

Legacies

UNIVERSITY of MAINE
FOUNDATION

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MESSAGE FROM FOUNDATION PRESIDENT/CEO JEFFERY N. MILLS '82, PH.D.



We are pleased to share some great numbers as we begin to close in on the end of the 2021 calendar year:

- The FY21 return on endowment investment was 32.6%—a record high.
- The University of Maine total endowment value is at a record high of \$444,935,691 an increase of \$102,891,348 over FY20.
- \$33,214,229 was raised through all UMaine fundraising in FY21 which was an increase of \$7,222,155 over FY20.
- There were 68 new endowed funds created at the Foundation in FY21.

This news is exceptionally welcome as 2020 was such an unexpected and turbulent time.

In October at the Foundation Annual Luncheon, we were fortunate to invite Rod Sparrow '71 and thank him for his \$1 million pledge to support UMaine Athletics. Rod's gift will support the facilities improvements under the UMS TRANSFORMS fundraising efforts as part of the Harold Alfond Foundation \$240 million grant to the University of Maine System.

In-person events have cautiously resumed and it has been wonderful to see so many of you again. It has also been a pleasure to reunite with so many of you online.

Thank you for all that you do for the University of Maine and the University of Maine Foundation. Your support has been more important than ever as the world continues to strive to resume a level of normalcy.

Jeffery N. Mills '82, Ph.D., President/CEO
University of Maine Foundation



L to R: UMaine Executive Vice President for Academic Affairs and Provost John Volin, donors Don and Linda Zillman, museum Executive Director and Curator George Kinghorn and UMaine Foundation President/CEO Jeff Mills

Zillman Art Museum Expands

The Linda G. and Donald N. Zillman Art Museum – University of Maine has opened its five new galleries to the public in September. The new galleries, located on the second floor of 40 Harlow Steet in Bangor, increase the museum's exhibition spaces by 42% and make possible the opening of nine new fall exhibitions.

The expansion project was made possible by a \$1.3 million lead gift from long-standing museum benefactors Don and Linda Zillman of Santa Fe, New Mexico. Additional gifts and pledges totaling over \$300,000 were provided by individuals and foundations, including the Stephen and Tabitha King Foundation, Bangor Savings Bank Foundation and the A.R. and Marylouise Tandy Foundation. Fundraising was coordinated through the University of Maine Foundation.

"The expansion of the Zillman Art Museum is an exciting example of what's possible with the vision and generosity of donors and community partners," says UMaine President Joan Ferrini-Mundy. "That leadership and investment will impact UMaine museum patrons of all ages, for generations to come."

The new galleries feature an inviting, oversized glass entry that welcomes visitors to the building. The five named galleries greatly enhance the guest experience by offering space to further showcase works from ZAM's exceptional contemporary collection, as well as mount additional exhibitions by nationally significant contemporary artists.

"Don and Linda Zillman's transformative gift and the contributions of many other donors have had a profound impact on the Zillman Art Museum and the advancement of its contemporary art mission," says museum executive director and curator George Kinghorn. "This expansion project ultimately benefits the citizens of Maine and visitors to our great state. ZAM is now an even greater destination for those who wish to experience the art of our time."



Establishing an Endowed Fund

The minimum investment for a named endowed fund at the University of Maine Foundation is \$10,000. Donors are often surprised to know that funds can be built over time. For instance, a \$2,000 pledge over 5 years would create the named \$10,000 fund.

Generally, distributions from the fund are made the academic year after the fund reaches the \$10,000 threshold. At that point, additional investments to the principal would continue to grow the value of the fund and the distribution amount as well.

Endowed funds provide support to the University of Maine in perpetuity and are a wonderful way to establish your family legacy. Many times, funds are established with contributions from an entire family or group. Donors choose what their fund will support, whether it is a scholarship, emergency fund or department support.

Sample scholarship fund description:

JOHN AND MARY DOE SCHOLARSHIP

The John and Mary Doe Scholarship fund was established at the University of Maine Foundation in 2021 for the benefit of the University of Maine, Orono, Maine with a gift from John and Mary Doe.

The principal shall be endowed and the distributions, as established by the University of Maine Foundation Board of Directors, shall be used to provide financial assistance to University of Maine Orono students. (It is possible to restrict support to those students who demonstrate financial need or academic merit, who are graduates of a particular high school, or majoring in a particular area of study.)

The donors intend for the fund to be permanently endowed so that the principal shall not be invaded under any circumstances for distributions from the fund.

If the fund is not supported by a documented deferred gift and if the funds received do not equal the minimum required to endow a named fund in accordance with the policy in effect at the time of the initial gift (currently \$10,000) within 10 years of the initial gift, the total amount donated may be treated as an expendable gift for the purposes described above.

Should it ever become impossible or impractical to carry out the purposes of this fund as described above, an alternative purpose that best fits the donors' intent and wishes shall be designated by the Board of Directors of the University of Maine Foundation in its sole discretion after consulting with the President of the University of Maine.

The Office of Student Financial Aid shall select the recipient(s). The Office of Student Financial Aid shall administer the distributions from the fund.

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Event Information

In-person events are beginning to be held. Visit our websites to find the most up-to-date information: UMaineFoundation.org, UMaineAlumni.com and UMaine.edu.

Watch for information on the Spring Swing of donor visits in March along with the Alumni Association's annual Road Trip events. Additionally, the Stillwater Dinner is being scheduled for 2022.



