2008 ANNUAL REPORT

Learning, Leadership, and Service:

BY THE NUMBERS
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>WELCOME</td>
<td>1</td>
</tr>
<tr>
<td>PRESIDENT’S LETTER</td>
<td>2-3</td>
</tr>
<tr>
<td>SECTION ONE: LEARNING BY THE NUMBERS</td>
<td>4-6</td>
</tr>
<tr>
<td>SECTION TWO: LEADERSHIP BY THE NUMBERS</td>
<td>7-9</td>
</tr>
<tr>
<td>SECTION THREE: SERVICE BY THE NUMBERS</td>
<td>10-12</td>
</tr>
<tr>
<td>ADMINISTRATION AND BOARD OF DIRECTORS</td>
<td>13</td>
</tr>
<tr>
<td>2008 YEAR IN REVIEW</td>
<td>14-15</td>
</tr>
<tr>
<td>FINANCIAL SUMMARY</td>
<td>16-17</td>
</tr>
</tbody>
</table>

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© 2008 JOHN CARROLL UNIVERSITY
John Carroll University lives according to its vision, mission, and core values. The University’s 2008 Annual Report reflects a commitment to our guiding principles.

The report looks at John Carroll’s mission points of excellence in learning, leadership, and service, and uses numbers to show some of the many ways that the University met the mission during the year. From our classrooms to our athletic fields, from our service activities to our spiritual core, and from our campus community to our global Carroll family, John Carroll University is inspiring excellence in learning, leadership, and service.

OUR VISION:

John Carroll University will graduate individuals of intellect and character who lead and serve by engaging the world around them and around the globe.

OUR MISSION:

As a Jesuit Catholic university, John Carroll inspires individuals to excel in learning, leadership, and service in the region and in the world.
Dear Friends,

For John Carroll University, the 2008 report year was filled with success, joy, and challenge. Guided by our vision, mission, and core values, we grew stronger as an institution as we celebrated the successes of our faculty, students, and alums.

When I arrived at John Carroll in 2005, the University was facing a potential budget shortfall of more than $2 million for the following year, a daunting prospect for an institution of our size. My goal was to shape the future of the University by taking two actions - respond to the immediate problem and begin strategic investments in the future that will make us stronger.

We addressed the pressing fiscal difficulty through a series of measures that allowed the University essentially to break even at the end of the 2006 report year. These measures continue to be in place for the year ahead even as we set lofty goals for a tuition-driven institution. We expect that the goals will improve the balance sheet. But, as this report goes to press, it becomes all the more apparent that with the national credit crisis and the economic challenges, our belt tightening will need to continue.

Just as important as establishing sound financial footing is investing in John Carroll’s future. We proceeded by carefully
identifying and allocating resources to strategic areas that are critical to our long-term success. Among these key priorities are enrollment management and advancement. On the former, I can’t overemphasize the importance of attracting and retaining more students to the health of our tuition-driven institution. This year, our investments have begun to pay dividends. Our class of 2012 numbers 794, more than 10 percent larger than the class of 2011 and the largest freshman class for Carroll in five years – an especially noteworthy achievement considering the competitive climate for student recruitment.

The Advancement Division – including communications and marketing, government and community relations, development, and alumni relations – has been another area of investment. Advancement is more fully staffed than it has been in the last six years, and I am confident our renewed efforts to engage larger numbers of the Carroll community into the life of the institution will result in even greater support of every kind.

John Carroll made progress on other long-term priorities as well. We continued our work in exploring and communicating our Jesuit Catholic mission and identity more compellingly. The recent publication of a document entitled *The Jesuit Catholic Identity of John Carroll University* is the result of many months of deliberation in the Carroll family and describes the University’s Jesuit Catholic character as being a single reality based on the integration of faith and culture – a goal of Pope John Paul II’s in *Ex Corde Ecclesiae*.

We also furthered our campus master plan, developing concepts, engaging the surrounding community as never before, and moving closer to our goal of more on-campus student housing, play fields, and parking. In addition, led by our world-class faculty, we continued our effort to build on the academic excellence that helps make John Carroll what it is.

Our Jesuit values and tradition also make John Carroll what it is. With the help of God, who has set us on this path, we move into 2009, humbly serving, as our Jesuit Catholic publication says, “the human search for truth and value, and justice and solidarity.”

