

Benefactors are Recognized and Learn about Caltech's Endowment

On March 12, Caltech hosted a luncheon at the Athenaeum for two important support organizations: the Torchbearers of Caltech and President's Circle Associates.

President **Jean-Lou Chameau** introduced the luncheon speaker—Caltech Chief Investment Officer **Sandra Ell**—and welcomed the groups, warmly expressing “thanks to all of you, not only for being here, but for being among the strongest supporters of Caltech.”

Ell spoke about the incredible challenges involved in managing the Institute's endowment through this severe recession. Because nearly 20 percent of Caltech's operating budget comes from the endowment's payout rate, her office's work to maximize returns and minimize losses makes a real difference to education and research. Ell described how her team, along with the Investment Committee of the Board of Trustees, anticipated recent downturns and acted swiftly to preserve endowment principal.

Alumnus and Trustee **Ted Jenkins**

closed the event, thanking his fellow Torchbearers and President's Circle Associates for supporting Caltech's efforts to solve the most challenging, fundamental problems in science and technology. "I know that the PC members' and the Torchbearers' support is beneficial to Caltech. A significant fraction of Caltech's budget comes from the endowment and gifts. Our support adds to Caltech's prominence, and Caltech's excellence gratifies us as supporters."

The Torchbearer legacy society recognizes members for their decisions to include Caltech in their wills or to create planned gifts. To learn more, or to establish membership if you have supported Caltech research and education in these ways, please visit <http://torchbearers.caltech.edu> or call 626-395-2927.

All members enjoy benefits such as exclusive programs with Caltech faculty and access to the Athenaeum and Caltech's athletic facilities and libraries.

Benefactors are Recognized, continued on back page

A Generous Gift from a Surprising Source

People sometimes think that endowments give universities complete freedom to fund their highest priorities. In fact, many of the gifts invested in endowments come with restrictions—benefactors have designated funding for cancer research or music programs or landscape beautification, something important to them. Unrestricted endowment gifts help universities respond to new opportunities and fund crucial projects that may not have as much popular appeal. These gifts typically come from people with close ties to the university.

Imagine the astonishment of Caltech's gift-planning staff when, a few years ago, they learned that **Earl Seals**, who didn't have a previous tie to Caltech, had named the Institute in his revocable trust, designating a portion of his estate to Caltech for general purposes. Earl held the people and research on campus in such high regard that he felt confident that naming Caltech in his estate plans and providing the Institute freedom to use his gift for its greatest needs would bring great results.

It was within the pages of an issue of *National Geographic* that Earl first learned of the fascinating work happening at Caltech. Upon investigating Caltech further, he found the research remarkable and the people on campus extremely intelligent. By nature, Earl loved to fiddle with everything and learned from his experimenting; it's no wonder he

A Generous Gift, continued inside



Sandra Ell, Caltech Chief Investment Officer



Torchbearer and President's Circle member, Ted Jenkins (BS '65, MS '66)



Earl K. Seals



Torchbearer Fred Selleck (BS '49) with his guest, Hubert Perry, Caltech President Jean-Lou Chameau, and President's Circle member John Gee (BS '53)



Fred Maloney (BS '35, MS '36)

CALTECH LEGACIES

Fred Maloney's relationship with Caltech has come full circle. While completing graduate studies in electrical engineering, he attended a course on economics that sparked a lifelong interest in investing. Fred's success with stocks gave him the opportunity to support the Institute through several generous contributions—he made gifts to the Alumni Fund and established charitable remainder trusts that supported the restoration of the undergraduate South Houses and still provide financial aid to deserving students. Fred's Caltech education helped him fulfill his aspirations. Now, his support helps new generations of students get their start with a Caltech education.

A Generous Gift from a Surprising Source

Continued from page 1

took such an interest in Caltech.

A Michigan native, Earl spent most of his life in California. His parents moved the family west during the Great Depression, and in order to help out, Earl worked full time through high school as a machinist. Despite his lifelong interest in machinery and in maximizing precision in all aspects of his life, Earl ultimately found his greatest success in real estate, a passion he cultivated into a lucrative career.

Earl moved his own family to the coastal community of the South Bay—a region of Los Angeles County that has become a sought-after place to live and work. His arrival in the South Bay was perfectly timed, as the area was still in early development and the real estate market ripe with opportunity. Real estate excited Earl, particularly the intricacies of foreclosures and the opportunities they provided. He applied the same approach to real estate

as he did to machinery, emphasizing accuracy and thoughtful work. The care he took combined well with his love of people and talking, and Earl found success. He made the South Bay his home, knew its properties and people like the back of his hand, and, when he needed a break, went ocean fishing nearby in his 36-foot boat.