Scheffer Family Fund



S. Louis and Helen Schefferr

Recently Planned Giving Officer Karen Kemble interviewed donor Rich Scheffer about his family scholarship.

How did you become involved with the University of Maine?

My father graduated from the University of Maine. As a first-generation American, his decision to go to college, especially during the Depression years, was a difficult one. Mom encouraged him to get an engineering degree, and after he graduated, they got married. Dad's education was a major foundation for our family's well-being. When Mom died about 20 years ago, she set up a UMaine Engineering Scholarship Fund in recognition of how important that education was.

How did you feel about your mother's bequest to UMaine?

I thought it was wonderful. My brother and I watched our parents support our aging grandparents, and we were prepared to support Mom and Dad if they needed it. Fortunately they didn't. We thought it was appropriate that Mom included a bequest from her modest estate to UMaine. In today's terms, she was "giving something back" and creating her legacy.

How did your involvement with the Scholarship Fund begin?

As a Princeton alumnus, I didn't think much about the Fund for the first few years, but I enjoyed receiving the annual statements showing how much had been awarded in scholarship support. As I had received scholarship aid during my college years, I could relate to how important that support was.

When did you begin contributing to the Fund?

After I retired my wife and I updated our Family Trust, and in that process we began thinking more seriously about charitable contributions. We had, of course, made charitable contributions in the preceding years, but we wanted to take a more systematic approach.

We created a charitable plan that included help for the elderly, medical research, the environment, and educational support. We made our first modest donation to the Scholarship Fund at this time. The amounts of all our gifts were small as we were feeling our way, but we did enjoy a sense of engagement with all the organizations.

How has UMaine been unique?

Of course, all our selected charities send routine solicitations for further contributions, but UMaine has maintained a much appreciated personal interaction that enabled us to express our wishes.

The Foundation also gave me an opportunity to create an information card given to the annual recipients of the Scholarship and to anyone else interested in the Fund. That card is very personally meaningful to me.

How is it meaningful?

The more I thought about it, the more I understood that Dad's graduation from UMaine was perhaps the most determining event in my life. His college degree enabled our family to live in a community with good public schools which, in turn, led to my educational preparation. I look upon the Scholarship Fund information card as a way of expressing thanks to my parents.

As a young adult I witnessed the value of education for upward social mobility when I briefly taught at a rural State College in California. Many students were first-generation college attendees, and they were building better lives for themselves, their families, and their descendants in much the same way Dad did. My wife and I feel our contributions to the Scholarship Fund have the same kind of "multiplier effect," and that pleases us greatly. When we look at the extensive list of UMaine donor scholarship funds, we know many other people feel the same way.

INVESTMENT NEWS

The Foundation's investment portfolio finished fiscal year, June 30, 2021 (FY21) on a high note, capping off a remarkable year in which equity markets recovered and exceeded the losses incurred during the steep, pandemic-driven sell-off. The markets were first aided by coordinated central bank interventions, then by GDP growth, the expectations associated with the vaccine rollout, and economic re-opening. Against this backdrop, the portfolio generated a FY21 return of 32.6%, with each segment finishing the year in positive territory. Growth assets led the way, with Public Equities up 39.0% and Private Capital gaining 53.6%, Flexible Capital (Hedge Funds) segment advanced 19.1%, while the Fixed Income eked out a 1.0% gain.

Changes to the portfolio since the hiring of Prime Buchholz as the new consultant in June 2020 has added to this year's return. The Investment Committee has worked with Prime Buchholz to enact the following changes:

- Revised asset allocation with less focus on hedge funds, reducing the target allocation from 20% to 15% in favor of increased equities.
- Focus on building the private capital over time, which now stands at 11% of the portfolio, with a target of 15%.
- Greater usage of passive managers and meaningful reduction in portfolio cost – \$300K+ in estimated fee savings per year.

The positive trends generally continued throughout the first two months of FY 22, with the portfolio up 2.4% through August. September, however, was a different story, as markets tumbled and volatility spiked on concerns over inflation, job growth, rising yields, Congress and China. While the global economic recovery appears to be on much sounder footing than it was at this time last year, there are still a number of uncertainties on the horizon.

The Foundation would like to recognize the contribution of our Investment Committee consisting of members: Chair Hank Schmelzer, Paul Hannigan, Chris Keating, Eldon Morrison, John Simpson, Bob Strong, and Amy True, and welcome recently added committee members Racquel Heath and Jay Cromarty.

Charitable Annuities are a Win-Win



“With a charitable gift annuity, you are really helping the University, even though you are receiving something back. It made so much sense to us for the tax advantages, as well as to support graduate mechanical engineering and education students, that we ended up creating five charitable gift annuities over 13 years.”

—Betty Brown Calkins ’50, ’57G

A charitable gift annuity is a simple way to support the future of the University of Maine and to enhance your financial security at the same time. Our planned giving staff will be happy to assist you with more information about charitable gift annuities and other giving options.

There are many ways – and many reasons – to leave a legacy to UMaine through the UMaine Foundation. Many alumni and friends choose to give back through planned giving that will impact generations of UMaine students, faculty, and staff with enhanced learning opportunities in perpetuity. The Foundation staff can help with gift illustrations and the language needed to be sure that your wishes are achieved for all types of planned gifts including bequests, charitable gift annuities, charitable trusts, gifts of retirement assets, gifts of life insurance, and gifts of property. Sample language like this can be the first step toward giving back to future generations.



LEGACY SOCIETY

Charles F. Allen

Here is 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:

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 _____.”