

Legacies

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MESSAGE FROM FOUNDATION PRESIDENT/CEO JEFFERY N. MILLS, PH.D.



Many of you have heard me exclaim that “You can get there from UMaine”. Recently Kim Dao '14 was our guest speaker at the Foundation Annual Luncheon. Kim is a perfect example of someone who did get there from UMaine. When Kim was a UMaine sophomore she was approved for early acceptance to the Tufts University Medical School Maine Track Program. Along with that she has received support from the Gilbert Loan and Carol Reed Scholarship held at the Foundation. Kim's journey is an example of the difference private support can make for an individual and ultimately the community that they serve. Kim is well on her way to completing her medical degree.

Also at the annual luncheon, I announced that overall giving in FY16 was \$19, 849,613. *continued on page 3*

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Dick Hill 1968

Professor Dick Hill Remembered UMaine

Professor Emeritus of Mechanical Engineering Richard C. Hill, who passed away in July, left an indelible mark on the University of Maine. His work as a Professor of Mechanical Engineering, Dean of the College of Technology and Director of the Department of Industrial Cooperation spanned from 1946 until his retirement in 1992. Even after his retirement, he remained one of UMaine's most highly recognized and respected emeriti faculty experts because of his extensive knowledge and a communication style that made even the most complex subjects understandable. His writings and speaking engagements around the country brought great recognition and honor to UMaine.

“Many times donors do not realize the broad array of charitable giving mechanisms which can be implemented to achieve their goals. We were very happy to Dick and Libby with their objectives.”

— Jeff Mills, President/CEO

Professor Hill's contributions to UMaine are legendary. Beloved by his students, admired by his colleagues and respected by Maine people everywhere, Dick was the first faculty member to receive the Stillwater Presidential Award. His legacy not only includes his body of work in the field of energy, but also endowments that will support programs in perpetuity that Dick and his wife, Elizabeth (“Libby”), cared about across campus. The Collins Center for the Arts, the College of Engineering, the Honors College, the Division of Music of the University of Maine's School of Performing Arts, the Department of Industrial Cooperation and the Professor Michael H. Lewis Art Scholarship all benefit from Dick's and Elizabeth's generosity.

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Annual Fund donations alone were up 21%. We are extremely grateful for this support and loyalty to the University of Maine.

I am looking forward to the upcoming Florida road trip and Red Sox event in March and the Stillwater dinner on June 3 where we will honor three outstanding Presidential Awardees and celebrate Stillwater Society membership.

Again, thank you for all that you do for the University of Maine Foundation.

Jeffery N. Mills, Ph.D., President/CEO
University of Maine Foundation

Properties For Sale



The Foundation holds several properties which are for sale. The proceeds from the sales of these properties will benefit the University of Maine. Pictured above is a two bedroom cottage at Dirigo Pines Retirement community in Orono. Other property is listed on our website, umainefoundation.org/property



Foundation Annual Meeting and Luncheon

Over 240 guests were greeted by student ambassadors at the 2016 Foundation Annual Meeting and Luncheon, which was held in Wells Conference Center on October 14. Representatives from the Sophomore Eagles, Sophomore Owls and Senior Skulls volunteered to be part of the event. University of Maine President Susan Hunter welcomed the crowd and shared several examples of how private support enhances experiences for UMaine students. Kimberly Dao '14 thanked the Foundation for the support she has received which has enabled her to attend medical school. A record number attended the annual morning meeting where Cambridge Associates, represented by Kerri Washington, delivered information about the Foundation's endowment.



UPCOMING EVENTS

Sports Events

Frozen Fenway | Sat., Jan. 14, 2017

UMaine vs. UConn

Boston Celtics vs. Clippers

Sun., Feb. 5, 2017 at 2PM

Boston Bruins vs. Washington

Sat., April 8, 2017 at 3PM

2017 Red Sox Spring Training Event

Date to be announced Dec. 2016

Pre-game alumni & friends receptions will be held prior to each event.

FMI visit: UMaineAlumni.com/Events

Road Trip Events

Road Trip 2017

Alumni and friends are welcome!

