178	.17600	90,247
2001	514,462.59	3.13237	1,630,579	.15064	77,562
2002	532,789.42	2.86903	1,528,591	.16445	86,108
2003	545,702.04	3.24417	1,770,352	.15037	81,088
2004	561,854.09	3.39601	1,908,060	.15434	85,468
2005	1,082,472.07	3.38973	3,669,290	.19266	158,396
2006	1,230,046.99	3.61955	4,452,214	.15861	183,393
2007	1,377,889.23	3.64269	5,019,218	.17986	234,528
2008	1,473,727.58	2.68341	3,954,615	.18572	264,794

* Income Per Share = $\frac{\text{Annual Income}}{\text{Weighted Average Shares}}$



Balanced Pooled Life Income Fund
Investment Data

	<u>December 31</u>	
<u>Investments at Market</u>	<u>2008</u>	<u>2007</u>
Vanguard Wellington Fund	\$ 2,066,060	\$ 2,532,224
Vanguard High Yield Corporate Fund	1,887,973	2,485,091
Cash*	<u>582</u>	<u>1,903</u>
 Total Investments	 <u>\$ 3,954,615</u>	 <u>\$ 5,019,218</u>
 Market Value at January 1	 \$ 5,019,218	 \$ 4,452,214
Additional Gifts	326,500	578,134
Liquidation of Shares	-0-	(41,354)
Market Losses	<u>(1,391,103)</u>	<u>30,224</u>
 Market Value at December 31	 <u>\$ 3,954,615</u>	 <u>\$ 5,019,218</u>

* This figure represents gifts received at the end of December. These gifts were subsequently invested in the various funds listed above.

Balanced Pooled Income Fund
Income Data

	<u>2008</u>	<u>Per share</u>
Investment Income:		
Dividend	\$278,917	\$.19562
Interest	<u> 608</u>	<u>.00043</u>
Total	\$279,525	\$.19605
Expenses:		
Administrative Costs	<u>(14,731)</u>	<u>(.01033)</u>
Net Investment Income	<u>\$264,794</u>	<u>\$.18572</u>
Payments to Participants	<u>\$264,794</u>	<u>\$.18572</u>

High Yield Pooled Life Income

Summary Report

December 31, 2008

*High Yield Pooled Life Income
Selected Financial Data*

December 31

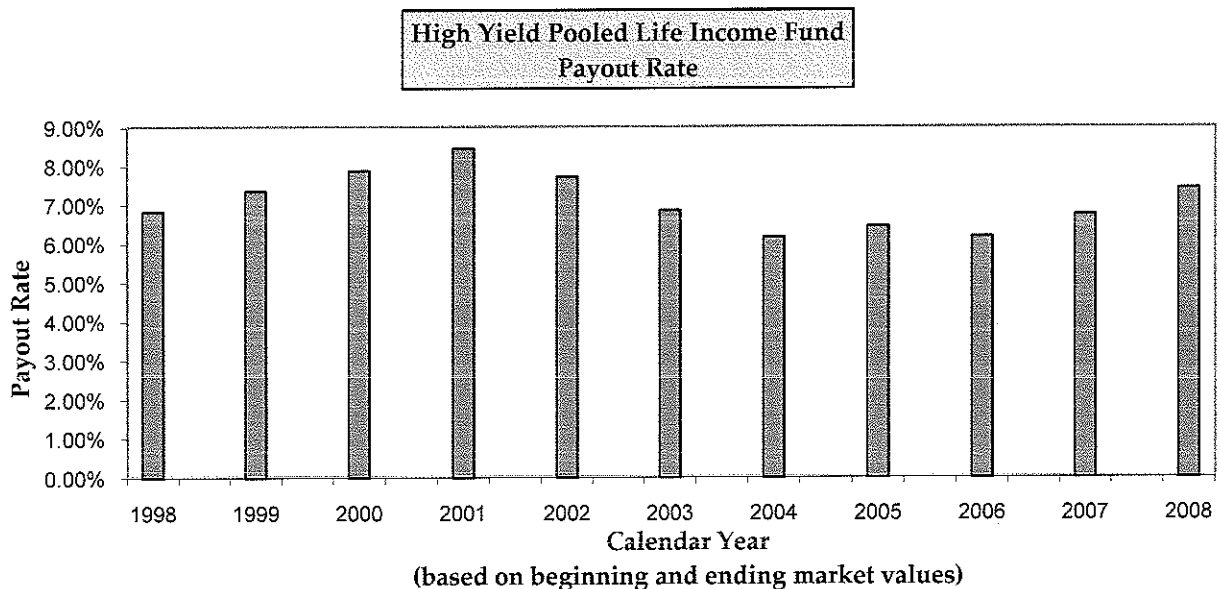
	<u>2008</u>	<u>2007</u>
Market Value	\$487,715	\$857,354
Number of Shares	471,211	609,249
Market Value Per Share	1.03503	1.40723
Income Per Share*	.09084	.09679
Number of Participants	25	30