Robert L. Niehoff, S.J.
President, John Carroll University
MANY JOHN CARROLL ACCOUNTANCY MAJORS line up jobs in their junior year, when more than half the class engages in full-time internships during the spring semester. In spring 2008, juniors interning numbered close to 30 (out of 45 total), almost all with Big Four and other public accounting firms. About 95 percent of these internships typically result in full-time job offers for the student after they graduate. Internship or not, essentially 100 percent of Carroll’s accountancy majors have jobs waiting upon graduation. No wonder: In its percentage of students passing at least one part of the CPA exam, John Carroll has placed in the top three nationally twice within the last eight years.

With 70 chemistry majors graduating between 2006 and 2008, the last three years have been a particularly energetic time for the Department of Chemistry, and more of the same is in store. In 2006, Carroll chemistry graduates numbered 29, more than any of the other 27 Jesuit colleges and universities in the nation. While a slight dip followed in 2007 (20) and 2008 (21), the chemistry department forecasts 31 majors graduating in 2009 and in 2010, which will rank among all-time highs for the department.
Since 1995, 11 John Carroll graduates have been granted the opportunity to be men and women for others in a unique way. They have joined the ranks of Fulbright Scholar recipients. For more than 60 years, the Fulbright program has given students with high academic achievements and leadership promise the chance to make connections between the people of America and the rest of the world. Among the Carroll faculty, nine members are Fulbright recipients.

We’re keeping our promise. John Carroll students succeed and they graduate on time. Sixty-five percent of John Carroll’s students graduate within four years – double the average for Ohio’s public universities. The investment in private education allows our students to graduate and begin in their chosen fields earlier.
Scores of John Carroll students study abroad every year through programs administered by the University’s Center for Global Education. This year, 111 students participated in semester programs around the world. Another 119 students traveled for short-term programs during academic breaks and over the summer. The former number has remained stable while the latter has been steadily rising. Among the most popular destinations: Rome, London, and Mexico.

Call it a landmark occasion for learning in the John Carroll community. In April, the University received the Prophets Edition of The Saint John’s Bible, the first Bible to be written and illustrated entirely by hand in over 500 years. More than 10 years in the making, the exquisite publication was a gift from Saint John’s University, which commissioned the project. The gift was made possible through a donation by Target in honor of its retired Executive Vice President of Marketing John Pellegrene, Carroll class of 1958.
$115 MILLION

JOHN CARROLL IS AN ECONOMIC ENGINE. As described in John Carroll University’s Economic Impact on Northeast Ohio, published by the University in 2008, Carroll’s impact on the Northeast Ohio economy exceeded $115 million in fiscal year 2006, the year analyzed. This spending generated nearly 1,500 jobs and produced more than $54 million in household earnings within the region.

2 Jesuit leaders

Members of the John Carroll community were appointed to national Jesuit leadership positions in 2008 by Adolfo Nicolás, S.J., superior general of the Society of Jesus. The Very Reverend Timothy Kesicki, S.J., a member of the class of 1984 and the John Carroll Board of Directors, was named to lead the Detroit Province. His fellow Carroll board member The Very Reverend Patrick Lee, S.J., was picked to direct the Oregon Province.

Timothy Kesicki, S.J.  Patrick Lee, S.J.
In March, John Carroll student Joshua Marcin ’09 was named a recipient of the prestigious Harry S. Truman Scholarship, granted to U.S. college juniors who have shown leadership potential and a commitment to public service. The political science and Spanish double major was one of only 65 Truman Scholars selected from among 595 applicants nationwide. Josh, who plans to work in public-interest law, received $30,000 from the Harry S. Truman Scholarship Foundation to pursue a graduate degree in a public-service field.

The Ohio Access Initiative (OAI), John Carroll’s program to make college more affordable for Ohio students in need, has brought to campus future leaders – and boosted retention for students from lower-income families. Started in 2007, the OAI makes it possible for qualified Ohio families with annual incomes below $40,000 to enroll their incoming freshmen at JCU with no out-of-pocket cost toward tuition. Historically, financial challenges make it difficult for students from lower-income families to return for their sophomore year. Almost the entire first cohort of OAI students, numbering 120, did return, helping to raise retention among this group at Carroll from 74 to 95 percent.
The John Carroll women’s swimming and diving team won top honors for the 16th time in 19 years at the 2008 Ohio Athletic Conference Swimming and Diving Championships in February. Except for a third-place finish in 2007, the Blue Streaks have finished first or second every year since joining the OAC in 1990.

