



ANNUAL REPORT 2015

PI KAPPA ALPHA FOUNDATION

*Raising Funds to Educate
and Empower
Principled Leaders*



► Thank You, Donors!

Thanks to you, the Foundation was able to support and impact the lives of more than 15,000 men last year. The Foundation remains nimble and financially sound – able to respond to the ever-shifting needs and priorities of the Fraternity and our students.

The Pi Kappa Alpha Foundation exists to support **educational and leadership programming** developed by the Fraternity for its undergraduate members and alumni volunteers. Additional support is provided to individual students based on merit and/or financial need. The Foundation is also charged with preserving historical documents and artifacts related to Pi Kappa Alpha and the War Memorial housed at the Foundation-owned Memorial Headquarters in Memphis, Tennessee.

"Through your generous donation in 2015, you have invested in the lives of tomorrow's leaders. I applaud you for placing faith in Pi Kappa Alpha and thank you for being a valued stakeholder in our important mission."
– Mark A. Robertson, President

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CALEB LAREAU (TULSA, GAMMA UPSILON '11)



2015 Robertson Most Outstanding Undergraduate Award Recipient,
Harvard University PhD Candidate

Joining PIKE was the best decision of my undergraduate career. Through the Fraternity I learned many invaluable lessons and skills. One of which was the art of working with and leading peers with varied backgrounds and personalities. This will no doubt help me flourish as I pursue my PhD at Harvard University in biostatistics, and ultimately in my career specializing in human genetics.

► PIKE in the 21st Century

This isn't the Fraternity you joined... it's better!

Your Fraternity remains relevant some 148 years after its founding. Membership in the 221 chapters and colonies continues to rise. At the end of 2015, the Fraternity boasted 15,600 student members, bringing the total of lifetime initiations to almost 276,000. Our chapters combined to raise over \$2.59 million (up 21 percent from last year) for non-profit charitable organizations and contributed over 368,000 hours of community service (a 7.5 percent increase). Over 90 percent of chapters have active alumni advisory boards, and 150 alumni associations promote engagement and support for both their alma maters and regional PIKE chapters. Seventy-one chapters have a GPA greater than 3.0, up 27 percent from last year.

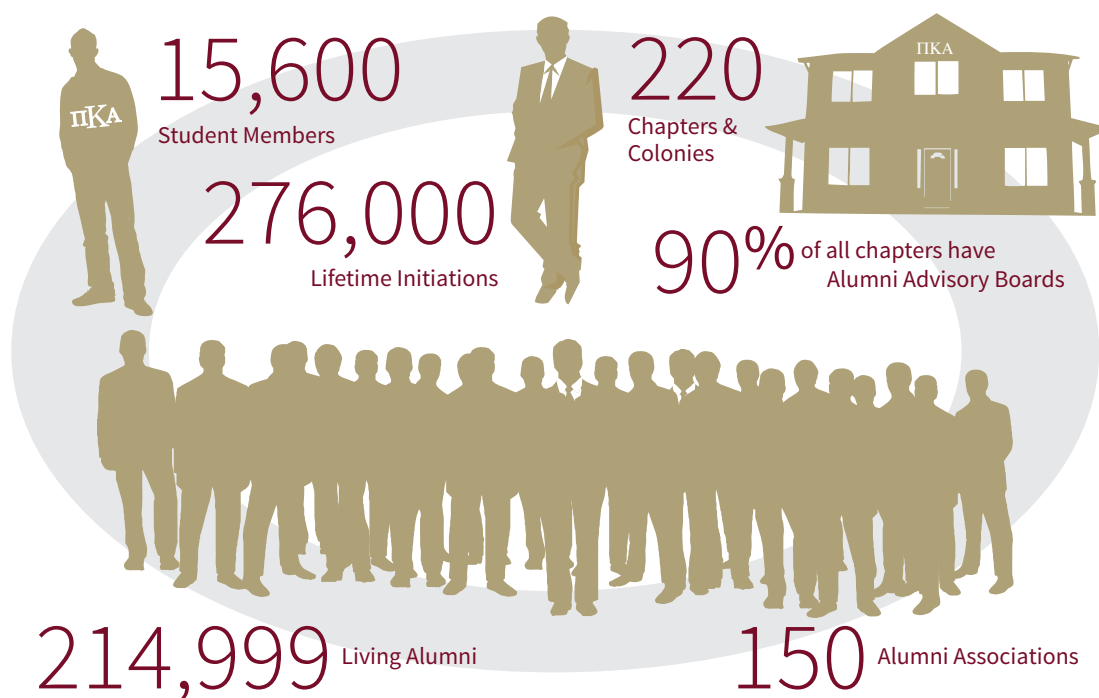
Pi Kappa Alpha has become the fastest growing fraternity in North America. What has created this success? Aside from the inherent attraction of wanting to associate with "winners": scholars, leaders, athletes and gentlemen, Pi Kappa Alpha is now offering more to its student members. It comes in the form of education provided through the nationally acclaimed program known as PIKE University.