Boston, MA

New York, NY

Philadelphia, PA

Washington, DC

Trenton, NJ

Fort Myers, FL

The Villages, FL

Atlanta, GA

Low Country, SC

Phoenix, AZ

Denver, CO

Keep up with the Road Trip travel plans by visiting UMaineAlumni.com

Giving Society Events

Stillwater Society Dinner (invitation only)

June 3, 2017, UMaine campus

Presidential Awards will be presented to

Suzanne Cole

Ralph Leonard

Henry Saunders

INVESTMENT NEWS

The September quarter ended with the General Endowment investment portfolio returning 3.9% versus the policy benchmark of 3.8%. The most prevalent change was in developed international equities which produced a 7% return for the quarter reversing a negative return in developed international equities in 2016.

For the calendar year 2016, the General Endowment net investment return as of September 30 stands at 6.3% ahead of portfolio benchmark of 6.0%. Equities lead the way with U.S. equities returning 8.5% against an 8.2% benchmark, developed international equities 4.3% vs 1.7%, and emerging markets producing an 18.3% vs a 16.0% benchmark. Natural resources and commodities slowed in the third quarter while staying positive for 2016 at 11.7% slightly trailing their blended benchmark at 13.1%.

In a year that has seen U.S. equities begin with heavy losses to recover to record highs, anticipation for when the Federal Reserve may begin to raise interest rates, and world events from the unexpected Brexit vote to conflicts around the world, we recognize challenges ahead. The investment committee, with the guidance of our consultants at Cambridge Associates, continues to consider how best to position the portfolio to provide growth and a reliable flow of income in support of the University of Maine. To that end, the committee focused its 2016 meetings to educate ourselves on new investment opportunities, namely private investments, and examining several investment models looking at how they may react in strong markets and stress tests in difficult markets. The result of the exercise was to recommend that the Board revise the strategic asset allocation of the portfolio to include a 10% target allocation in private investments (private equity and venture capital). The revised investment policy target allocation approved by the Board in August is as follows:

	Current	Previous
U.S. Equity	24%	26%
Developed non-U.S. Equity	19%	23%
Emerging Markets	9%	10%
Private Investments	10%	--
Hedge Funds	20%	20%
Natural Resources/Commodities	6%	9%
Fixed Income	12%	12%
Cash	--	--

The move to private investment will take a number of years to implement. Private investments have boosted returns of many of our peers and should not significantly increase risk in the portfolio. Our expectation is that private markets will generate returns in excess of public markets and assist in providing the growth we seek in order to maintain the purchasing power of endowed gifts over the long-term. With the endowment at the Foundation nearly \$190 million, we look forward to working with all of you to push the endowment over the \$200 million mark.

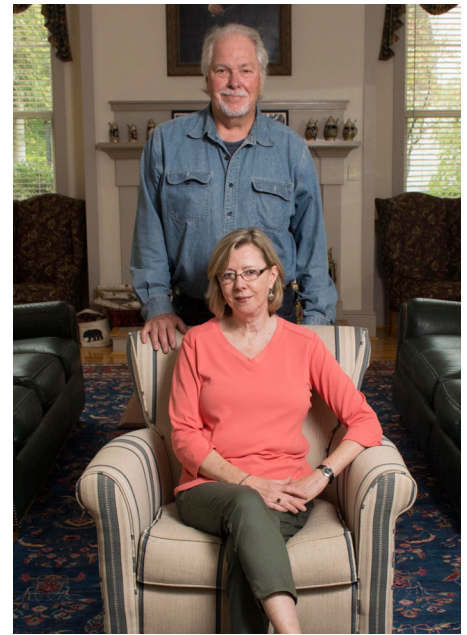
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Dick recognized a good idea when he saw one. Back in 1989, he and Libby were wondering what to do with a mutual fund account and looking for a way to help their grandchildren with their college educations. Their attorney suggested that they consider a charitable trust. Dick and Libby placed the account in a charitable remainder trust with a 20 year term and were able to take an immediate income tax charitable deduction.