Earl passed away in September of 2006. His gift has already begun to create an exciting legacy in his name. Caltech allocated the funds distributed from Earl's estate to the support of graduate fellowships, one of the Institute's most pressing needs. His support will allow graduate students the opportunity to focus on their studies and research without financial burdens. This past October, **Francisco López Jiménez** was awarded the inaugural Earl K. Seals Fellowship. Francisco came

to Caltech from Spain, where he completed his undergraduate studies at the University of Seville. As a member of the GALCIT program, Francisco is enjoying his experiences at Caltech, from conducting

research to life in Pasadena. He is very thankful for the support provided by individuals like Earl and amazed by their generosity. Without the Earl K. Seals Fellowship Fund, he says, continuing his graduate work would be much tougher. Earl's valuable support, entrusted to Caltech, will help Francisco and many other talented students for as



Francisco López Jiménez, the inaugural Earl K. Seals Fellow

long as Caltech exists.

Francisco studies under a professor of aeronautics and engineering Earl Seals would have enjoyed—Sergio Pellegrino, a renowned

structural engineer whose group develops strong, lightweight materials that deploy, extend, inflate, and travel predictably in extreme environments. His work has contributed enormously to designs for satellites and for balloons that carry telescopes into the upper atmosphere.

Earl's daughter, Charlotte, thoughtfully shared many details and stories about her father for this article and knows that he would have loved to receive a Caltech education. Earl believed in Caltech so much, Charlotte shared, that "in his opinion, Caltech would be the savior of the country." It was Earl's belief that Caltech, with all its talent, could extend its tradition of outstanding science to come up with solutions for a number of the nation's dilemmas.

"In his opinion, Caltech would be the savior of the country."

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Daniel J. Disimile

Introducing Daniel Disimile

Daniel joined Caltech in December 2008 as the manager of trusts and bequests. He oversees the administration of existing charitable trusts and annuity accounts at Caltech and is the contact person regarding active estates. He comes to Caltech

with more than 20 years of experience in the financial services industry, having worked with Merrill Lynch, AG Edwards, and AXA Advisors. Daniel has also worked as an independent advisor, helping clients reach their investment, tax, retirement, and estate goals through personal financial plans. Daniel has a BA from Rider University and is certified in financial planning through the CFP Board of Standards.

Recognize this Alumnus?

This alumnus first learned about Caltech in an unusual venue—his grandfather's church. As a little boy, he heard Robert Millikan address the congregation about science and religion. Little did he know that one day, as part of an innocent prank, he would accidentally drop a water bomb from the top of Throop Hall onto this revered Caltech icon!

Though he was a member of an award-winning chemistry team and valedictorian of Long Beach Wilson High, he knew he had an intense education in store when Caltech accepted him. His freshman year was cut short by Army service in World War I, but Caltech welcomed him back. Although he focused in applied chemistry, he relied on the humanities, especially history, philosophy, and literature.



*1949 Graduation Portrait
Photo courtesy of Big T*

Caltech is integral to his story: after earning a BS in Applied Chemistry, he worked for four years in the ChE lab, co-authored widely recognized papers, and met his wife, Phyllis, on campus. His time at Caltech prepared him superbly for a 35-year career

Managing Your Business or Investment Real Property?

Charitable Alternatives Offering Tax Savings

Season upon us, you may find yourself planning for the future with the help of tax advisors. If you own business property or investment real estate such as rental property, there are many tax issues to consider, especially if your property has appreciated.

If you want to upgrade or change business and investment properties, Section 1031 of the Internal Revenue Code allows you to exchange your property for another and defer paying the capital gains tax as long as this “1031 like-kind exchange” meets certain conditions.

The Charitable Remainder Trust Alternative

If you are tired of managing business and investment real estate or you’d like to convert your investment to liquid income for yourself and make a gift to Caltech, you may consider a Charitable Remainder Trust (CRT). In this alternative, you gift the property to the CRT and Caltech takes care of selling it and investing the proceeds in a diversified

portfolio. CRTs offers benefits that a 1031 like-kind exchange does not. It provides a guaranteed stream of income from diversified investments and allows you to make a charitable gift. You can receive immediate income. You can bypass capital-gains tax for the portion that you are giving to Caltech and take an immediate income-tax deduction for your CRT gift. In addition, you have the ability to make a larger gift to Caltech than you may have thought you could, even if the gift doesn’t come from your own pocket.

Finally, Caltech can serve as the recipient of the CRT, alleviating you of the burden of having to manage

the property. For example, I sold an apartment building for \$70,000 that is worth \$1,000,000. Tired of being a landlord and maintaining the apartment, you

wanted a way to get retirement income but don’t want to sell the property because of the capital gains tax that would be due on the \$930,000 gain. A CRT could replace the rental income and defer capital gains tax.

Comparison of Benefits

	CRT	1031 Exchange
Capital Gains Tax Savings	✓	✓
Guaranteed Income for Life	✓	
Diversify Investments	✓	
Gift for Charity	✓	
Income Tax Deduction	✓	

You Know...