* Based on weighted average shares per year

High Yield Pooled Life Income Historical Data

Year	Shares Outstanding At December 31	Market Value at 12/31		Income	
		Per Share	Total	Per Share*	Total
1999	1,498,636.34	1.54643	2,317,539	.11817	177,089
2000	1,445,709.66	1.46619	2,122,330	.11885	173,658
2001	1,344,949.32	1.41839	1,910,864	.12207	164,199
2002	1,160,844.06	1.34689	1,563,527	.10690	133,930
2003	1,112,870.57	1.46052	1,625,373	.09628	109,461
2004	968,555.19	1.48371	1,437,055	.09071	94,399
2005	800,958.34	1.42722	1,143,145	.09387	83,048
2006	778,787.48	1.45990	1,147,639	.08914	70,411
2007	609,249.17	1.40723	857,354	.09679	66,913
2008	471,211.10	1.03503	487,715	.09084	49,072

* Income Per Share = $\frac{\text{Annual Income}}{\text{Weighted Average Shares}}$



*High Yield Pooled Life Income
Investment Data*

	<u>December 31</u>	
<u>Investments at Market</u>	<u>2008</u>	<u>2007</u>
Vanguard High Yield Corporate Fund	\$332,318	\$612,722
Vanguard Wellesley Fund	155,367	241,598
Cash*	<u>30</u>	<u>3,034</u>
 Total Investments	 <u>\$487,715</u>	 <u>\$857,354</u>
 Market Value at January 1	 \$857,354	 \$1, 147,639
Additional Gifts	-0-	1,000
Liquidation of Shares	(190,659)	(240,258)
Market Losses	<u>(178,980)</u>	<u>(51,027)</u>
 Market Value at December 31	 <u>\$487,715</u>	 <u>\$857,354</u>

* This figure represents gifts received at the end of December. These gifts were subsequently invested in the various funds listed above.

*High Yield Pooled Income
Income Data*

	<u>2008</u>	<u>Per Share</u>
Investment Income:		
Dividend	\$ 51,172	\$.09472
Interest	<u>187</u>	<u>.00035</u>
Total	\$51,359	\$.09507
 Expenses:		
Administrative Costs	<u>(2,287)</u>	<u>(.00423)</u>
 Net Investment Income	 <u>\$ 49,072</u>	 <u>\$.09084</u>
 Payments to Participants	 <u>\$ 49,072</u>	 <u>\$.09084</u>

Post 1969 Pooled Life Income Fund

Summary Report

December 31, 2008

(Closed to new Participants)

Post 1969 Pooled Life Income Fund
Selected Financial Data

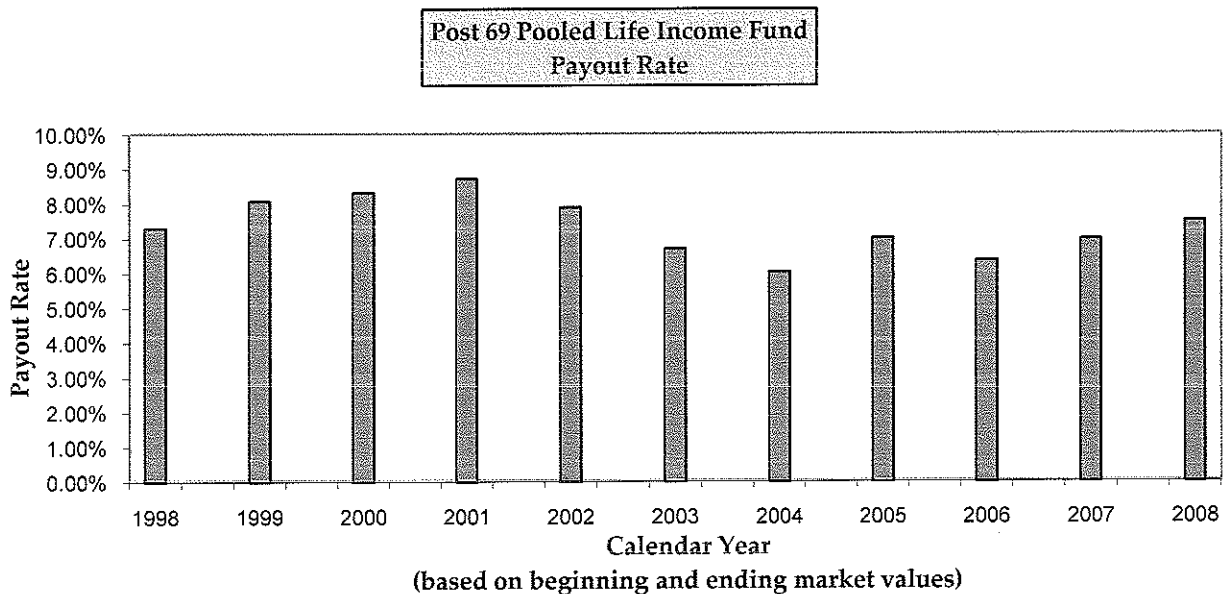
	<u>December 31</u>	
	<u>2008</u>	<u>2007</u>
Market Value	\$721,656	\$985,321
Number of Shares	1,153,384	1, 180,346
Market Value Per Share	.62569	. 83477
Income Per Share*	.05494	. 05947
Number of Participants	28	30