During those 20 years, the trust income helped all seven of their grandchildren to pay for their college educations. They attended schools all over the country to study to be a physician's assistant, a medical doctor, a physical therapist, a teacher, an economist and an engineer. They are incredibly grateful to their grandparents for investing in their futures.

In 2009, at the end of the trust term, the trust's remainder came to the University of Maine Foundation to be endowed to help the programs Dick and Libby cared about. As a former Dean, Dick knew how vital unrestricted support could be to those programs.

Not only can they help grandchildren, but charitable remainder trusts can also provide security, minimize taxes, preserve assets, and ultimately fulfill philanthropic goals. The Foundation would be happy to explore with you and your advisors the possible benefits of including a charitable trust in your financial and estate plans. We welcome the opportunity to be of help.



Giving Back to a Hometown

Jerry Parmenter grew up in the small town of Liberty, Maine, near Belfast. He graduated from Walker High School in Liberty, spent a year at Maine Central Institute and then applied to the University of Maine. Like many students from Liberty, Appleton, Montville, Palmero, Searsmont and Washington, Maine, Jerry was honored to receive assistance from the Donald S. Walker Scholarship Fund. He earned his bachelor's and master's degrees in civil engineering and his career took him all over the world, with his wife, Judy King Parmenter. Judy, who grew up in Old Town, worked with the Department of General Engineering for seven years. Now retired, they want to give back so that others can enjoy the same educational possibilities that Jerry enjoyed. Although they had originally planned to create the scholarship through their wills, they decided to create it during their lifetimes so that they can see the results of their gift.

In Jerry's words, "I feel extremely lucky to have had the opportunities that the Donald S. Walker Scholarship gave me. Judy and I want others from my hometown to have the same chances that I had. The scholarship was a gift that kept on giving for me because it opened a lot of doors. I have always wanted to do for someone what Donald S. Walker did for me and this scholarship will do just that."

For additional information or to update your record,
please email the Foundation at umainefoundation@maine.edu or visit our website umainefoundation.org.

Why do you use the IRA Rollover?



“At age 70 and a half, the minimum distribution adds to your income, unless you give it away. Although we can’t deduct the contribution, it lowers our taxable income. It’s easy. We just fill out a form, and Fidelity sends the money directly to the UMaine Foundation for our scholarship fund.”

John & Mary Thomas

The Protecting Americans from Tax Hikes (PATH) Act of 2015 made permanent the Charitable IRA Rollover provision of the Pension Protection Act of 2006. A taxpayer age 70 ½ or older may roll over — transfer — up to \$100,000 annually from his or her individual retirement account (IRA) or Roth IRA for a qualified charitable distribution. The amount transferred will be excluded from the income of the taxpayer for federal income tax purposes. The amount transferred does not generate a charitable income tax deduction, but it does count toward the taxpayer’s minimum required distribution.

Through strategic use of the IRA charitable rollover:

- Avoid a higher tax bracket that might otherwise result from taking a required minimum distribution into income
- Complete a pledge or create a fund
- Advance a bequest already planned for the University and receive a tax benefit
- Make a significant lifetime gift and enjoy the impact
- Support favorite charities with annual gifts

Please contact the Foundation if you need assistance with sample transmittal letters, or if you would like to discuss making the Foundation a beneficiary of any portion of your retirement funds.



LEGACY SOCIETY

Charles F. Allen

*Planned or deferred gifts
may qualify donors
for immediate membership in the*

CHARLES F. ALLEN LEGACY SOCIETY

*a select group of alumni and
friends of the University of Maine.*

*Here is the sample language for
making a bequest to the University
of Maine Foundation:*

“I give and bequeath to the UNIVERSITY OF MAINE FOUNDATION for the benefit of the University of Maine (possible choices follow):

- the sum of \$ _____;
- or
- _____ percent of my estate;
- or
- the property described herein

to establish/add to the _____ Fund.

The principal is to be endowed and the distributions, as established by the University of Maine Foundation Board of Directors, shall be used for _____.”