Through the strategic recruitment of the best... and the further molding of these men, Pi Kappa Alpha is largely recognized as an industry leader, ranking in the top 1 to 3 of all fraternities in categories such as all-chapter GPA, chapter size, campus involvement, health & safety programming, philanthropy, member retention and intramural athletic programs. By all measures, PIKE membership is highly sought after and the positive experience members receive is accounting for success on all levels.

BRYAN HAWKINS (KETTERING, ZETA ALPHA A '12)



My Fraternal involvement directly impacted the personal growth I experienced during my college years. PIKE provided an environment for me to sharpen my leadership skills. I have made lifelong friendships that cannot be quantified. I reaped the benefits from my chapter's academic policies. Through a chapter-led networking program I made connections with alumni who helped mentor and guide me into life after college.



► Your Impact

You are the final chapter in the story of personal development and guidance for our undergraduates before entering the “real world.” Young men joining Pi Kappa Alpha have been influenced from several directions throughout their lives. Whether it be the Boy Scouts of America, place-of-faith or organized sports teams – someone has been working to mold these young men. Pi Kappa Alpha recognizes and accepts that we are the last stop – picking up where others left off; charged with the responsibility of preparing our men for a successful life during and after college.

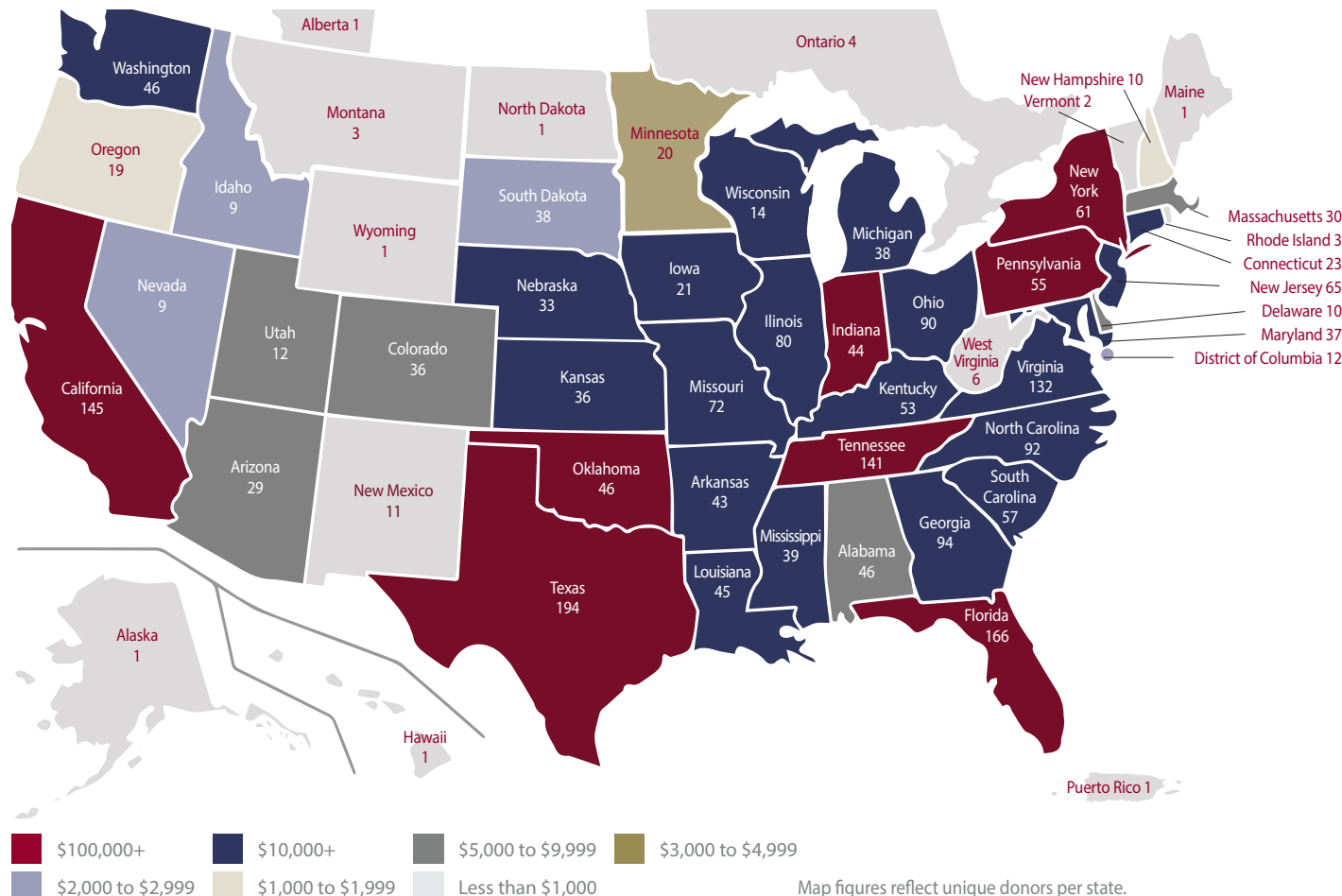
With your help, Pi Kappa Alpha educated and inspired more young men to become and act like leaders – within their chapter, community and as they enter the workforce and society. PIKE *University* (est. 2003) has become the game-changer for Pi Kappa Alpha and the men who benefit from it.