* Based on weighted average shares per year

Post 1969 Pooled Life Income Fund Historical Data

Year	Shares Outstanding At December 31	Market Value at 12/31		Income	
		Per Share	Total	Per Share*	Total
1999	2,874,542.50	.97017	2,788,796	.08065	234,257
2000	2,798,539.57	.90634	2,536,464	.07803	222,050
2001	2,679,396.23	.87249	2,337,754	.07754	207,758
2002	2,597,279.22	.82229	2,135,709	.06695	176,645
2003	2,274,984.14	.87901	1,999,739	.05698	138,809
2004	1,948,531.43	.89386	1,741,716	.05352	113,020
2005	1,513,745.84	.85747	1,297,977	.06135	106,197
2006	1,378,261.14	.87213	1,202,062	.05498	83,063
2007	1,180,346.14	.83477	985,321	.05947	76,076
2008	1,153,383.71	.62569	721,656	.05494	64,110

* Income Per Share = $\frac{\text{Annual Income}}{\text{Weighted Average Shares}}$



*Post 1969 Pooled Life Income Fund
Investment Data*

	<u>December 31</u>	
<u>Investments at Market</u>	<u>2008</u>	<u>2007</u>
Vanguard High Yield Corporate Fund	\$558,994	\$782,008
Vanguard Wellesley Fund	162,662	191,984
Cash *	<u>-0-</u>	<u>11,329</u>
 Total Investments	 <u>\$721,656</u>	 <u>\$985,321</u>
 Market Value at January 1	 \$985,321	 \$1,202,062
Additional Gifts	- 0 -	- 0 -
Liquidation of Shares	(14,540)	(180,552)
Market Losses	<u>(249,125)</u>	<u>(36,189)</u>
 Market Value at December 31	 <u>\$721,656</u>	 <u>\$985,321</u>

* This figure represents gifts received at the end of December. These gifts were subsequently invested in the various funds listed above.

*Post 1969 Pooled Income Fund
Income Data*

	<u>2008</u>	<u>Per Share</u>
Investment Income:		
Dividend	\$ 66,601	\$.05708
Interest	<u>239</u>	<u>\$.00020</u>
Total	\$ 66,840	\$.05728
 Expenses:		
Administrative Costs	<u>(\$2,730)</u>	<u>(\$.00234)</u>
 Net Investment Income	 <u>\$ 64,110</u>	 <u>\$.05494</u>
 Payments to Participants	 <u>\$ 64,110</u>	 <u>\$.05494</u>

Separately Invested Funds

Summary Report

December 31, 2008

Separately Invested Funds

Separately Invested Funds include Charitable Remainder Unitrusts and Segregated Funds. As a fiduciary for planned giving vehicles, the trustee approves all allocation and investment selection decisions. The investment criteria for these investments take into consideration:

Time Horizon

- Beneficiary Age
- Term in Years
- Joint Lives

Return Requirements

- Payout Percentage/Effective Payout
- Expenses

The following are some of the commonly used investments for Charitable Remainder Trusts:

Vanguard Total Stock Market Fund

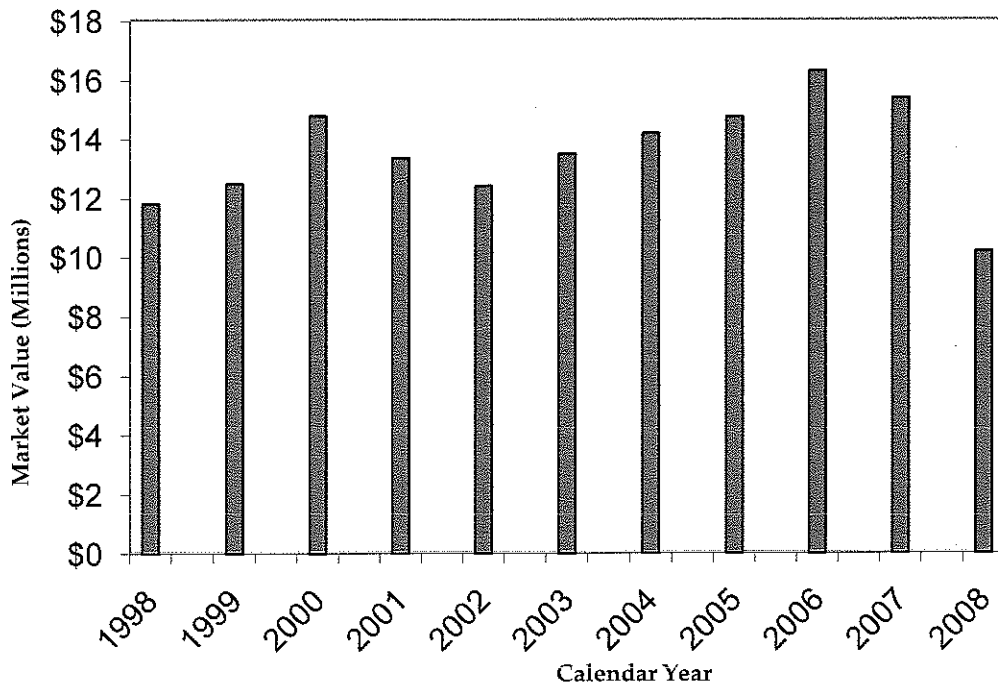
Vanguard Total Bond Market Fund

SSgA International Stock Selection Fund

*Charitable Remainder Trusts and
Segregated Funds
Investment Data*

	<u>December 31</u>	
	<u>2008</u>	<u>2007</u>
Market Value at January 1	\$15,382,613	\$16,298,758
Additional Gifts	45,245	334,881
Maturities	(881,280)	(1,887,256)
Income Earned	810,037	879,272
Beneficiary Payments	(896,568)	(1,005,682)
Market Losses	<u>(4,254,462)</u>	<u>762,640</u>
Market Value at December 31	<u>\$10,205,585</u>	<u>\$15,382,613</u>
Number of Participants	33	34

**Market Value Information
Separately Invested Funds**



Additional Information

**CURRENT YEAR GIFTS
 JANUARY 1, 2008 TO DECEMBER 31, 2008
 LIFE INCOME GIFTS OF \$10,000 OR MORE
 ADMINISTERED BY LEHIGH**

<u>CLASS</u>	<u>NAME OF FUND</u>
1931	Elmer C. Easton
1936	Louis Weinstock
1938	Charles Zell
1940	Robert C. Muir
1941	William A. Siegele
1944	John H. Gross
1944	George Ramsden
1944	Harry B. Walton
1946	Henry M. Harman
1948	Myer M. Alperin
1948	Daniel T. Sachse
1948	Ethan A. Smith
1949	Webster Dawley
1951	Hellmut D. W. Bauer
1951	Daniel E. Castner
1951	Robert D. Meyer
1952G	Ruth O. Fidorack
1953	Herbert A. Roemmele
1953	Robert and Marilyn Walton
1954	Jack L. Fox
1954	Edward S. Gregorek
1957	John E. Zollinger
1958	Donald E. Kohler
1958	Laurence O. Trerotola
1959	M. Thomas Latanision
1959	Donald L. Talhelm
1961	Robert L. Leight
1961	Richard T. Moll
1964	David L. March
1969	James S. Finne
1970	Peter L. Gartman
1970	Robert T. Leonard
1972	Stephen H. Hogan
1976W	Cynthia Gunda
FAC	Anna Herz
FAC	Robert D. Stout
Friend	Dale Goodwin
Friend	Hulda Dornblatt Robbins

Shine
FOREVER
THE CAMPAIGN FOR LEHIGH

Office of Finance and Administration
Alumni Memorial Building
27 Memorial Drive West
Bethlehem, PA 18015-3086