Jenna Lo Castro ’09, the creator of Lo Castro’s Lowdown for The Carroll News, was named best student columnist in the nation by the Society of Professional Journalists (SPJ). The SPJ also named the paper the Best Weekly College Newspaper in Ohio. Over the last 10 years, The Carroll News has won more than six dozen national awards.
If you add up the hours of community service performed by Carroll students during the academic year, you get more than 26,000. That equals 1,099 days, 157 weeks, or more than three years of serving as men and women for others. In total, 1,577 students participated in some form of service through University-sponsored programs.

John Carroll’s Labre Project reached a milestone in July: serving the homeless for the 200th consecutive Friday night since the street ministry’s inception on campus in 2004. In that time, hundreds of JCU students, faculty, and staff have visited Cleveland-area people who are homeless. They meet homeless men and women where they live, building friendships week to week while sharing food and fellowship.
In February, John Carroll was named to the President’s Higher Education Community Service Honor Roll. The honor roll is a select group of colleges and universities recognized with the president’s highest designation for involvement in community service. Of the 28 Jesuit institutions in the United States, Carroll was one of nine named to the honor roll. Nine others were chosen with distinction.

In fall 2007, 16 incoming freshmen and 4 current JCU students represented the inaugural class of the Arrupe Scholars Program for Social Action, which recognizes John Carroll students for their significant commitment to two interrelated values of John Carroll’s mission: intellectual inquiry that demands critical thinking and engaging in social justice and community service that leads to social action. Each student received a scholarship of approximately $13,500 (half the total cost of tuition).
One hundred fifty students participated in immersion experiences, traveling to Nicaragua, Honduras, Jamaica, Ecuador, Appalachia, Chicago, Biloxi, New Orleans, Louisville, and within Cleveland. They have served meals, helped build homes, and spent time with families discussing faith, values, and mission. Fourteen immersion trips help students learn about the challenges faced by people living in other parts of the country, the world, and in their own backyard.

$84,743

The American Cancer Society Relay For Life of John Carroll University raised $84,743.29 during its 18-hour fundraiser in April. In its second year of participation in Relay For Life, Carroll attracted 1,300 people to its campus. The event, orchestrated by 19 student leaders, drew 76 registered teams and 1,009 individual participants. For 18 hours, including through the night, teams of Relay goers walked, ran, or used wheelchairs for laps around campus. All proceeds benefited the American Cancer Society. In 2007, John Carroll’s first year of participation, the University raised $100,356.86, tops in the country for its enrollment bracket.
ADMINISTRATION
(AS OF OCTOBER 2008)

ROBERT L. NIEHOFF, S.J., PH.D.
President

JONATHAN SMITH, PH.D.
Vice President and Executive Assistant to the President

JOHN T. DAY, PH.D.
Academic Vice President

RICHARD F. MALISSER, M.B.A., CPA
Vice President for Finance

MARK D. MCCARTHY, PH.D.
Vice President for Student Affairs

DOREEN K. RILEY, M.S.
Vice President for Advancement

BRIAN WILLIAMS, M.A.
Vice President for Enrollment

MARIA G. ALFARO-LOPEZ, J.D., ESQ.
General Counsel

JAMES H. KRUKONES, PH.D.
Associate Academic Vice President

LAUREN BOWEN, PH.D.
Associate Academic Vice President for Academic Programs and Faculty Diversity

NICHOLAS R. SANTILLI, PH.D.
Associate Academic Vice President for Planning and Assessment

LINDA EISENMANN, ED.D.
Dean, College of Arts and Sciences

KAREN SCHUELE, PH.D.
Dean, Boler School of Business

SHERRI CRAHEN, PH.D.
Dean of Students

REV. JAMES PREHN, S.J., ED.D.
Dean of Student Development

BOARD OF DIRECTORS
(AS OF OCTOBER 2008)

MR. ALLYN R. ADAMS ’64 (CHAIR)
Partner, Retired
Dolittle & Touche LLP
Cleveland, Ohio

MR. CARL D. GICKMAN
President
The Glickman Organization
Cleveland, Ohio

MR. GREGORY R. AULD ’72
President Emeritus
The Plateau Group
Cleveland, Ohio

MR. JAMES E. BOROS ’67
Chairman
Brooks & McQuaide
Cleveland, Ohio

MR. CARL D. GICKMAN
President
The Glickman Organization
Cleveland, Ohio

MR. HOWARD J. GRAY, S.J. ’86
Assistant to the President for Special Projects
Georgetown University
Washington, D.C.

