

Beneficence

WINTER 2008

BALL STATE UNIVERSITY FOUNDATION



ALFORD EXPRESSES GRATITUDE TO ACTUARIAL SCIENCE PROGRAM AND FOUNDER WITH BEQUEST

Becoming one of the first students to graduate in a newly designed program is an opportunity that few individuals are able to experience. However, Timothy Alford was provided just that opportunity when he entered the Actuarial Science Program at Ball State University.

A native of Fortville, Indiana, Alford initially came to Ball State with the intentions of studying mathematics and economics.

“As early as my freshman year, one of my professors, Dr. Beekman, supplied me with information about the study of actuarial science and the opportunities it offered,” Alford said.

Alford was immediately interested and began looking into the field; however, Ball State did not offer a degree in actuarial science at that time. During his senior year, Alford applied to graduate programs in actuarial science at several universities, deciding upon the University of Iowa. However, before beginning his studies at the University of Iowa, Alford was drafted into the Army. While he was serving, Ball State created its own Actuarial Science Program. Therefore, Alford enrolled in the program at Ball State following his discharge from the Army. He finally had the opportunity to enter the field that had sparked his interest years earlier. The guidance of Dr. Beekman, a master’s degree in



Timothy and Lynne Alford

IN THIS ISSUE

ALFORD EXPRESSES GRATITUDE

(Pages 1 & 3)

ACTUARIAL SCIENCE STUDENTS BENEFIT FROM HONORARY SCHOLARSHIPS

(Page 2)

GOOD AND BAD TAX NEWS FOR 2008

(Page 4)

SEPTEMBER SOCIAL AND BENEFICENCE SOCIETY LUCHEON EVENTS

(Page 5)

(Continued on page 3)

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ACTUARIAL SCIENCE STUDENTS BENEFIT FROM HONORARY SCHOLARSHIPS

Dr. John A. Beekman joined Ball State University in 1963 as an assistant professor of mathematics. In 1970, Beekman's passion for actuarial science motivated him to establish the university's Actuarial Science Program, which focuses on mathematical and statistical analysis of risk and the application of it to insurance and other business management problems.

Beekman had a passion for actuarial science and the success of his students. He was a mentor, teacher, and friend to hundreds of students for several decades and opened up the opportunity of actuarial science to various individuals including former student Timothy Alford.

"It has been my privilege to know Dr. Beekman since the mid 1960s, and it was an honor to have had him as the primary mentor for my actuarial career while I was at Ball State," said Alford, BS '69, MAS '73.

Beekman is serving as the Lincoln National Corporation Emeritus Professor of Actuarial Science and is recognized for his high level of integrity and values. He continues to serve Ball State with his time, and he and his wife Jane have been recognized by three honorary scholarships. The John A. and Jane K. Beekman Actuarial Science Scholarship, the Steve D. and Debra L. Meyers Actuarial Science Scholarship in Honor of John A. and Jane K. Beekman, and the Towers Perrin Actuarial Science Scholarship in honor of John A. and Jane K. Beekman all provide financial assistance to Ball State students studying actuarial science. The scholarships have been greatly helped with contributions from alumni of the Actuarial Science Program.



John and Jane Beekman

"The common purpose of the three scholarships is to recruit or retain high ability students pursuing a degree in actuarial science," said Beekman, adding it allows students to spend more time studying for their classes and the actuarial science exams, and hopefully prevents students from acquiring too many loans.

Ball State is the only university in Indiana to offer complete bachelor's and master's degree programs in actuarial science. The actuarial profession is top rated in America by the *Jobs Rated Almanac* because of the high salary and exceptional working conditions.

-Casey Gentis & Coryell Akers, Communications Interns

ALFORD... (Continued from page 1)

actuarial science, and diverse business courses enabled Alford to secure an actuarial position with Lincoln National Life. Alford spent the majority of his career with the company, ultimately serving as senior vice president of group markets in the Reinsurance Division.

Although now retired, Alford maintains strong ties with Ball State by serving on the Actuarial Science Advisory Board; a position that allows him to see the needs of the program and the university first-hand.