PIKE *University* provides both in-person and online personal development training for our members. PIKE *University* annually sets up shop at seven regional locations from coast-to-coast to host conferences

offering 13 hours of customized leadership training for students of all ages. Two additional annual conferences are hosted in Memphis, Tennessee for chapter officers and aspiring chapter leaders. In all, 3,509 students attended these leadership events last year.

PIKE U conferences and innovative online education offerings, are providing our young men access to education outside the classroom: management, accountability, ethics and personal development and leadership training. Supporting this program and our young men has become priority number one for the Foundation.

Thanks to you, last year the Pike Foundation was able to provide scholarships and grants to directly support PIKE *University* programming. Just over 850 students received financial support to attend leadership conferences. A grant of more than \$113,000 was made to the Fraternity for PIKE *University* programming and scholarships. The Foundation has been able to establish four permanent endowment funds that will perpetually support PIKE *University*.



2,236

Individual donors made the following gifts:
(Includes companies, chapters and associations.)

\$1,277,584 Gifts in support of qualified chapter housing

\$570,244 Gifts designated for a specific purpose and/or chapter

\$238,993 PIKE *Loyal Order* – annual giving fund managed by board of trustees

\$305,833 President's Council – premium annual giving club

\$153,845 Chapter Endowments – permanently restricted fund benefitting individual chapters

\$75,845 *φκκ* Club – undergraduate giving club

\$10,388 1868 Club – young alumni annual giving club

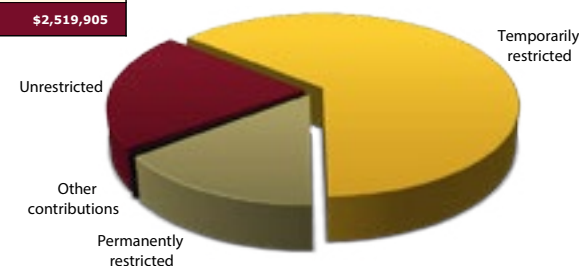
► Financial Performance & Highlights

Revenues & Support

The Pi Kappa Alpha Foundation is a tax-exempt 501(c)(3) nonprofit corporation supported by Pikes, their friends, and families. Revenue comes from individuals (cash, stock gifts, bequests), chapters (via the ϕϕκϕ Club), companies, family foundations and other organizations, as well as investment income. The PIKE Foundation's investment portfolio is managed by a professional firm with oversight from the board of trustees and the endowment fund committee. In 2015, contributions and revenue totaled \$2,531,627. The PIKE Foundation's financial position continues to grow despite industry and market challenges, a sign of the strength of our organization and its fundamentals.