When you own securities that have declined in value, you can still make a gift to Caltech and receive tax benefits. Selling securities at a loss can offset capital gains you have realized. You can also save more on your taxes by using the proceeds from the sale to make a tax-deductible cash gift to Caltech. Please contact the Office of Gift Planning at (626) 395-2927 to learn more.

Warren and Phyllis made generous gifts and became Torchbearers; they say that they found great satisfaction in thus supporting Caltech and that they benefited from giving. One of their giving goals is to name a bench near the new laboratory for chemistry and chemical engineering, named for their dear friends Warren and Katie Schlinger.

After earning a Ph.D. in chemistry from Caltech, Fred worked for Fluor Engineers. He’s sustained interests in the humanities, astronomy, chemistry, and more by participating annually in events like Alumni Luncheon at Caltech College. He has given back to Caltech, serving as president of the Alumni Association in 1967, and, over decades, helping shape it into the vibrant organization it is today. He and Phyllis made generous gifts and became Torchbearers; they say that they found great satisfaction in thus supporting Caltech and that they benefited from giving. One of their giving goals is to name a bench near the new laboratory for chemistry and chemical engineering, named for their dear friends Warren and Katie Schlinger.

In Fred Selleck’s own words, it’s been a “very exciting, extremely fulfilling life, and Caltech has been a big part of it.”



Fred Selleck (BS '49) at the Torchbearers/President's Circle Associates Luncheon this March

Gifts by Will

The generosity and foresight of Caltech alumni and friends benefit the Institute. Below are just a few of the many people who have contributed to Caltech over the years.

From the estate of **Joan D. Cogen**, Caltech received \$200,000 to fund the Saul and Joan Cogen Memorial SURF Fund.

Caltech received an unrestricted bequest of \$313,443 from the estate of **Harry Wetzel**.

From the estate of **Gilbert A. and Mary L. Buzzetti**, the Institute has received \$233,667 to date for its unrestricted use.

Torchbearers

In recent months, Caltech has added eight new members to the Torchbearers Honor Roll:

Paul (BS '51, MS '55) and Joan Armstrong

Norman E. Maclean (BS '60, MS '61)

Ted (BS '65) and Ginger Jenkins

Edith M. and John D. Roberts

(one member wishes to remain anonymous)

Save the Date: Alumni Weekend

Caltech’s alumni reunions take place May 14–17 this year, with Seminar Day on May 16. All alumni are invited to campus for an exciting Seminar Day program featuring numerous faculty talks. In conjunction, bachelor’s degree alumni with class years ending in four and nine will celebrate their reunions. To learn more about this special weekend, visit alumni.caltech.edu/reunions. Via our secure website, makeagift.caltech.edu, alumni can make a gift on behalf of their class in support of the Reunion Gift Campaign.

Contact Us

For more information about the stories featured in this issue of *Techniques*, or for other questions about deferred gifts, please contact the Office of Gift Planning:

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Continued from page 1



President's Circle member and Torchbearer John D. Roberts, Institute Professor of Chemistry, Emeritus, with fellow Torchbearers Ruth Boehm and Felix Boehm, William L. Valentine Professor of Physics, Emeritus

Associates office at 626-395-3919.

If you are a Torchbearer or President's Circle member and would like exclusive access to a recording of President Chameau's remarks and Ell's presentation, please call 626-395-2927.



Torchbearer Steven C. Frautschi, Professor of Theoretical Physics, Emeritus, President's Circle members Barbara Gee and Toni Perpall, and Torchbearer Mie Frautschi

President's Circle members enjoy all of these benefits, as well as special programs and opportunities to travel globally with Caltech researchers. To learn more about the Associates and the benefits of membership, please visit <http://associates.caltech.edu> or contact the



Going Green

Please help protect the environment by switching from the paper *Techniques* to an electronic version sent directly to your inbox. The office of gift planning aims to support Caltech's leadership in sustainability by sending email newsletters, an eco-friendly option that minimizes waste and saves money. To take advantage of this new opportunity, simply fill out and return the self-addressed reply card or e-mail us at giftplanning@dar.caltech.edu. Please include the email address at which you would like to receive *Techniques*.

RECOGNIZE THIS ALUMNUS?

Continue inside for more

THROOP, ACS

He started Tech in '42, but detoured to spend 3½ years in the Army, ETO. Active in Chem Club, ACS, Thoop club, and Musicale, his hobbies include carpentry and classical records. Immediate plans are to work in industry.



Photo courtesy of Big T

Class '49
of 49

OFFICE OF GIFT PLANNING

TECHNIQUES



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What's Inside

- Benefactors are Recognized and Learn about Caltech's Endowment
- A Generous Gift from a Surprising Source
- Tired of Managing Your Business or Investment Real Property?
- Recognize this Alumnus?

Please Visit Our NEW Website!

New features include:

- Supporter spotlights
- Interactive gift-planning tools and calculators
- Features on upcoming events
- Links to videos of talks given at Caltech

www.giving.caltech.edu/gp

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