



2014-2015 TELLURIDE ASSOCIATION ANNUAL REPORT

Dear alumni, supporters, and friends of Telluride,

In his final letter to the Telluride Association, assembled for the 1923 Convention, founder L.L. Nunn remarked, “It has been commented upon that if one hundred members started out on a trip in different directions, some way or other they all ended up together. There is a real genuine support of each by all.” In my tenure as president, I have witnessed the power that Telluride Association has to bring people together. Though our program participants, alumni, and trustees come from and go in different directions, we are united by the ways that Telluride Association has shaped our lives. For many of us, participation in a Telluride program was formative, and distinctive in how our relationships and experiences endure long after the program has ended. Even as the association expands its programming in new directions, we underscore our pursuit of the core values of a Telluridean education—self-governance, intellectual inquiry, and community life—and networks of support that bring us together.



Our flagship programs—the Telluride Association Sophomore Seminars (TASS) and the Telluride Association Summer Programs (TASP), and the Cornell branch and Michigan branch—continue to provide transformative opportunities for high school and college students. But we continue to grow and change; for the first time in summer 2015, TASS expanded to three sites, with Cornell hosting TASS as well as TASP. We are deepening our approach to reach underserved-but-promising students with new partnerships and dedicated staff time. We are experimenting with new ways of extending Telluridean programming to university students, starting with a New Haven Chapter. And we are recommitting to connecting with alumni and supporters, both to demonstrate transparency regarding our activities and financial positions and to underscore and renew our deep and genuine connections with one another.

Telluride Association is fortunate to have considerable resources at its disposal, and we feel a strong moral obligation to use these resources to confront the pressing problems of the present. Prudent endowment management, however, also involves a commitment to the future. Our top-notch programs and the support that we give to students are increasingly expensive, even with support from our partner institutions. Your gifts are crucial to ensuring that students will benefit from a Telluridean education, now and in the future.

We hope you enjoy reading this report, and that it reminds you of your own connections with Telluride and its alumni. Don't hesitate to be in touch with your reactions, or with general questions or comments about the association's work.

Amy Saltzman SP02 CB03 TA05
Telluride Association President, 2014–16

SUMMER PROGRAMS

Telluride's free, prestigious college-level liberal arts seminars for high school juniors (TASP) and sophomores (TASS) continue to thrive. This year, Telluride greatly expanded its recruitment efforts focusing on financially disadvantaged and historically underserved students.

TASP 2015

- 62nd year
- Four seminars at Cornell and Michigan
- 64 TASPers
- Neil Hertz taught record 6th TASP, spanning five decades

TASS 2015

- 23rd year
- Three seminars; first year at Cornell
- 54 participants; record number of applicants (391)
- Diana Louis SS01 is first TASS alumna to teach a summer program



“As much as I miss the TASS community, I'm looking forward to using the knowledge I've gained in order to effect change in the world around me.”
—Valerie, 2015 TASSer

Founded in 1911 by L.L. Nunn, Telluride Association's purpose is to promote the highest good by educating promising individuals to serve thoughtfully in the world. We fulfill this purpose through intense experiential-education programs grounded in intellectual inquiry, democratic self-government, and meaningful work.



TELLURIDE ASSOCIATION

BRANCHES

Telluride's two residential branches, at Cornell and the University of Michigan, remained lively and dynamic experiments in practical democracy, intellectual community, and service.

Cornell

Our Cornell branch housed 21 students, a mix of graduates and undergraduates, and two long-term faculty guests. Branch members engaged in the traditional institutions of house meeting, public speeches, academic seminars, and the winter program, and also deeply engaged in issues of self-government and community responsibility.

“My time at Telluride...has been a period rich with discovery, growth, and reflection. Telluride Association has given me many things: experiences, confidence, and friends that I hope to hold on to for life.” —Jennifer, Cornell branch member

Michigan

Our Michigan branch, in its 15th year, housed 21 students while continuing its service orientation. House members worked with over 50 different organizations and completed over 1,500 hours of service during the academic year. These included the Peace Neighborhood Center, Food Gatherers of Washtenaw County, the Greening of Detroit, the Humane Society of Huron Valley, the Back Door Food Pantry, the Arboretum Clean-up Day and the Washtenaw Center for Language & Literacy. These initiatives increased engagement with Telluride's service pillar and also allowed house members to connect their intellectual interests with their service work. The branch also hosted five long-term faculty guests over the year, and received 85 preferment applications.

