



# *From the Arbor* @ Baker University...

Monthly news from Jerry Weakley, VP for Endowment and Planned Giving

Volume 6, Issue 11  
November, 2008

### *Of Special Interest:*

- *Recommend a student-*  
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- *Alumni Office-*  
888-781-2586
- *Make a donation*  
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*an endowed scholarship*  
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## Trustees Meet...Discuss Facilities, Planning, Budgets, Operations and Building One Baker...

**Baker** University Board of Trustee members met on campus on Friday, October 24th to discuss a wide-range of issues presented by President Pat Long and members of her administrative team. Also joining the Board and administration for the meetings was Jack Bowerman '70. Bowerman who retired as a partner from Deloitte's consulting office in Kansas City a few years ago and who now heads his own private consulting operation has been retained by the University to perform an overall systems/operations review. Working closely with Bowerman on this project is Susan Lindahl, a new member of the **Baker** Administrative team, who is functioning in the multiple roles of strategic planning and communications and marketing.

The Board meeting began on campus on Friday and continued during the annual Trustee's Retreat on Saturday in Olathe. In addition to sessions lead by Bowerman and Lindahl, the Trustees also had opportunities to visit four university facilities and listen to presentations about projected change of use and renovations being discussed and planned for the facilities. The facilities visited were Joliffe Hall, Rice Auditorium, The Harder Student Union and Denious Hall.

On Friday evening, current and former Board members joined members of the faculty for a combined dinner that is something of an annual tradition. This year's dinner was in honor of Edrie Swanson. Edrie, who served for 25 years as the chief administrative assistant to the **Baker** President, is retiring this semester. Former Presidents Ralph Tanner and Dan Lambert joined President Long in speaking of Edrie's long and remarkable service to the office of President and to the University as a whole. Edrie received special gifts from Charles Kopke, longtime friend and supporter of the University who is also a former member of the Board and from Ms. Suzanne Teel '69, the current Chair of the Board, on behalf of the Board and the University. A final surprise presentation came from President Long as she announced that friends and colleagues of Edrie had also responded to a challenge from

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## Opening Convocation Focuses on General Ed...

University leaders highlighted plans for the creation and implementation of a new General Education program at Baker during Opening Convocation held in October at Rice Auditorium.

“We want to create a general education model that reflects our values,” Baker Provost Randy Pembroke said. The purpose of the General Education program is to ignite in students a passion for learning that both inspires and informs a lifelong commitment to Baker’s core values of community, character, and civic and social responsibility.

President Pat Long, College of Arts and Sciences Dean Rand Ziegler and Associate Professor of French Erin Joyce also discussed General Education. The Baker Speech Choir, under the direction of Susan Emel, performed at the ceremonial event. Eli Jones, a junior music education major, and Trilla Lyerla, professor of music, concluded convocation with a special performance of “World.”

## The Baker Annual Fund Phonathon is Set to Begin...

The annual Phonathon from campus has begun and over 14 student-callers are working the phones several nights each week as they have at this time of year for over 26 years. The Phonathon is organized by Annual Fund Director, Rachel Smith, of the Advancement office. Donations received from the Phonathon are applied to a wide-range of unrestricted uses including scholarships, academic programs and capitol projects. We hope when your phone rings that you will answer and make a pledge to help us toward our \$80,000 Phonathon goal that will help the University towards its ultimate goal of \$750,000 for the Annual Fund. A follow-up Phonathon will be held in the spring to contact those not reached in the fall.

## Congress Extends Giving from IRA’s...

The IRA Charitable Rollover was reenacted as part of the Emergency Economic Stabilization Act of 2008 on October 3, 2008. The IRA Charitable Rollover permits taxpayers at the age 70½ and older to make tax-free charitable gifts totaling up to \$100,000 per year from traditional Individual Retirement Accounts (IRA) and Roth IRAs during 2008 and 2009. There are many advantages for individuals of this age who are desiring to make such a charitable gift to use this method of giving without it having an adverse affect on their taxes. You can give your required distribution to a qualified charity (such as Baker) without having to count it in your taxable income. The following are some of the best reasons for using this vehicle for your charitable giving:

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## Baker Launches New Web Site...