The PIKE Foundation is committed to practicing good stewardship with all funds entrusted to us. Accordingly, the financial reporting and operations of the Foundation are independently audited each year. Like most nonprofits, the PIKE Foundation classifies expenses in three categories: program expenses, fundraising expenses and administrative expenses. Our program expenses are the funds used to help achieve measurable results for the Fraternity and its members. Program expenses not only include the dollars awarded to scholarship and grant recipients, but also the costs associated with achieving the Foundation's charitable initiatives as qualified by the Internal Revenue Service (IRS). In 2015, program expenses totaled \$793,838 (57% of total), up 3% from 2014.

Revenues & Support	2015	2014
Cash contributions	\$2,243,546	\$2,200,992
Pledges	\$403,389	(\$43,121)
Rental income	\$77,362	\$78,024
Investments	(\$240,455)	\$258,545
Miscellaneous	\$47,785	\$25,465
Total	\$2,531,627	\$2,519,905



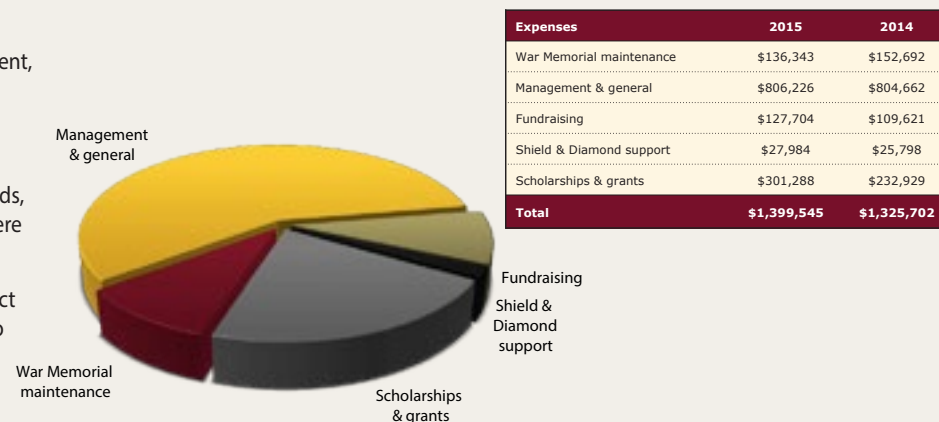
Expense Allocations

Administrative expenses include those for executive and board governance and oversight; financial management, including an annual audit, technology and systems that ensure organization efficiency; overall planning and coordination of the Foundation's work, and general infrastructure costs. In 2015, those expenses totaled \$279,894 (20% of total), down 3% from 2014.

To secure the annual support necessary to meet the Fraternity's most pressing educational and leadership needs, our annual fundraising efforts include direct mail, online campaigns, and chapter outreach. Those expenses were \$325,821 (23% of total), the same as last year.

Over the past several years, the Foundation's work has been expanded to include branch offices and more direct contact with our alumnus donors and chapters in support of fundraising initiatives; even so, we've managed to stabilize expenses in this area.

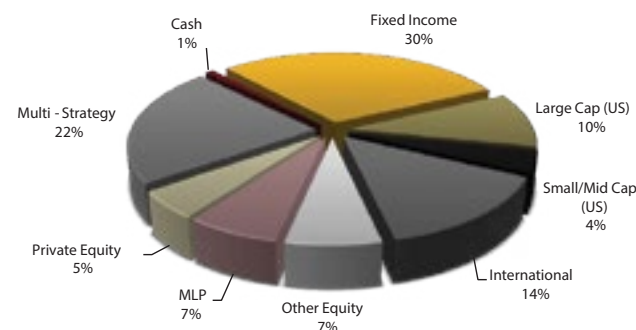
Your investment is not only supporting our organization's current work, but also our ability to adapt and sustain ourselves into the future. We thank you for the faith you put in our staff and volunteers and your passion for supporting the men of Pi Kappa Alpha that are making a difference in their communities.



Endowment Fund

2015 saw an increase of nearly a half million dollars in the PIKE Foundation's Endowment Fund consisting of permanently-restricted assets. Over the last seven years, the Endowment Fund has grown by nearly 120%! As pledges continue to be fulfilled, we are excited to see continued growth in this critical measurement of our success.

At the same time, we must maintain our focus on growing unrestricted net assets, which are critical in allowing the PIKE Foundation to raise additional funds to support the educational and leadership programs of Pi Kappa Alpha.





