UT NAMES FIRST SHAPIRO HONORS FELLOWS IN ECONOMICS

The University of Toledo Honors Program and the UT department of economics have named the first Edward Shapiro Honors Fellows in Economics. The six 2008-2009 award recipients are Anthony Bradfield, Noah Gillespie, Nicholas Jones, Constantine Konstandas, Anthony Russo and Jason Saunders. The students were honored at a luncheon in December. The Edward Shapiro Honors Scholarship in Economics is a $5,000 renewable award offered by The University of Toledo Honors Program and the Department of Economics. The award is a new scholarship program funded through an endowment held by the UT Foundation, established by the late Dr. Edward Shapiro.

Current honors students (or high school students who have been accepted into UT’s Honors Program) who plan to major in economics can compete for the scholarship.

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The newly named Edward Shapiro Honors Fellows in Economics for the 2008-09 academic year are, front from left: Anthony Bradfield, Noah Gillespie, Jason Saunders, Constantine Konstandas, Nicholas Jones and Anthony Russo. Also pictured are Dr. Tom Barden, director of the UT Honors Program, left, and Dr. Mike Dowd, associate professor and chair of economics.
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Selected students must maintain a cumulative GPA of 3.6, conduct undergraduate research in the field of economics under the guidance of a faculty mentor from the UT department of economics, and complete their honors thesis in an area of economics.

The expectation is that they will share their excitement and interest in the study of economics.

“One of the goals of these scholarships is to raise the awareness of the discipline among our most talented direct-from-high-school students,” said Dr. Tom Barden, director of the UT Honors Program and professor of English. “Many students arrive at the University not thinking of this major because there are so few high school courses in economics.”

Dr. Shapiro (A/S ’42), a UT economics professor for 22 years, donated more than $4 million to UT’s College of Arts and Sciences, including a final estate gift totaling more than $3.2 million.

His contributions were targeted for a lecture series, scholarships, student research and other student needs in the departments of English and economics.

Generosity was a lifelong trait of Dr. Shapiro, who died in 2005 at the age of 84. “He donated not only to UT but to other universities as well over the years, sums that were impressive, if not staggering,” noted his nephew, Dr. Benjamin Wendell.

However, UT had a special place in Dr. Shapiro’s heart. “He spent the best and most productive years of his life there,” Dr. Wendell said, “teaching generations of students, mentoring, guiding and garnering a level of respect from the faculty and the student that he found in few other places.”

The philosophy that “It takes a village to raise a child” is witnessed every day in the scholarship support which generous alumni and friends provide to students at The University of Toledo.

That support may reach new heights, through the Ohio College Access Network (OCAN). Founded by the KnowledgeWorks Foundation, in collaboration with the Ohio Board of Regents and Department of Education, the philanthropic program is intended to help more Ohioans attain a college education.

“This is the first statewide coordinating body for college access programs in the nation,” said Vern Snyder, UT vice president for Institutional Advancement, “and UT is one of 14 Ohio public universities pledging its full support.”

According to a 2006 survey, Ohio exceeds the national average of adults completing high school (86%), but falls short of the national average of adults with completed college bachelor degrees, at only 23%. In addition, Mr. Snyder notes, Ohio is among the ten most expensive states for obtaining a bachelor’s degree.

Through OCAN, UT hopes to help Ohio students overcome these challenges. Four student populations are targeted:

- first-generation college students
- minority and low-income students
- veterans
- high school seniors qualifying for the post-secondary course program

Jeff Barton, UT’s new director of development for OCAN, said UT’s first-year goal is to raise $350,000 in OCAN funding. In addition to seeking donor support, UT is “putting its money where its mouth is,” he said. “Through UT’s new Blue and Gold Scholar Award, the University is doing its own part to help first-generation and underserved low-income students get a college education.”

Mr. Barton, whose position is half-funded by the state, said that gifts of all sizes are welcome, but that raising endowment is a major focus. “As long as contributions meet OCAN’s basic guidelines, donors can name individual endowment funds and tailor additional criteria to their own interests.”

He noted that the program’s impact will be greater than just education. “Raising the skills of more Ohians is expected to lead to greater job growth in the state. The U.S. Department of Labor projects that 80% of new job growth in the next 20 years will be greater than just education. “Raising the skills of more Ohians is expected to lead to greater job growth in the state. The U.S. Department of Labor projects that 80% of new job growth in the next 20 years will require some type of college degree,” he said. “These scholarships, therefore, are directly tied to Ohio’s future economy.”

Michael Carroll (MBA ’94) and his wife, Alena, are the first UT donors to establish a new endowment designated for OCAN. Their $25,000 gift will create a scholarship for first-generation college students at UT.