Baker’s new Web site at [www.bakerU.edu](http://www.bakerU.edu) has gone “live.”

The overall architecture of the site is designed to unify the University by aligning the messages of Baker’s four schools through the new branding campaign. The site is easier to use with enhanced search capabilities, which will continue to evolve, so you can find information more efficiently.

The goal in this first phase of the launch is to make sure all the important information and functions of the old site have been included in the new one. Following the launch, we will work further to develop and enhance informational and promotional content.

It is the University’s desire to host a site that is not only easy to use but content rich. Not only is the site critically important to our current students, faculty, administration and staff but to prospective students, donors, alumni, former students and friends of the University.

If you have any questions or suggestions you may contact Neil Kubilski, Web master, at 785-594-4791 or [neil.kubilski@bakerU.edu](mailto:neil.kubilski@bakerU.edu)

## Baker Trivia for November...

Name the first alumnus to serve as the Dean of what is now the Baker University College of Arts and Science. For extra credit...name the last alumnus to serve in this same position. The answers will be given in the December issue of the Arbor.

## Did You Know...

Novelist James Houston Turner ‘69 had his latest acclaimed political thriller “The Identity Factor” honored with an award by USA Book News in their 2008 Best Books Award category. Turner lives in Adelaide, Australia with his wife, Wendy, and has written numerous books. Congratulations Jim!!!

## May Inducted to Nevada Wrestling Hall of Fame...

The Nevada Chapter of the National Wrestling Hall Of Fame will induct two of the state's most prolific high school coaches this Saturday at its second annual induction ceremony.

Former Green Valley High coach Jimmy May, who coached Eldorado to 12 state championships from 1977 to 1998, will be inducted alongside Chuck Diller.

May was hired as head coach at Baker in August to organize and coach the school's first wrestling team which will debut in 2009.

"I'm excited to work on building a program from scratch," he said. "I feel like this is the perfect next step for my career."

May, who moved to Henderson from Oregon as a child, developed into a dominating wrestler winning a state title and qualifying for the USA World Greco-Roman Team.

May attended Central Missouri University, where he compiled a 70-15 dual meet record. After graduation in 1977 he accepted the head coaching job at Eldorado High School in Las Vegas and turned its program into the most successful in the history of Nevada. In 21 years with the school, May coached 54 state champions and 13 All-Americans.

According to May, the proudest moment of his career came at 1992 state championships, when his son, Danny, jumped into his father's arms after winning a state title.

Nevada's hall of fame is an official state chapter of the National Hall of Fame in Stillwater, Oklahoma.

Congratulations Coach May! We look forward to your continued success as you bring this new sport to Baker!

## Selzer Named President of Delta Tau Delta National Fraternity...

Jim Selzer '70, a former member of the Baker Board of Trustees and an attorney in Kansas City, Mo was recently named to the top position in his national fraternity. Jim joins several other Baker graduates who through the years have gone on to lead their national fraternal organization. Currently, Diane Wilson Blackwelder '70, Lafayette, Indiana, a Baker classmate of Jim's is currently serving a second term as National Vice-President of Alpha Chi Omega Sorority. Congratulations Jim and Diane for your selection to these posts and your service to these national organizations!!!

## Baker Board Meets...(Continued from Page 1)...

Ms. Jan Schroeder, a long time friend and supporter of Baker and a family friend of Edrie's. Ms. Schroeder offered to match dollar for dollar up to a maximum of \$5,000 to raise enough money to endow a scholarship in Edrie's name at the University. The University has already received nearly \$15,000 for this new scholarship. Gifts intended for this scholarship may be sent to the office of Advancement and designated for the "Edrie Parker Swanson Endowed Scholarship".

