



# KŪ PONO

THE UNIVERSITY OF HAWAI'I FOUNDATION NEWSLETTER

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## THE ABSTRACT

IMAYŌ: Japan's New Traditionists, **Page 4**

*Artwork by Satoshi Someya*

FOR OUR UNIVERSITY, OUR HAWAI'I, OUR FUTURE

# \$11.4M added to UHF endowment



Elizabeth Hokada

Aloha,

Last year, the UH Foundation celebrated its 60th anniversary. This year we crossed the \$1 billion mark in our fundraising to support the University of Hawai'i over the course of our 60-year history. We'd like to celebrate you, our donors, for helping us to reach this important milestone.

In fiscal year 2016, the UH Foundation's endowment received \$11.4 million in new gifts and distributed more than \$10.8 million in private support for scholarships, professorships and program enhancements across all 10 campuses of the UH System. However, as a result of renewed volatility in the marketplace, the endowment market value declined from \$269.5 million to \$260.7 million for the fiscal year ended June 30, 2016, net of payout and other withdrawals and a loss on investments of 2.0 percent.

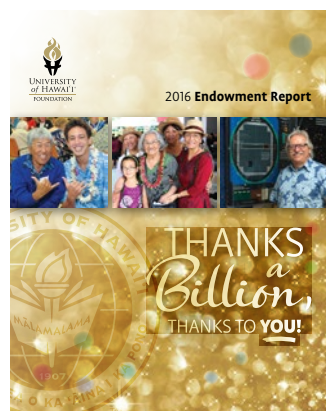
Over the past five years, the UH Foundation's endowment has produced an annualized return of 4.7 percent. In these challenging times, our Investment Committee continues to diligently steward the investment program. We believe a well-diversified portfolio will serve the university's best interest over the long term.

We value the trust you have placed in us with your philanthropic investments. Donors like you have generously invested your financial resources in the future of UH, making a difference in the lives of our students, faculty and the entire UH community. For this reason, we want to report our endowment investment strategy and returns as well as share stories about the impact of these funds. Your continued partnership and support is essential in building a stronger university for the next 60 years and beyond.

Mahalo for your vision and generosity!

**Elizabeth S. Hokada**

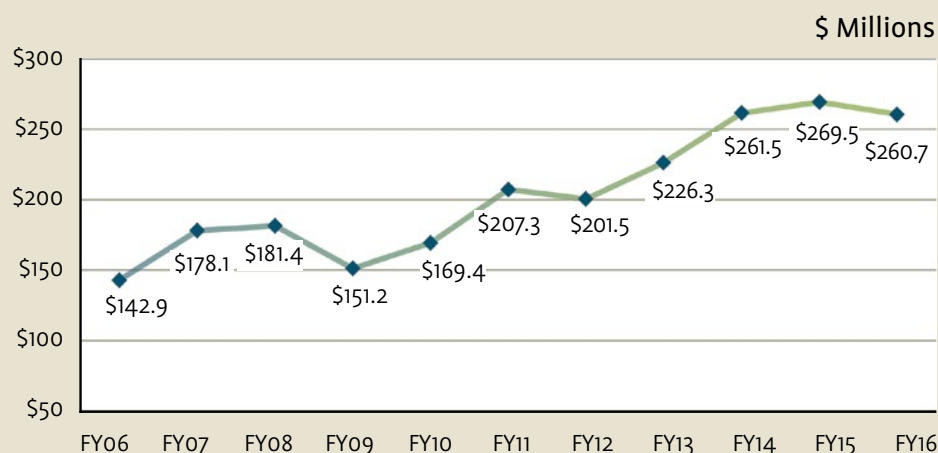
Chair, UH Foundation Investment Committee



The 2016 Endowment Report is available at [www.uhfoundation.org/2016endowmentreport](http://www.uhfoundation.org/2016endowmentreport).

## Endowment investment pool market values

The UH Foundation has consistently produced competitive investment returns when compared to portfolio benchmarks and peer institutions. In fiscal year 2016, U.S. equity and fixed income held modest returns for the year with detraction from global ex. U.S. equity, emerging market equity and marketable real assets in keeping with general decline in the commodities markets. A diversified portfolio continues to serve the University of Hawai'i's best interest over the long term.







# UH Foundation buys Atherton YMCA

**T**he University of Hawai'i, UH Foundation and YMCA of Honolulu have come together in a unique partnership to ensure that the Atherton YMCA remains a home for UH students and YMCA programs continue to flourish for students across the island.