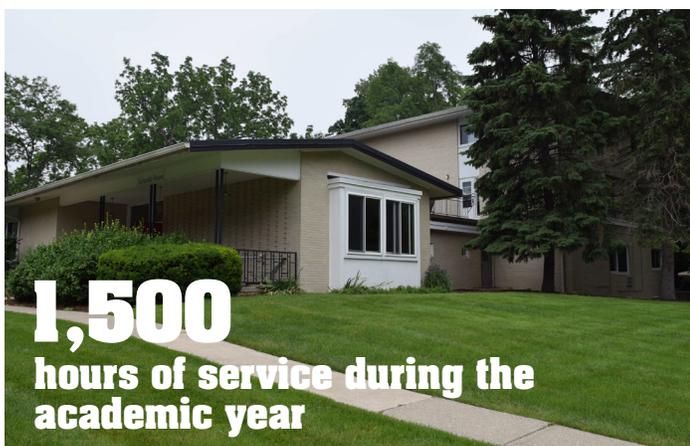
“Participating in community service with the house has been one of the most meaningful service projects I have been involved with at the University of Michigan...Not only do we participate in service, but we actively engage in it through continuous service reflections. I respect and appreciate the intentionality that drives our service projects.”

—Alexis, Michigan branch member



NEW PROGRAMS

A new form of Telluride community, the Chapter, was developed in New Haven and Providence last year. Chapters are non-residential groups of regional associates who meet regularly to talk about ideas, network, and volunteer with some Telluride activities. Chapters sponsored local TASPlication reading parties and a TASS recruitment phone-a-thon. In New Haven, up to two dozen Telluride associates met every few weeks, at which one or two members gave short public speeches. The chapter also held a pair of social events for local alumni, which were well attended. This year the chapter is sponsoring a public lecture series on the theme of “Politics and the University,” with speakers like Yale professor and TASP alumna Karen Nakamura (above).



1,500
hours of service during the
academic year



A UNIQUE GOVERNANCE STRUCTURE

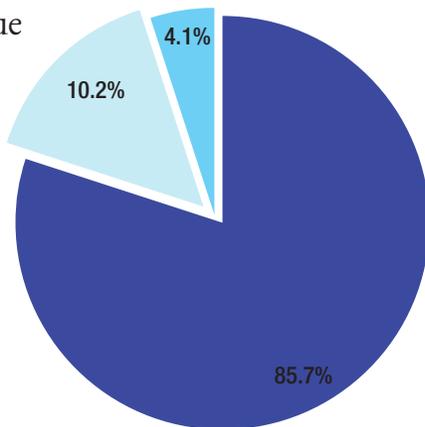
Since its founding, Telluride has delegated the management of its endowment to an elected committee of the membership known as the custodians. The nine custodians include members of Telluride from a wide range of backgrounds and professional fields, serving in rotating terms of about five years to assure a careful transfer of institutional memory. The custodians employ a professional investing consultant, currently the Fund Evaluation Group, which is subject to regular review and who assists with the review of individual investment products and managers.

A PROVEN INVESTMENT STRATEGY

In making decisions, the custodians follow a written Investment Policy Statement, subject to periodic review, and use as a benchmark the association's real spending rate plus inflation, net of fees and expenses, taken over a five-year period. Investments are made both in index funds providing broad market exposure and in actively managed products. Asset classes include public equity (in developed, emerging, and frontier markets), private equity, fixed income, and real assets.