All but two members of the Board were able to attend one or more of the sessions of the two-day meeting. It was one of the best turnouts in the history of the board and shows the depth of engagement and support the current Board of Trustees has for the University. The next meeting of the Board will in February and will have the faculty of the University as one of its main areas of focus.

## Former Professor wins Kansas House Race...

A former Baker Professor of Psychology, Dr. Tony Brown, found himself on the winning side of the ledger in his bid to represent citizens of the 10th Kansas District at the State House in Topeka. Brown, who taught at Baker for 18 years, ran as a Democrat and won a close battle against his Republican opponent, John Coen by just 392 votes...a margin of 49.1 percent to 45.5 percent with the rest of the vote going to the Libertarian candidate. Brown expects to focus on education issues and the environment in his work in Topeka. Congratulations Tony!!!

## Events...

Nov. 6 – Artist & Lecture Series –  
“Western Winds –1<sup>st</sup> United Methodist Church-  
7:30 p.m.

Nov. 6 – Theatre Production–“Macbeth”– Rice  
Aud. – 7:30 p.m. (also Nov. 7, 8, and 2:00-Nov. 9)

Nov. 8 – Football @ MidAmerica Nazarene  
University – 1:00 p.m.

Nov. 8 – Women’s Basketball vs. McPherson  
Collins Gym – 3:00 p.m.

Nov. 14 – BU Senior Visit Day

Nov. 15 – SPGS, SOE & SON Recognition Day

Nov. 15 – Football vs. Avila University –  
Liston Stadium – 1:00 p.m.

Nov. 16 – Orchestra Concert –  
Rice Auditorium – 3:30 p.m.

Nov. 18 – Women’s Basketball vs. KS Wesleyan  
Collins Gym – 6:00 p.m.

Nov. 18 – Symphonic Winds Concert –  
Rice Auditorium – 7:30 p.m.

## Alumni Office Hosts After Hours Events ...

Nov. 13—LEAWOOD, KANSAS

Everyone is welcome to attend a social planned  
for 5:30 p.m. at Trezo Vino, 11570 Ash Street, Lea-  
wood. No Charge...Hors d’oeuvres and soft drinks  
will be provided. RSVP by Nov. 10 to the Alumni  
Relations Office at 888.781.2586 or  
[alumni@bakerU.edu](mailto:alumni@bakerU.edu).

Nov. 20—DALLAS, TEXAS

Alumni/former students/parents/friends  
Everyone welcome...**Baker** After-Hours Social  
Fox Sports Grill, 5741 Legacy Rd., Plano, TX  
5:30-7:30. RSVP by Nov. 17 to the Alumni Rela-  
tions Office at 888.781.2586  
No Charge...Hors d’oeuvres and soft drinks  
will be provided.

## October’s Trivia Answer...

**The question was:** What is the name of the  
Taipei, Taiwan based College (now it’s a Uni-  
versity) that **Baker** had a sister-college relation-  
ship with in the 1980’s and 90’s. Over 100 stu-  
dents from this college attended and graduated  
from **Baker** during these years. For extra  
credit...name the Japanese University from  
Sapporo with whom **Baker** had a similar articu-  
lation agreement.

**The answers are:** Ming Chuan College and Dohto  
University. The first person with the correct an-  
swer was Margaret Engler ‘84. Congratulations!!  
Ming Chuan has now grown to 4 campuses with a  
student population exceeding 18,000 students!

## Baker Buzz...

Watch student produced TV (Baker Orangeline)...

[www.youtube.com/knbu](http://www.youtube.com/knbu)

## Baker Football on Air/Internet...

If you can’t attend the Wildcat football game on Saturday  
November 8th with Mid America in Olathe that will no  
doubt decide the conference champion and perhaps even a  
birth in the NAIA playoffs...remember you can catch all  
the game action beginning at 12:30 on KOFO, AM 1220,  
KNBU-89.7 FM or on the internet at [www.bakeru.edu/athletics](http://www.bakeru.edu/athletics)  
and then go to “Live Broadcast”. GOOOOO  
CATS!!!