φφκa Club



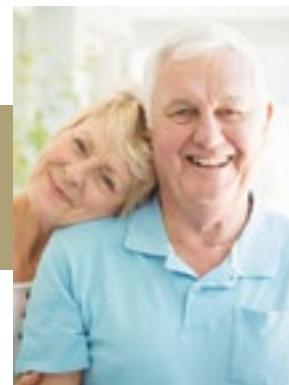
1868 Club



**President's Council
30 & Under**



President's Council



Oak Trust Society

► Ways To Financially Support Pi Kappa Alpha

The Pi Kappa Alpha Foundation manages a wide array of giving options that align with the Fraternity's funding needs. It is our goal to match a donor's personal mission for charitable support with a qualified initiative that will have the most impact on PIKE, its chapters and/or student members. Below is a brief description, a Guide to Giving, of each PIKE Foundation opportunity.

Guide to Giving: Annual Fund

PIKE Loyal Order

The PIKE Loyal Order Annual Fund is a general, unrestricted giving program that allows the Foundation to swiftly respond to the Fraternity's most urgent needs. Recent examples of support include launching the first-ever distance learning platform geared for student-members of all ages; streamlining the membership education program, alumni outreach initiatives, and the enhancement of the War Memorial and Museum. The Foundation board of trustees monitors and reviews all grant requests, spending performance and return on investment for this fund. Gifts of all sizes may be made to the PIKE Loyal Order, but below are special recognition programs for those who contribute specific amounts.

President's Council

The President's Council is considered the premier PIKE Loyal Order Fund giving program. Recognition is given to alumni and friends who make a commitment of at least \$1,000 (\$500 if 30 years old or younger) per year. Each member receives a branded donor lapel pin, certificate of membership, annual recognition in the Shield & Diamond and on the Fraternity's website and special promotions throughout the year.

1868 Club

Designed for young alumni, the 1868 Club was established as a natural progression from undergraduate giving to more targeted support upon graduating. By honoring the founding of our great Fraternity, 1868 Club members commit to pay \$18.68 per month for a minimum of one year. Proceeds from this program benefit the PIKE Loyal Order Fund. Each member receives an 1868 Club decal and annual recognition in the Shield & Diamond and on the Fraternity's website.

φφκa Club

The φφκa Club is an annual giving club for student members of Pi Kappa Alpha. Undergraduates may join this Club by donating \$25 to the PIKE Foundation or \$20 per student if each member of the chapter participates. Student contributions to the φφκa Club are restricted to their respective chapter endowment fund. Once the fund reaches a minimum of \$10,000 it provides an annual grant to that chapter's PIKE *University* scholarship fund to assist students with the cost of attending the program. Each member receives a donor lapel pin, embossed sport band, member certificate, acknowledgement in the Shield & Diamond and on the Fraternity's website and a recognition ribbon to wear with at PIKE *University* events.

Guide to Giving: Scholarships

Designated International Fund

The establishment of a designated international fund (DIF) allows a donor(s) to set up a fund that ultimately will benefit any chapter and/or student member within Pi Kappa Alpha. The DIF is considered endowed once it has reached a minimum of \$20,000. Example: The Robert D. Lynn Memorial Scholarship provides a scholarship to Pi Kappa Alpha members who display exemplary leadership serving their local InterFraternity Council. Donors may also elect to support an existing DIF, such as the Robertson Most Outstanding Undergraduate.



Scott Mackler, MD, PhD, Medical School Memorial Scholarship

In 2015, The Joseph Alexander Foundation, Inc. generously donated \$100,000 to the PIKE Foundation to endow The Scott A. Mackler, MD, PhD, Medical School Memorial Scholarship. The award was created to honor the legacy of Brother Scott Mackler, MD, PhD (Pennsylvania, Beta Pi '77). Scott was born in New Jersey and attended University of Pennsylvania where he earned a B.S. in physical therapy, a B.A. in biology, a PhD in anatomy and his medical degree.

The Scott Mackler Scholarship will annually award a minimum of \$3,000 to a student Pike that is attending or has been accepted to medical school.

Designated Chapter Fund

Designated chapter funds (DCF) are similar to designated international funds but are restricted to a specific chapter or chapters. Example: Ike and Letty Evans True PIKE Scholarship benefits an outstanding student leader of Alpha Omega Chapter (Kansas State) who is devoted to making his chapter, his campus and his community better.



