



Nanosatellite
Page 2



A Living Legacy
Page 3



Long-Term Care Insurance
Page 4



Flowers from one of Michigan Tech's sustainable gardens

Michigan Tech
Create the Future

Michigan Technological University
Spring 2011

A Financial and
Charitable Gift Planning Guide

Foresight



Generous Benefactors Regard Michigan Tech as “Very Special”

Rick Berquist has been associated with four universities in his life: He studied at Michigan State, Colorado School of Mines, and Georgia Tech; and he has been a leader at Michigan Tech for 20 years.

“I learned more at Michigan Tech than the other three universities combined,” he says now. “I work with a lot of good people making good decisions. Being associated with people of that caliber has certainly been rewarding.”

Berquist served more than ten years on the Board of Control and another ten years as a trustee of the Michigan Tech Fund. “I developed a taste for Michigan Tech,” he says. “Michigan Tech became very special.”

One of the things he learned at Tech was fundraising. “I learned that anytime you lead a fundraising effort, you give mightily.” He says that with both conviction and a chuckle.

That realization led Berquist and his wife Joan (Jo) to establish an endowed professorship in the School of Business and Economics with a \$1 million estate gift and to fund the position during their lifetimes with annual giving. “I put my money where my mouth is,” he says, “and we get a great deal of satisfaction by doing this.”

The couple supports other philanthropy dear to their hearts. Rick has chaired projects to raise significant funds to remodel their church in Menominee, Michigan, and to fund a new cancer unit for their medical center in Marinette, Wisconsin. The bulk of their giving, however, goes to Michigan Tech. “This is our major gift,” Berquist says. “There is no other.”

They support the School of Business and Economics because it's Berquist's belief that engineers need to be well

versed in not only technical issues but also business skills. “Engineers need to get businesses going,” Berquist avows. “They need to bring forth products and services that help the country. Also, Michigan Tech does a great job of promoting teamwork, and that's a big part of any success—create teams that make things happen.”

That capability is key, he says, in getting the nation back on track economically. “Get everybody working. Promote prosperity in a country that has been tested recently. Create a government that is excellent for the people.”

Accordingly, he has done yeoman's duty in the Republican Party for decades. He has been party chair for Michigan's First Congressional District; a delegate to the national GOP convention (he's missed only one in 24 years); and a participant in the

continued on page 2

continued from page 1

inauguration of George H.W. Bush, an invitation by which he feels honored. Honor runs in the family and is part of his makeup. He is proud that, as an employer and a business owner, he has been fair with both his employees and his customers—as he puts it, “just, moral, and ethical.”

He says he emulates his father, who was a businessman known for his persistence and his product. “He pushed forward and established something for the good of the people. That’s important. You need them as customers.” His father started a propane distribution service in Carney, Michigan, in 1945, and he grew the business into home heating and propane transportation. As a lad, Rick worked for his father and learned about entrepreneurship from him.

Berquist himself founded two companies in the Marinette-Menominee area: Silvan Industries, which involved manufacturing and

fabrication; and Marmen Inc., which involved computing. Both were successful under his watch.

Jo has been integral to the couple’s pursuits. She recalls driving to Houghton for Tech board meetings so her husband could do his homework on the way. She says of that service, as

well as their philanthropy: “I play the role of supporter.”

In retirement, Rick and Jo especially enjoy travel. They live in Florida now and go even farther south for the winter. “We absolutely enjoy life,” Rick says.

Dean Darrell Radson (School of Business and Economics) says of the Rick and Jo Berquist Professorship in Innovation and Entrepreneurship:

“This is a major gift in our School—not simply in the amount donated, but in the impact this endowment will have on our academic programs and our research.

“This gift will help us achieve our mission to integrate the University’s technological prominence with experience-based learning to develop leaders in global business and innovation.

“The Berquist professor will be directly involved in teaching our entrepreneurship classes and advising our Business Development Experience senior projects, where business students write and present business plans for new technologies being developed in engineering Senior Design courses and Enterprise.