In addition to donations of time and talent, Alford recently made a future commitment to Ball State through a generous bequest that will provide funding for the Actuarial Science Program. "I give to the program on an annual basis, but I felt the need to plan for a time when I will no longer be around to give back," said Alford, who enthusiastically encourages alumni to support their alma mater, which, no doubt, had a positive effect on their lot in life.

"Any individual who attended Ball State obtained experiences that were critical to their future successes. It's very important to make Ball State as financially strong as possible, so that both today's and future students will also be well positioned for success, not only in their fields, but in society," he said.

-Casey Gentis, Communications Intern

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GOOD AND BAD TAX NEWS FOR 2008

Thanks to inflation adjustments and scheduled tax-law phase-ins, there are new numbers – some good, some not so good – to consider in your 2008 planning.

The Good News

- Income tax brackets have been adjusted for inflation, allowing you to earn more before you move into a higher bracket.
- Cutbacks in itemized deductions and personal exemptions that affect high-income taxpayers will be less severe. For 2008 and 2009, certain itemized deductions are reduced by only 1 percent of the amount by which adjusted gross income exceeds \$159,950. Personal exemptions are also subject to a lesser reduction. Cutbacks occur when income tops \$239,950 for married couples or \$159,950 for single taxpayers.
- Social Security recipients who haven't reached full retirement age (65 years and ten months for those born in 1942) can earn more before benefits are cut. The limit for earned income is increased to \$13,560, after which benefits are cut by \$1 for each \$2 in additional income. All Social Security recipients will be receiving a 2.3 percent increase.
- Personal exemptions (\$3,500) and standard deductions have both increased.
- The capital gains tax rate drops from 5 percent to zero for taxpayers in the 10 percent and 15 percent tax brackets.
- The IRA deduction limit increases to \$5,000 in 2008, with an additional \$1,000 catch-up contribution available for those age 50 or older.

The Not-So-Good News

- Although the “kiddie tax” threshold has increased to \$1,800 for 2008, the bad news is that it will affect more children. The unearned income (interest, capital gains, and dividends) of most full-time students under age 24 and all children under age 19 will be taxed at their parents' top tax rate, rather than the lower rate that the child might pay on earned income.
- Wage earners will be subject to Social Security taxes until income reaches \$102,000, compared to \$97,500 in 2007.
- The annual exclusion – the amount that can be given to any number of recipients free of gift tax – is stuck at \$12,000.
- The contribution limit for 401(k) plans remains at \$15,500, with an extra \$5,000 catch-up contribution for those age 50 and older.

Because taxes are always subject to change, it's a good idea to meet with your advisers regularly to review how to make the most of the opportunities, while avoiding any pitfalls during the year.

Events



Emeriti, Beneficence Society, and Friends Social

More than 100 guests attended the first annual Emeriti, Beneficence Society, and Friends Social in September. They enjoyed an ice cream social, an update on campus activities from Ball State President Jo Ann Gora, and a 30-minute carillon concert.



Beneficence Society Homecoming Luncheon

Last October marked the 12th anniversary of the Beneficence Society. The annual luncheon at the Alumni Center attracted more than 130 Beneficence Society members as well as members of the university's National Philanthropy Council.



During the luncheon, Ball State President Jo Ann Gora (right) and Foundation President David Bahlmann (left) presented a Beneficence Society bowl to new member Dr. Donald W. Johnson of Carmel, IN. Dr. Johnson created a bequest to support diversity at Ball State.



As a new Beneficence Society member, Dr. Reene Alley (center) was also presented her bowl at the luncheon. Dr. Alley is an associate professor at Youngstown State University. Her bequest will go to the Renee A. Shue Educational History Research Fund.

Benevolence

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This publication is prepared exclusively for the information of our alumni and friends. Its purpose is to point out current developments that may be helpful in your tax and financial planning. The items contained herein are based on recent court decisions and rulings and on federal tax laws and regulations now in effect. You should consult your own attorney as to the applicability of any item to your own situation.



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