The YMCA of Honolulu has signed an \$8 million purchase and sale agreement with the UH Foundation to convey the buildings and property that comprise its Atherton YMCA Branch. It is anticipated that the sale will close in early 2017. Leaders from the three institutions are excited about this historic partnership.

**Donna Vuchinich, UH Foundation President and CEO:**

"The UH Foundation has a

proud 60-year history of supporting UH by raising private philanthropic support. As state funding for universities across the nation diminishes, public universities' institutionally related foundations are embracing a range of public-private efforts to increase resources for their universities.

From commercializing intellectual property to real estate development, entities like the UH Foundation are playing a larger role in the support of higher education."

**T. Michael May, UH Foundation Board of Trustees Chair:**

"This project is the first in what we expect to be a part of our strategic direction of developing property and projects to benefit UH's facility needs and provide new sources of income."

**David Lassner, UH President and interim UH Mānoa Chancellor:**

"We are very excited about this strategic and rare opportunity to acquire a significant historic property adjacent to our land-locked campus and improve our affordable student housing portfolio.

The Atherton property is an important part of UH's history and so is our fruitful 100-year relationship with the YMCA."

**Michael Broderick, President and CEO of the YMCA of Honolulu:**

"Having a location on the Mānoa campus will allow the continuation and expansion of the Atherton YMCA's programs and mission work focused on youth development, leadership and community service."



## UH Mānoa: Myron B. Thompson School of Social Work 80th Gala

JAPANESE CULTURAL CENTER • OCT. 28

Myron B. Thompson School of Social Work held its 80th Anniversary Gala in the Japanese Cultural Center Manoa Grand Ballroom. The gala honored Elizabeth Jessamine Kauikeolani "Clorinda" Low Lucas (1895–1986), Senator Susie Chun Oakland, and The Queen's Health Systems. Event proceeds will go to support an 80th anniversary endowed student scholarship.



## Kapi'olani CC: Scholarship Mahalo Dinner • OCT. 21



Dreaming big! Destined for great things! Future world leader! These ambitious sentiments echoed through the evening – from the inspiring speakers to the photo booth props created by the Lunalilo Scholars for fellow scholarship recipients to enjoy. At this year's Kapi'olani CC Scholarship Mahalo dinner, more than 200 scholarship recipients and donors came together to celebrate the power of private support. Students were grateful for the opportunity to personally thank the people who are helping them finance their dreams.



See more photos from these and other events at [www.uhfoundation.org/news/photos](http://www.uhfoundation.org/news/photos).





## The Abstract: Art Now – IMAYŌ

UH MĀNOA ART BLDG. • OCT. 4

Friends of the arts attended a collaborative showcase of UH Mānoa's art, music and dance programs. Guests enjoyed live entertainment, including electronic music composed for the event by Dr. Takuma Itoh, music professor, and The Abstract Dance, choreographed by Dr. Betsy Fisher, Theatre + Dance chair. Ceramics students delighted guests with cups they made for a sake tasting. Guests also perused the original exhibition of Japanese contemporary art – IMAYŌ: Japan's New Traditionists, curated by Dr. John Szostak, art professor. This first-time collaboration of the UH Mānoa Art Gallery with the Honolulu Museum of Art is in two parts and can be viewed in both locations until the end of the year, before it travels to Tokyo.



## Hawai'i CC: Scholarship Donor Mahalo Breakfast • SEPT. 30



Scholarship donors and recipients came together at the annual Mahalo Breakfast to celebrate the impact private gifts make in the lives of students and their families. Hawai'i CC Chancellor Rachel Solemsaas shared this inspiring update with the group: "This year donors have provided \$149,000 in educational assistance – a 30 percent increase from last year, and we now have five new scholarship funds. Simply amazing!"



# PAUL S. HONDA INTERNATIONAL SCHOLARSHIPS:

## A strand of generous opportunities

The late Paul S. Honda sacrificed a cherished gift from his mother to establish what would become Honda & Company, a successful international gems trading business. Her seven-strand pearl necklace seeded both his career and his future generosity.

Honda's education was hard-won. Born in Manchuria and raised in Tokyo, he later returned to his homeland to attend the National University of Manchuria as an exchange student.

His studies were interrupted at the end of World War II when the Russian army took control of Manchuria. Honda was ordered to attend Moscow University, and when he refused, he was sent to a labor camp, where he remained until he fled to the Chinese port of Dalian.

Honda completed his bachelor's degree at Nagoya University. He went on to earn an MBA at the University of Denver, where he met his wife Mitsuko.