I Hope You Have a Great  
November and Thanksgiving!  
I’ll write again in **December!**

*Jerry L. Weakley ‘70*

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## Life Estate Opportunities in a Down Market (An Article for those 50++)

With home prices falling and real estate markets down, many seniors are deciding it may be more financially beneficial to remain in their homes. Contractors report remodels are on the rise with additions that include first floor living quarters and bathrooms equipped with safety-bars for those desiring to maximize in-home longevity.

The prospect of more and more people wishing to remain in their homes presents the perfect opportunity for those individuals to take advantage of a charitable life estate gift with Baker. The goal of this article is to cover the basics of life estates and address some of the gift acceptance issues including MIT agreements and life estate rollover options.

### Life Estate Basics

#### The Life Estate Agreement

A life estate is an agreement made through a written deed that transfers a remainder interest in a donor's personal residence, farm or ranch to charity...in this case-Baker! A clause in the deed permits the donor to reserve life use of the property. The donor may remain living in the home during the donor's lifetime and the gift of the remainder interest in the property qualifies for a current income tax charitable deduction. The amount of the deduction is a careful calculation derived from age of the donor.

#### Personal Residence Requirement

A life estate is not limited to the donor's principal residence. It may be written on any property used by the donor as a personal residence, including a vacation residence or even stock owned in a cooperative housing corporation. A remainder interest in a farm also qualifies. A farm is defined as property used for the production of crops or grazing land for cattle and includes fixtures such as buildings and permanent improvements. Normally, the transfer of a residence will also include reasonable surrounding grounds.

### MIT Agreements

#### Maintenance, Insurance and Taxes (MIT)

One concern charities often raise regarding the life estate is whether a life tenant will satisfactorily maintain the premises so that the gift holds its value and potentially appreciates. Baker's Board of Trustees in 1992 clearly stated that before the University will accept a remainder interest in a piece of property that the donor who is to receive the charitable life estate agreement must be willing to complete an MIT agreement as a part of the deed to said property. This protects the long-term interests and health of the University while at the same time affording the donor with a wonderful opportunity to support the University while remaining in their residence through life. The basics of such an agreement are as follow: the donor agrees to maintain the property in its current condition, is also required to carry insurance and pay the real estate taxes just like they would as normal.

#### Leasing the Property

While the life estate donor usually plans to remain living in the residence, unforeseen circumstances may require that the donor move to a smaller residence, assisted living or retirement facility, or move in with a relative. In this situation, the life estate will not necessarily be dissolved. The life tenant may elect to move out and either rent or lease the property while keeping all income derived in such manner throughout the lease hold or their life.

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If the donor opts to lease the property, the only provision the University is granted is that of approving the party who would lease the property. As the future property owner, Baker has an interest in ensuring that the tenant maintains the property in its current condition. The MIT agreement should also clarify that when the donor passes away, all lease income goes to Baker for the duration of the lease.

## Capital Improvements

Who pays for improvements made to a life estate residence? Generally, the donor is responsible for maintenance on the wear and tear of the premises and must maintain the premises in its condition at the time of the gift. However, any improvements made to the property that would in essence add to the value of the residence must be agreed upon with the University prior to beginning the project if there is to be any sharing of costs with the University. If the donor decides to bear the full cost of the capital improvement, the donor may take an additional charitable deduction for the remainder value of the addition's cost.

## Liability Issues

The MIT agreement will also address what happens if there is damage to the property or an injury takes place on the premises. This is a question of liability or who bears risk of loss. In the event of damage to the property, the donor ordinarily bears the expense and is required to repair the property.