2015 INCOME STATEMENT AT A GLANCE

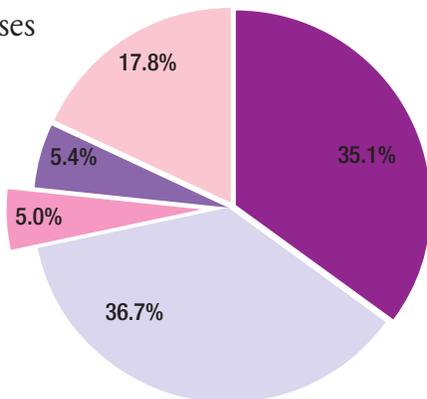
Revenue



- \$1,905,823 Net spendable income from endowment and donations
- \$227,144 From maintenance and renovations fund
- \$91,000 Partner contributions

\$2,223,967 Total Revenue

Expenses



- Branches \$753,266
- Summer Programs \$720,175
- Administrative \$365,007
- Alumni, Communications, Development \$110,749
- Awards and Other Programs \$101,889

\$2,051,086 Total Expenses

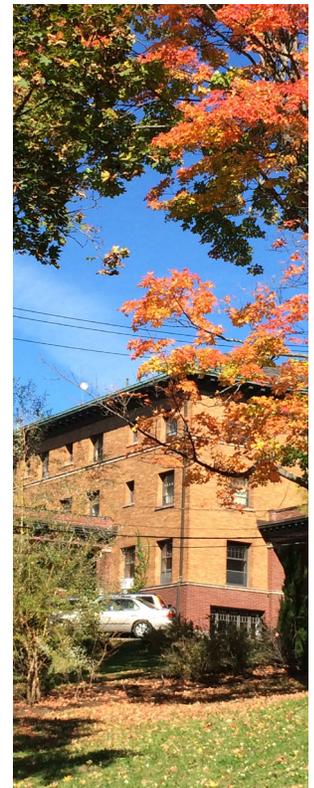
\$172,881 Revenue Over Expenses

TELLURIDE ASSOCIATION NET ASSETS OVER LAST 10 YEARS

2015	\$58,486,249	2.67%
2014	\$56,967,876	7.88%
2013	\$52,805,198	11.03%
2012	\$47,558,055	-9.96%
2011	\$52,819,363	13.29%
2010	\$46,623,626	12.83%
2009	\$41,322,178	-27.21%
2008	\$56,765,703	-3.15%
2007	\$58,609,017	13.97%
2006	\$51,426,073	NA

A COMMITMENT TO THE FUTURE

Because Telluride is committed to maintaining its mission for the long-term and in many different economic environments, the association has committed itself to a special spending formula based on a 30-year rolling average of its endowment's value. By smoothing the amount of spendable income available to the association from year to year, the formula permits program offerings to remain stable even during downturns. In most years, the formula also results in a conservative rate of withdrawal (4.01 percent of the market value of the endowment in FY2014).



Telluride relies on its associates for programmatic and financial support. Here are ways you can help:

- Help us reach out to local high schools and community organizations to spread the word about our summer programs.
- Interview summer program applicants. Last year, over 100 associates volunteered!
- Offer to mentor college students and young professionals.



Financially, your gifts help us expand programs and be less dependent on partner support for existing ones. Last year, 219 associates contributed a total of \$57,837 for Telluride programs, an average of \$264 per donor.



This is considerably less than the cost of just one summer seminar. We must broaden and deepen our support to ensure that our programs continue to flourish.



OUR PARTNERS AND FRIENDS

Cornell University
Deep Springs College
Indiana University
The University of Michigan, Ann Arbor
The Irvin Stern Foundation
Central European University
University of Capetown, South Africa

“I don’t know exactly how future Telluride trustees will be spending the income from the endowment 30 years from now. But I do know...that they will be careful stewards, committed to building a meaningful future based on the ideals our Nunnian community shares. My confidence in their future is what led me to commit some of my future resources to my expectations of their success and my hopes they will realize their most daring ambitions.”

—Carol Owen, SP78 CB85 TA86

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<http://telluridehouse.org/main/> (Cornell Branch website)
<http://www.telluride-house.com/> (Michigan Branch website)

FOR MORE INFORMATION, please contact Telluride’s Alumni Development Officer, Matthew Trail SP81 CB82 TA84, at matthew.trail@tellurideassociation.org.

We are grateful for the hundreds of associates who donated their time and financial resources to Telluride in 2014–15. For a list of these contributors, please visit Telluride’s website at www.tellurideassociation.org/support/contributors.



TELLURIDE ASSOCIATION

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