MR. ROBERT D. GRIES
President
Gries Investments
Cleveland, Ohio

DR. EVELYN JENKINS GUNN ‘72G
Carnegie Scholar and Fellow (NBCST)
National Academy
Tuscaloosa, Alabama

MR. ROBERT A. HAGER ’84
Partner
Buckingham, Dolittle & Burroughs LLP
Cleveland, Ohio

MR. JAMES G. HUBBARD ’73
President Emeritus
The Glickman Organization
Cleveland, Ohio

MR. JAMES H. KRUKONES, PH.D.
Associate Academic Vice President

LAUREN BOWEN, PH.D.
Associate Academic Vice President for Academic Programs and Faculty Diversity

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Dean, Boler School of Business

SHERRI CRAHEN, PH.D.
Dean of Students

REV. JAMES PREHN, S.J., ED.D.
Dean of Student Development
JUNE 2007

SEPTEMBER 2007
Karen Schuele is appointed dean of the Boler School of Business.

OCTOBER 2007
Mary Lavin ’87 joins John Carroll as director of alumni relations.

JANUARY 2008
John Carroll purchases the Temple Emanu El property on South Green Road in University Heights for possible future parking, athletic fields, and office space.

JULY 2007
Former Jesuit high school principal Reverend James Prehn, S.J., is named to the newly created position dean of student development.

OCTOBER 2007
Robert L. Niehoff, S.J., marks the 25th anniversary of his ordination with a Mass at Church of the Gesu and a campus celebration.

NOVEMBER 2007
The John Carroll men’s soccer team wins the Ohio Athletic Conference tournament title and reaches the round of 32 in the NCAA Division III Championship.

JANUARY 2008
The Boler School of Business establishes a partnership with the Zagreb School of Economics and Management in an effort to expand international educational initiatives.

JOHN CARROLL 2008
FEBRUARY 2008
Alumni and friends gathered in Naples, Florida, to celebrate “The Blue Streaks in Pro Football,” honoring 16 alumni who have made their mark in professional football. The event featured special guest Don Shula ’51.

APRIL 2008
Three days of events celebrated the arrival of The Saint John’s Bible at John Carroll. (See page 6.)
Reverend Joseph O. Schell, S.J., a legendary Jesuit presence at John Carroll, dies at the age of 93.

MARCH 2008
The University hosts the seventh annual Celebration of Scholarship, highlighting the research, community service, and creative endeavors of Carroll students, faculty, and staff members.

APRIL 2008
John Carroll University names John T. Day as its new academic vice president.

MAY 2008
Department of English faculty member George Bilgere is awarded the University’s Distinguished Faculty Award.

MAY 2008
John Carroll University students numbering 632 receive diplomas during commencement. Alumni Medals are presented to Richard M. Hamlin Sr. ’49, Jack T. Hearn ’61, ’64G, Michael L. Hardy ’69, Sr. Nancy J. Conway, CSJ, ’71; and Barbara O. Brown ’82.

SUMMER 2008
Distinguished alumnus Tim Russert ’72 passes away in June.
John Carroll’s Reunion Weekend welcomes back to campus 630 alumni from the classes of 1943 to 2003.

SUMMER 2008
In key appointments, Mark D. McCarthy is named vice president for student affairs. Jonathan Smith is promoted to vice president and executive assistant to the president. Richard Mausser ’00G is named vice president for finance and treasurer of the corporation. Carol Dietz is appointed associate vice president of facilities.