Dr. John P. McGovern Academic/Leadership Scholarship

Each year, almost \$2,000 in scholarships are awarded to an outstanding leader of the Alpha Alpha Chapter (Duke) and an outstanding student of the Epsilon Eta Chapter (Houston). In 1984, Dr. John P. McGovern (Duke, Alpha Alpha '40) originally established the John P. McGovern Scholarship Fund with a gift of \$10,000 to the PIKE Foundation. That fund eventually grew to more than \$50,000 and, based on the wishes of Dr. McGovern, supports

undergraduate achievement for two personally meaningful chapters. Dr. McGovern was an allergist in Houston, Texas and established the McGovern Allergy Clinic in 1956. He received the Fraternity's Distinguished Achievement Award in 1983 and was inducted into the Foundation's Order of West Range in 1989.

Guide to Giving: Planned Gifts

Oak Trust Society

Planned giving is a process of charitable, legal and tax planning that enhances your philanthropy and enables you to address other financial and estate planning issues while making a gift. The Oak Trust Society was established in 1991, to recognize the generosity of loyal alumni who planned a legacy gift to benefit Pi Kappa Alpha.

The Foundation has taken steps to provide information and tools for those who might be interested in making a legacy gift by providing regular informational newsletters, an online portal, OakTrustLegacy.pikes.org and staff consultation.

Through a gift of insurance, or your will or revocable living trust, you can give a percentage of your estate or a certain amount of cash, securities or property. After your lifetime, or that of your spouse or children, the Pi Kappa Alpha Foundation will use your gift to support our mission.

You may find the following language helpful in making an effective bequest to the Foundation:

I hereby give, bequeath to the Pi Kappa Alpha Foundation (Tax I.D. #62-6039877), a nonprofit, educational corporation located at 8347 West Range Cove, Memphis, TN 38125, the sum of \$ _____ (or ____% of the rest, residue and remainder of my estate) to be used for the general purposes of the Foundation (or for a particular program of your choosing).

How to Give

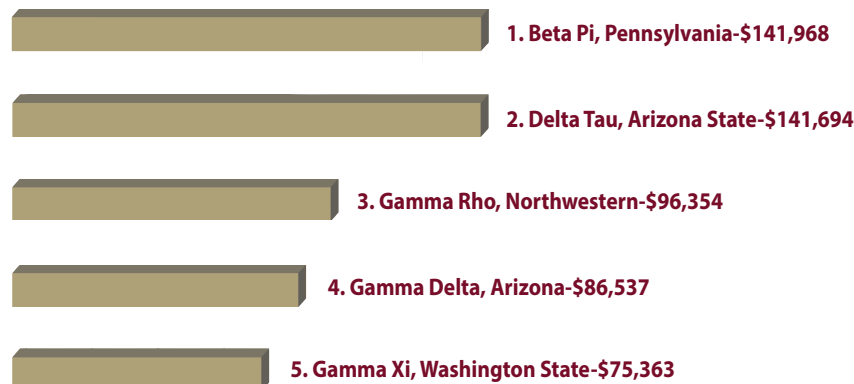
The PIKE Foundation accepts a wide variety of gift options. A donor may mail a personal check to the Foundation or submit an electronic check through our website. We also accept all four major credit and debit cards. Donors have an opportunity to give a one-time gift or, for convenience, set up a recurring gift subscription. We also accept corporate matching gifts in which we are happy to assist with the required paperwork. Planned gifts and gifts in the form of stocks, bonds and other investments are also accepted and appreciated.

CEF/PIKE University Scholarships

Each PIKE chapter and colony has a chapter endowment fund established with the PIKE Foundation. Once that fund reaches a minimum balance of \$10,000, it provides an annual grant to that chapter's PIKE *University* scholarship fund to assist students with the cost of attending the program.

Largest CEF Balance

(as of 12/31/2015)



Glossary of Fundraising Terms

Bequest or Deferred Gift: A transfer, by will, of personal property such as cash, securities, or other tangible property.

Designated Gift: A restricted or commemorative gift made for a specific purpose and designated for a specific purpose.

Endowment: Principal or corpus maintained in a permanent fund to provide income for general or restricted use of an agency, institution, or program.

Endowed Fund: A permanent fund that provides annual income for general or restricted use.

Pledge: A promise or commitment to make a gift over a specified period, generally two or more years, payable according to terms set by the donor, with scheduled monthly, quarterly, semi-annual, or annual payments.

Restricted Gift: A gift for a specified purpose clearly stated by the donor.

Unrestricted Gift: A gift to an institution or agency for whatever purposes officers or trustees choose.



Pi Kappa Alpha
Foundation

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