The MIT agreement may be drafted to state that the donor and Baker share the cost of repairing damage to the property. If this provision is included, any insurance proceeds resulting from damage should be divided between Baker and the donor in proportion to the value of their respective interests as of the date of damage. The MIT agreement may also be drafted to include a "hold harmless provision" stating that Baker is to be absolved of all liability arising from the property during the donor's lifetime. The type and use of the property contained in the agreement will generally determine the University's position in this issue.

## Rollover Options

With the prospect that some donors will not live out their lifetimes in the life estate residence, there are several life estate exit or rollover options to consider.

## Joint Sale

One option is for the donor and Baker to engage in a joint sale of the premises. Once the donor decides to move out, Baker and donor may place the residence on the market. When the property sells, the proceeds are then prorated between the two in proportion to their respective shares. To determine the values of the donor and charitable interests, the University will rerun calculations in Crescendo software that are in keeping with best practices detailed in GiftLaw Pro, Chapter 6.1.1.

## Gift of Life Estate

A donor may wish to give his or her interest or right to life use in the premises to the University. Once the donor's interest is valued and gifted, Baker then owns both the remainder value and the life estate and may sell the home. The donor receives a charitable income tax deduction for the value of the life estate gifted. The gift of an income interest is viewed as a gift of a capital asset with a zero basis, making it deductible as an appreciated property type gift up to 30% of the donor's adjusted gross income (AGI).

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### Remainder Unitrust

If the donor desires to receive income, a gift of the life interest may be used to fund a charitable remainder unitrust. The donor transfers his or her life interest to the trust and receives income for life and a current charitable income tax deduction for the value of the remainder gifted to Baker. The gift is deductible up to 30% of the donor's AGI. An alternative option would be for the donor to sell his or her interest and use the cash to fund a charitable remainder trust. Here, the gift would be treated like a cash gift deductible up to 50% of the donor's AGI.

### Gift Annuity

If the donor desires fixed income, the life estate interest may be gifted to create a charitable gift annuity. Assuming that the gift annuity qualifies under the 10% CGA minimum deduction test, it will pay the donor fixed income for life at a rate based on the donor's age. If the donor is able to use the home exclusion for the transfer of the life estate as permitted by Rev. Rul. 84-43, the gift annuity may be treated as though cash was contributed and the donor will receive both a charitable deduction and substantial tax-free income.

### Conclusion

If you would like to visit about the possibility of using a property you own or live in a way as described above please contact me at 785-594-8332 or [jerry.weakley@bakeru.edu](mailto:jerry.weakley@bakeru.edu).

## IRA Roll-over Continued from Page Two...

### WHO BENEFITS FROM THE IRA ROLLOVER?

\*Individuals who take mandatory minimum withdrawals, but don't need additional income. You can give your required distribution to a qualified charity (such as Baker) without having to count in your taxable income.

\*Taxpayers who don't itemize their deductions. The IRA rollover most benefits the nearly two-thirds of Americans who do not itemize deductions on their tax returns and therefore do not receive a tax benefit for charitable contributions.

\*Itemizing taxpayers who've reached the charitable giving limit. Donors who itemize their taxes are prohibited from deducting more than 50 percent of their adjusted gross income for the purpose of making charitable donations. Donations from an IRA are excluded from the percentage limit, allowing individuals who have reached the 50 percent threshold to give more.

\*Taxpayers who live in states that don't permit tax deductions for charitable donations. Some states do not allow itemized tax deductions and taxpayers are required to pay state income tax on all charitable donations. By making a charitable donation through an IRA, taxpayers exclude the amount from their state income and consequently from state taxes.

\*Individuals who intend to leave a portion of their IRA to Baker through their estate plan. These donors can make the gift now while they are living and thus be able to witness the benefits their generosity.

Please contact me for information on how your IRA contribution can help secure the future of Baker University. I can be reached by phone at 785-594-8332 or by email at [jerry.weakley@bakeru.edu](mailto:jerry.weakley@bakeru.edu). It is usually advisable to consult with your tax professional if you are considering an IRA rollover contribution.