SUMMER 2008
In the 2009 edition of U.S. News & World Report’s “America’s Best Colleges,” John Carroll earns the number seven ranking in the Midwest among universities that grant master’s degrees. Carroll is also named a 2009 Best College in the Midwestern Region by The Princeton Review.
The University enhances the dining experience at Schott Dining Hall, spending the summer transforming everything from food selection to fixtures.
# SUMMARY OF UNRESTRICTED OPERATIONS
*(DOLLARS IN THOUSANDS)*

## REVENUES

<table>
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<tr>
<th>Item</th>
<th>2007-2008</th>
<th>2006-2007</th>
<th>DIFFERENCE</th>
</tr>
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<tbody>
<tr>
<td>Tuition and fees</td>
<td>$85,783</td>
<td>$83,517</td>
<td>3%</td>
</tr>
<tr>
<td>Less scholarships and grants</td>
<td>33,914</td>
<td>31,085</td>
<td>9%</td>
</tr>
<tr>
<td>Net tuition and fee revenue</td>
<td>51,869</td>
<td>52,432</td>
<td>-1%</td>
</tr>
<tr>
<td>Contributions and private grants</td>
<td>2,607</td>
<td>4,001</td>
<td>-35%</td>
</tr>
<tr>
<td>Government grants and contracts</td>
<td>5,773</td>
<td>6,324</td>
<td>-9%</td>
</tr>
<tr>
<td>Investment return designated for operations</td>
<td>8,930</td>
<td>8,475</td>
<td>5%</td>
</tr>
<tr>
<td>Interest income</td>
<td>456</td>
<td>703</td>
<td>-35%</td>
</tr>
<tr>
<td>Auxiliary enterprises</td>
<td>12,115</td>
<td>13,390</td>
<td>-10%</td>
</tr>
<tr>
<td>Other</td>
<td>3,273</td>
<td>3,058</td>
<td>7%</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>860</td>
<td>773</td>
<td>11%</td>
</tr>
<tr>
<td>Total revenues</td>
<td>85,883</td>
<td>89,156</td>
<td>-4%</td>
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## EXPENSES

<table>
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<tr>
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<th>2007-2008</th>
<th>2006-2007</th>
<th>DIFFERENCE</th>
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<tbody>
<tr>
<td>Instructional</td>
<td>$26,192</td>
<td>$27,350</td>
<td>-4%</td>
</tr>
<tr>
<td>Sponsored programs</td>
<td>5,727</td>
<td>7,787</td>
<td>-26%</td>
</tr>
<tr>
<td>Academic support</td>
<td>8,987</td>
<td>8,025</td>
<td>12%</td>
</tr>
<tr>
<td>Student services</td>
<td>10,032</td>
<td>9,594</td>
<td>5%</td>
</tr>
<tr>
<td>Institutional support</td>
<td>8,496</td>
<td>7,188</td>
<td>18%</td>
</tr>
<tr>
<td>Operation and maintenance of plant</td>
<td>8,816</td>
<td>8,853</td>
<td>&lt; 1%</td>
</tr>
<tr>
<td>Auxiliary enterprises</td>
<td>8,741</td>
<td>8,782</td>
<td>&lt; 1%</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>6,896</td>
<td>6,913</td>
<td>&lt; 1%</td>
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<tr>
<td>Interest</td>
<td>3,715</td>
<td>3,823</td>
<td>-3%</td>
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<tr>
<td>Total expenses</td>
<td>87,602</td>
<td>88,315</td>
<td>-1%</td>
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<tr>
<td>Increase (decrease ) in unrestricted operating net assets</td>
<td>(1,719)</td>
<td>841</td>
<td></td>
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## SUMMARY OF FINANCIAL POSITION*

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<tr>
<th>Item</th>
<th>2007-2008</th>
<th>2006-2007</th>
<th>DIFFERENCE</th>
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<tr>
<td>Total assets</td>
<td>$413,642</td>
<td>$419,875</td>
<td>-1%</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>98,832</td>
<td>100,639</td>
<td>-2%</td>
</tr>
<tr>
<td>Total net assets</td>
<td>314,810</td>
<td>319,236</td>
<td>-1%</td>
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* As of May 31 for years noted.
TOTAL GIVING*
Philanthropy plays an important role in supporting the University’s mission. In 2008, donors made gifts of $8.1 million. These philanthropic gifts provide valuable resources for students and faculty to enhance the learning experience.

SOURCE OF GIFTS
Alumni led the way in giving. The University continues to receive gifts from all sources. John Carroll appreciates the generous support of its many benefactors.

ENDOWMENT FUND MARKET VALUE*
Through a combination of strong investment returns and ongoing donor generosity, the endowment fund closed the 2008 year with a market value of $177.1 million.

* Fiscal year begins June 1, and ends May 31.
Endowment market value is as of May 31, for years noted.