“This is an opportunity for us to create a permanent source of funding for UT students,” said Mr. Carroll. “By supporting this scholarship program, we can assist those young people who would not otherwise have the means to obtain a college degree.”

To make an OCAN contribution, contact Jeff Barton at jeffrey.barton@utoledo.edu or 419-530-5413.
UTF ENDOWMENTS FACING LOSSES

The investment boom of the late 1990s brought the UT Foundation returns higher than 20 percent over four consecutive years. Just one decade later, as investors everywhere deal with major losses, the Foundation faces its own challenges.

UT Foundation investments realized a 15.5-percent decline for the nine months ending Sept. 30, 2008, faring just slightly better than the index of 15.7 percent.

A bottom-dwelling market has already impacted about half of the Foundation’s approximately 1,000 endowed funds. The result is a decrease in available scholarship and program dollars, as well as unrestricted funding for UT’s needs and opportunities.

Foundation policies limit spending to 4.9 percent of the endowment’s three-year average market value, which helped preserve endowment in recent years. With current losses, however, many endowments may not be used for their intended purposes at all, due to the Uniform Management of Institutional Funds Act (UMIFA), a law governing spending from endowments that have dropped below their historic gift value. The Foundation is currently informing these donors of the situation, and providing options.

Meanwhile, the Foundation’s board of trustees and investment committee continue to closely monitor asset allocation and policies, including a planned reduction in the 2010 spending policy, according to investment committee chair Nick Conrad.

“We need to keep in mind that markets will fluctuate, sometimes significantly, and really cannot be timed,” said Mr. Conrad. “The Foundation needs to maintain a long-term focus because our endowment, unlike an individual’s personal investments, has the advantage of having a perpetual life.”

“The UT Foundation’s portfolio has performed consistently well among our peers,” he added. “Long-term growth outweighs short-term fluctuations. Even amidst the current challenging economic conditions, we’re poised to benefit the UT community into perpetuity.”

For more details about Foundation investments and UMIFA’s effect on endowments, contact Foundation President Brenda Lee at brenda.lee@utoledo.edu or 419-530-7730.

HONOR ROLL

The following donors have become eligible for special recognition:

* indicates deceased

Presidents Club
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Fred and Julie Treuhaft

as of Dec. 31, 2008

UT FOUNDATION INVESTMENTS QUESTIONS AND ANSWERS

Are other universities facing this problem? Investment and endowment losses are a nationwide problem, currently experienced by nearly all higher education institutions, as well as most not-for-profit organizations.

Who oversees Foundation investments? Members of the Foundation’s investment committee have extensive financial and investment backgrounds. The committee retains a professional investment advisor and employs a master custodian to hold assets and report holdings.

How are Foundation funds invested? The asset allocation combines diversified domestic and international equities, fixed income, alternative investments and cash. Investment managers manage asset classes geared toward their strengths, with an allocation of approximately 65% equities, 15% alternative investments and 20% fixed income.

Why hasn’t the Foundation changed investments during the current market? Funds are invested for the long term, more heavily in equities. Time has shown this results in the greatest total return. Long-term growth outweighs short-term fluctuations.

What is the Foundation’s administrative fee? Why is this necessary? The fee is 1.25% of the endowment’s three-year average market value. This funds the Foundation’s entire operations and a fund-raising grant for the Office of Institutional Advancement. Services include: managing over 2,000 endowed and non-endowed funds; receipting and acknowledging gifts; reporting fund activity; maintaining data bases; assisting in fund-raising efforts.

What is the Foundation’s spending policy? Spending is limited to 4.9% of the endowment’s three-year average market value. The policy is reviewed yearly, and will be reduced to 4.5% for fiscal year 2010.
MEET OUR BOARD

Marianne Ballas is a member of the UT Foundation Board of Trustees. She also serves as chair of Women and Philanthropy at The University of Toledo. Mrs. Ballas has nearly 40 years of experience in the car business, and is currently dealer principal at Ballas Buick GMC.

Francis Rogalski, M.D. is a member of the UT Foundation Board of Trustees. He is president of PediatriCare Associates. He received a bachelor of science degree from Temple University and a master of science from William Paterson College. He graduated from UT with a doctorate in biology in 1982, a medical degree in 1986 and a master's in public health in 2003.

To make a gift, contact any member of the UT development staff:

Vice President, Institutional Advancement:
Vern Snyder: 419-530-5449

Associate VP, Health Science Campus
Howard Newman, J.D.: 419-383-6840

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OCAN Program
Jeff Barton: 419-530-5413

Pharmacy:
Eric Slough: 419-530-5320

University College, University Libraries and Honors Program: 419-530-4249