Through his experiences living and studying abroad, Honda developed a deep appreciation for international travel. He strongly believed it enriched education.

In 1997, he made the first of his many gifts to the University of Hawai'i. The Paul S. Honda



*Kapi'olani CC summer study abroad students experience the beauty of dressing in traditional kimono at Chikushi Jogakuen University in Fukuoka, Japan.*

International Opportunities Fund supports scholarships and other international education activities for students at any of UH's seven community colleges.

Dr. Joyce Tsunoda, former senior vice president and chancellor for UH Community Colleges, remembers working with Honda to establish the fund.

Funding for travel and study abroad programs is rarely available for community college students. "Paul immediately understood the problem," recalls Tsunoda. "He said, 'Learning goes beyond the classroom. Let's set up an international opportunity fund for community college students.'"

"For many of our students, an international experience is beyond their financial means," added Dr. John Morton, vice president for community colleges. "With this fund, deserving students experience exchange opportunities that

transform their world-view and bring value to their education that lasts a lifetime."

Honda went on to establish the Honda International Fund for Honolulu Community College students and the Honda Scholarship for International Study.

He also supported the Culinary Institute of the Pacific at Diamond Head, and served as a trustee

for the UH Foundation and the East-West Center. Honda International Center was named in his honor at Kapi'olani CC.

Most recently, the Honda Foundation made a \$50,000 gift to support international professional development for Kapi'olani CC faculty and staff.

"The opportunity to travel for professional development allows faculty to enhance their subject matter expertise by experiencing first-hand culture, history, architecture, language, cuisine, music, religion, natural environment – all the sights and sounds that will enrich their teaching," said Dr. Louise Pagotto, interim chancellor at Kapi'olani CC.

Honda's legacy lives on through the many opportunities his generosity created, inspiring students and faculty to take their education to all corners of the world.

# Tax planning:

## Strategies that can help you help others

It's that time of year again: to reflect on another year gone by; to cherish the year's accomplishments and highlights; and to look forward to new experiences and relationships. It's also the time of year to think about ... tax planning!

However, don't fret. With a generous heart and smart tax planning, anyone can substantially reduce their tax liabilities while giving back to the community they love. Here are the most effective ways to do that:

### **GIVE IT TWICE TRUSTS** **(aka Charitable Remainder Trusts)**

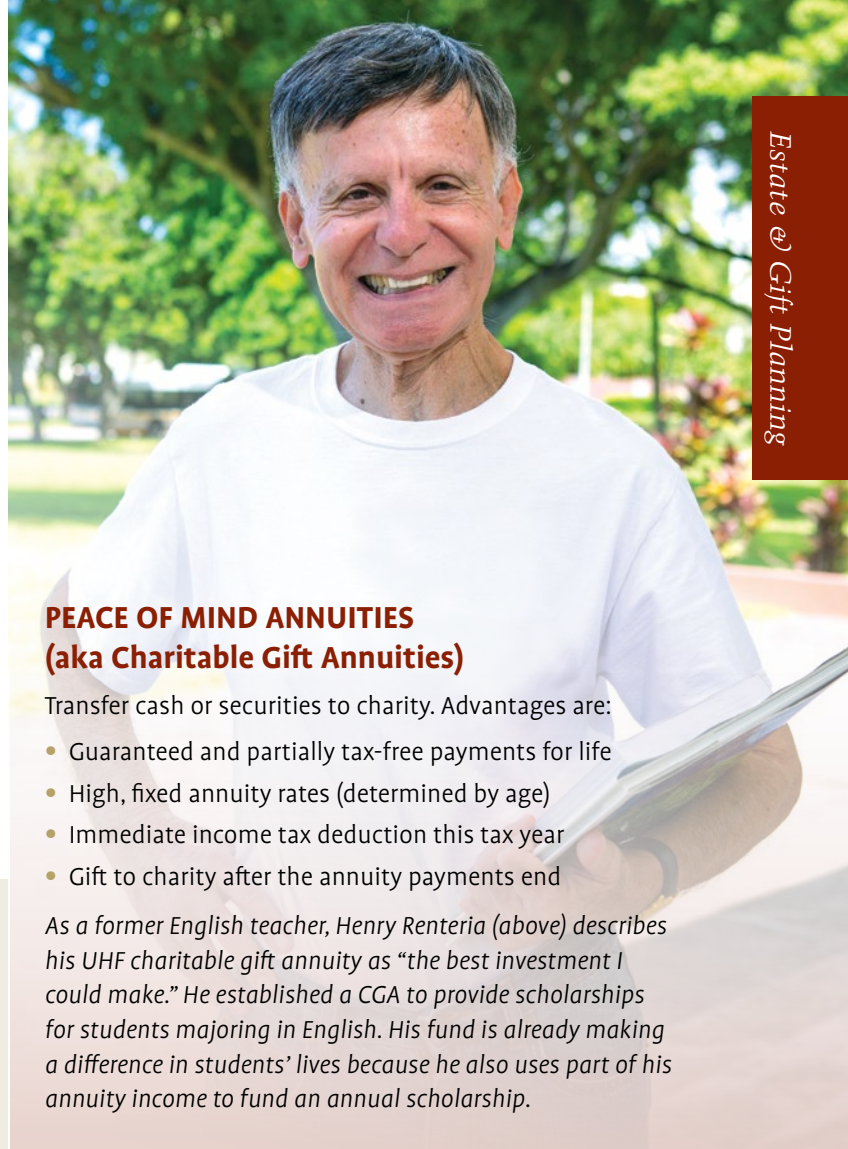
Transfer appreciated securities or real estate into this trust. Advantages are:

- Bypass up to 100 percent of capital gains taxes on sale of assets
- Receive a significant income stream for life
- Large income tax deduction this tax year
- Gift to your favorite charities when the trust ends

### **HOME EQUITY TAX PLANNING** **(aka Life Estate Reserved)**

Transfer home or vacation home to charity, but keep the right to use and live in the home for life. Advantages are:

- Retain full use of home during life
- Immediate massive income tax deduction this tax year
- Gift of home passes to charity after life use



Estate & Gift Planning

### **PEACE OF MIND ANNUITIES** **(aka Charitable Gift Annuities)**

Transfer cash or securities to charity. Advantages are:

- Guaranteed and partially tax-free payments for life
- High, fixed annuity rates (determined by age)
- Immediate income tax deduction this tax year
- Gift to charity after the annuity payments end

*As a former English teacher, Henry Renteria (above) describes his UHF charitable gift annuity as "the best investment I could make." He established a CGA to provide scholarships for students majoring in English. His fund is already making a difference in students' lives because he also uses part of his annuity income to fund an annual scholarship.*

### **GIVE IT, GET IT BACK TRUSTS** **(aka Charitable Lead Trusts)**

Transfer cash or securities into this trust. Advantages are:

- Trust assets are returned back to you when the trust terminates
- Substantial income tax deduction this tax year
- Immediate income stream to benefit your favorite charities until the trust ends

We would be pleased to run illustrations for you and your tax adviser on any of the above charitable tax strategies. Remember, with planning, you save big on taxes, and UH students and programs of your choice benefit greatly.

University of Hawai'i Foundation  
**Office of Estate & Gift Planning**  
808-956-8034 • [giftplanning@uhfoundation.org](mailto:giftplanning@uhfoundation.org)  
[www.UHFLegacyGift.org](http://www.UHFLegacyGift.org)



## Verizon supports strong stand against violence

College students experience dating violence at staggering rates and face unique obstacles in accessing services to escape abusive relationships.

Men of Strength (MOS), a campus organization at UH Hilo Student Health and Wellness Programs (SHWP), is dedicated to ending violence on campus and in the community, especially violence toward girls and women.

MOS is gaining positive momentum thanks to a \$10,000 grant from Verizon Foundation. SHWP will use the gift to provide learning opportunities for students. In addition, Hawai'i-based Lumos Media, which focuses on social issue documentary and short film production, will collaborate with the program to create an educational short film that addresses dating violence.

"Domestic violence is unacceptable – especially here in the islands, where the values of respect, dignity and compassion are so important to all of us," said Ian Yahya, vice president of Verizon in Hawai'i.

"We are deeply committed to strengthening our community, and are honored to have this chance to support the solutions that Men of Strength bring to the table."



*Bill Hozey (left) and Ian Yahya (right) of Verizon present a \$10,000 gift to Dr. Sulma Gandhi, UH Hilo SHWP director.*

Through public education and outreach, this determined group of male students, faculty and staff, is making great strides in fighting domestic violence on campus and in the community.

The group has brought Dr. Rachel Griffin and Dr. Jackson Katz, nationally-acclaimed educators and social activists, to UH Hilo to engage student-athletes, coaches and the campus community in discussions about men's roles in ending violence, especially against women. SHWP director Dr. Sulma Gandhi and MOS faculty adviser William Karino also regularly speak to sports teams, residence advisers and students about bystander skills, resources and campus policies.