“The addition of the Berquist professorship will help us build a core team of faculty in the areas of entrepreneurship, innovation, and business strategy.”

Tech Students Flying High



A team of our students has taken first place in the prestigious University Nanosat 6 competition, earning the singular privilege of having the Department of Defense (DOD) launch its custom-made satellite into orbit.

The Air Force Research Laboratory sponsored the program. It awarded eleven teams from around the nation a two-year contract to design and build a satellite to perform a

mission of its choosing.

The program culminated with a competition in January in Albuquerque, New Mexico. By winning, Michigan Tech received a contract to continue development of the satellite and have it launched into orbit aboard a DOD rocket in 2013.

Built by students in the Aerospace Enterprise, Michigan Tech’s entry is called Oculus—a 154-pound satellite

that helps a DOD effort called “space situational awareness.”

“The DOD wants to know what’s orbiting the Earth, who owns it, what it’s doing, and what it might do in the future,” said team advisor L. Brad King, professor of mechanical engineering-engineering mechanics.

King says of the Tech satellite: “It’s a very capable little vehicle. There’s a lot packed into it.”

Nanosat is a grueling college competition. “Reviewers come from all over government and industry, and they don’t take it easy on the teams,” King says. “If they see a flaw or have a question, they unload both barrels on the students and make them defend their design.”

King has high praise for the student team. “They discover that design is really about accountability—proving that your design works and vigorously testing it. That’s where we excelled. Our students know how to build things, know how to do hands-on design, and that was an advantage.”

A “Living” Legacy for Michigan Tech



Many of our alumni and friends have set aside a portion of their estates to establish a special fund to continue their annual support of Michigan Tech long after their lifetimes. They have taken steps to create named endowments that will be funded by bequests or planned gifts.

Here's how an endowment works. An endowment gift is permanently held by the Michigan Tech Fund to provide a perpetual flow of income to support the purpose of the gift. This means we do not spend the gift money placed into the endowment. A portion of the annual income earned on the endowed fund is used to support the donor's designated program, while the rest of the income is left to help grow the fund to keep pace with inflation.

You may designate an endowment to support scholarships, a faculty position, or another program of your choice. Some choose to leave it unrestricted so that Michigan Tech can use the funds to meet its greatest needs. An endowment can be created in your own name or a family name, or perhaps to honor someone who has had a significant impact on your life. Michigan Tech offers many named

endowment opportunities with varying funding levels, starting at a minimum of \$25,000.

Establishing a legacy that will benefit others for years to come is a wonderfully satisfying experience. However, some of our estate donors then become eager to see the results of their endowments in their lifetimes, but at the same time they want to keep control of their estate assets. A “living” endowment is a way to accomplish these dual goals.

There is a wide range of outright and future gift planning options available to fund an endowment. A growing number of our donors are using a combination of these

options by permanently funding their endowments through their estates and making annual outright gifts to put their plans into action. With such a “living” endowment, they can enjoy the benefits of their generosity now.

Do you want to learn more about how to fund your own endowment? Call our Office of Gift Planning at 906-487-3325, or send an email to giftplan@mtu.edu.

Request Our Free Brochure

Please return the enclosed reply card to get a complimentary copy of our endowment brochure.

Visit Our Website!

Our website provides helpful financial and estate planning information to assist you in creating a plan that is right for you.

www.mtulegacy.org

Michigan Tech's McNair Society

The McNair Society, named after Fred McNair, president of the University from 1899 to 1924, honors those who leave a legacy for Michigan Tech through their estate plans. Michigan Tech is grateful for the foresight and generosity of the following new McNair Society members:

Russell '89 and Patricia Becker
Eileen and Wilbur (dec) Haas
Ronald '60 and Ann Marie Harma
Robert '63 and Eugenia (dec) Mechon
Martha '79 and Gerald Richardson
John and Phyllis Seaman
Paul '67 and Mary Lee Srodes
Richard (Ole) '71 and Ruth Van Goor
Paul '61 and Susan (dec) Williams

Have you provided for the University through a bequest or a planned gift? Please tell us.

How to Save on Long-Term Care Insurance



*Dear Savvy Living,
My wife and I have been thinking about purchasing a long-term care insurance policy but have found the monthly premiums to be very expensive. How can we find affordable coverage?*

The biggest factor that keeps millions of Americans from purchasing long-term care (LTC) insurance is the high price tag. Depending on your age, you and your spouse could be looking at \$7,000 a year or more to purchase a comprehensive policy that covers nursing home care, assisted living, and in-home care. Fortunately, there are ways to save and still get adequate coverage. Here are some cost-cutting tips.

Buy Young

One of the most basic ways a person can lower their LTC insurance premiums is by purchasing a policy at a younger age. For example, a policy that costs a 55-year-old \$2,000 a year in premiums could cost a 65-year-old more than \$3,000. Health is another factor that can affect costs. While good health can lower your monthly payments, having a preexisting medical condition can increase your costs or you may not be able to get insurance at all.

Check Your Employer

Some employers offer LTC insurance as an employee benefit that is often

five to ten percent less expensive than buying a policy on your own. Or, if you or your spouse is a current or retired federal employee, you can get affordable coverage through the Federal LTC Insurance Program.

Tweak the Policy

The cost of LTC insurance depends greatly on the policy's provisions. Here are a few simple ways to trim your premiums:

- **Reduce the benefit period:** A policy that covers you for two or three years, versus an unlimited benefit, meets the needs for most people and can cut your premiums in half.
- **Lower the daily benefit:** You can get a policy that pays \$100–\$200 per day or more, but the higher the benefit, the higher your premium. To figure out how much coverage to get, check out the nursing home prices in the area where you plan to be. Then figure out how much of the bill you could shoulder yourself, and choose a benefit that makes up the difference.
- **Extend the waiting period:** Most policies have waiting periods (30–90 days or more) that require you to pay out-of-pocket before the policy kicks in. The longer you wait, the lower your premium.
- **Get cheaper inflation protection:** Choosing a policy that offers inflation protection linked to the consumer price index is about 20 percent to 40 percent cheaper than standard policies that use a 5 percent compound inflation factor.

Get State Help

Many states today have a LTC partnership program that can help you save. Under these programs, if

you buy a LTC policy approved by your state Medicaid agency, you can protect an amount of assets from Medicaid equal to the benefits your policy pays out. How does it work? Let's say you buy a policy that provides \$200,000 in benefits (multiply your daily benefit by your benefit period). If you use up all the benefits but still need care, you can shield \$200,000 of your assets and still have Medicaid pay your remaining nursing home bills. With this program, you can choose a shorter benefit period which will lower your premiums. Contact your state insurance department to see if your state offers a program, or see www.dehpg.net/lcpartnership.

Add a Supplement

Another option is Uncle Sam's soon-to-be-established LTC program known as the Community Living Assistance Services and Supports (CLASS) Act (see healthcare.gov). Starting in 2013, this program will allow workers to set aside money from their paychecks for five years in order to receive a cash benefit of at least \$50 a day to help pay for LTC services when needed. While CLASS won't cover all your LTC costs, it can be a nice supplement to an LTC policy, allowing you to lower your daily benefit and reduce your premiums.

Savvy Tips: For more information, visit www.longtermcare.gov. For assistance in finding and choosing a policy, get an LTC insurance specialist who works with a variety of companies to help. See www.aaltci.org to locate one.

Savvy Living is written by Jim Miller, a regular contributor to the NBC Today Show and author of The Savvy Senior book. These articles are offered as a helpful and informative service to our friends and may not always reflect this organization's official position on some topics.

For More Information on Gift Planning



Eric J. Halonen, CPA
Director of Major Gifts and Gift Planning
Michigan Technological University
1400 Townsend Drive • Houghton, MI 49931-1295
Telephone 906-487-3325 • Fax 906-487-1250 • Email ehalonen@mtu.edu

Foresight