

SLANF News



Volume 21, Issue 2

OFFICIAL NEWSLETTER ST. LUKE'S ALUMNI NURSING FOUNDATION, USA

July 2010

OUR BIG INVESTMENT: THE ENDOWMENT FUND

The Creation of the SLANF, USA Endowment Account
Courage: It is not the absence of fear, but the willingness to do the right thing.

Long term and patient investment: Endowment account

In 2007, SLANF, USA and their officers displayed an unprecedented courage and vision when they pledged to establish the first endowment account with the United Board for Christian Higher Education in Asia (UBCHEA) as its administrator. The initial goal was to raise \$100,000, to celebrate and commemorate the centennial year of St. Luke's College of Nursing. The recipient of the interest of the first \$100,000 will be the Dean Emeritus Ester A. Santos Scholarship Fund established with Trinity University of Asia. As of February 28, 2010, the corpus balance is \$68,117. The change in market value because of the economic downturn is \$56,504. It is the policy of United Board that when they are dealing with underwater endowments, to stop spending until the situation corrects itself. This is the most prudent approach.

As a value investor, we can not underestimate the importance of the long term income stream from the endowment account. So, please continue giving to this endowment account.

The immediate short term solution: The establishment of a direct scholarship contribution

"The mind is a terrible thing to waste." Poverty waits not for better economic times. Due to the status of the global economic condition, our endowment is underwater. To solve this problem, during a special meeting with the board, it was unanimously approved to jumpstart the scholarship with a \$10,000 direct contribution to the Dean Emeritus Ester A. Santos Scholarship Fund. This will be given in two installments of \$5,000 each. The first \$5,000 installment has already been released.

Philanthropy equals Alumni

This then leads us to the heart of the matter. Whatever our circumstances are, we can bring our big dreams of being a philanthropist by being a partner in education and the all important dream of nation building for our beloved Philippines. Please give generously to: 1. The endowment account – for long term income stream for the scholarship fund 2. The direct contribution to the scholarship fund. The entire amount given to this account will be used in the same calendar year.

"**Love many things.**" Giving to SLANF, USA scholarship fund gives oneself the opportunity to affirm our dreams of giving the best nursing education to a deserving student in need. Make checks payable to: SLANF, USA, memo: Endowment Account or Direct Scholarship Contribution and mail to Unidad Reyes Bonoan '75, Treasurer – 18612 Chemille Dr., Lutz, FL 33558

DEAN EMERITUS ESTER A. SANTOS

June 28, 2010

Dear Fellow Alumni:

What a joy it was to see Uning Bonoan and her husband, Father Ray, when they came to visit us at the SLANAFoundation Office. Dean Luna, Dr. Catalo and I toured them around the campus and they were pleasantly surprised to see how the campus looks now with renovated buildings, several new buildings and some in progress of construction.

Thank you very much for the five thousand dollars (\$5,000) check which they delivered. The original receipt has been given to Uning personally by the Finance Director, Ms. Matilde Asuncion and the Fiduciary Acct for the Fund has been started. The Committee appointed by Dr. Sumaya, President of Trinity, has met and the details of the scholarship e.g. criteria, announcements, procedures, etc. have been finalized and we shall start the scholarship this second semester, school year 2010-2011.

Again, thank you very much for this donation. The Committee will be good stewards of the Fund and you will be updated periodically. We all wish you a very successful reunion and may God Bless You All.

With love and prayers,

Ester A. Santos '47

"Real generosity towards the future lies in giving to the present."

- Albert Camus

STATUS REPORT OF THE ENDOWMENT ACCOUNT FROM THE UNITED BOARD

November 13, 2009

Dear Ms. Almiron,

Shanna Hamilton referred your questions to me regarding the St. Luke's Alumni Nursing Foundation Scholarship. The United Board's Endowment policy calls for an endowment gifts to reach a value of US\$25,000 before any distribution can be made from endowment income. As of June 30, 2008, the date which we use to determine 2009 distributions, the Alumni Nursing Foundation Scholarship had a value of \$22,354. Therefore, no distribution will be made this year.

Over the past year, we have all felt the impact of the uncertain economic climate on our professional and personal lives. For many, there also has been a direct, unanticipated effect on charitable giving, including the funds you contribute to colleges and universities in Asia.

Let me reassure you that we recognize the value of these funds to you and to Trinity University. This endowment represents more than your hard-earned dollars: it is also a tangible part of your ongoing relationship with Trinity. Your contribution connects you to current and future generations of the institution.

The United Board currently manages over two hundred restricted endowment funds. As you may know from previous communication with us, all endowment funds that we receive are put into a common pool. We follow this practice to maximize efficiencies and reduce fees. The money is invested in conservative, broadly based funds. Yet, even with a conservative investment strategy, there is still a level of risk. During the years of solid stock market growth, these endowment funds grew steadily, providing resources for scholarships, equipment or new facilities. But in the past year, the sharp decline in financial markets led to a corresponding decrease in the value of these endowments.

This means that, at present, fifty-seven of the endowments managed by the United Board are "underwater". The St. Luke's Alumni Nursing Foundation Scholarship Endowment is one of these underwater funds. Underwater endowments are individual, permanently restricted endowment funds whose market value has decreased below their historic dollar value. The historic dollar value is the value of the original gift adjusted for amounts required to be added to it either by the donor or by law.

For example, if a million dollar gift that was donated to endow a particular purpose is now worth \$950,000 because of recent investment losses, that endowment fund is now underwater in the amount of \$50,000. At June 30, 2009 while contributions had increased the historic value of the St. Luke's Alumni Nursing Foundation Scholarship Endowment to \$54,417, the fund incurred market losses that reduced its market value to \$37,652. This leaves the endowment "underwater" by \$16,765.

The most prudent course for dealing with underwater endowments is to stop spending from them until the situation corrects itself, and this is the course that our Board of Trustees endorsed at its most recent meeting in July 2009. Although we hope that the funds will be restored to their historic dollar value in the near future, there is no way to predict when that will happen. Until that time, we will not be able to issue scholarship funds from the endowment.

We appreciate that this has a direct impact on you and Trinity University as these funds will not be available for scholarships. While it is small comfort, we know that this situation is not unique to the United Board; most American foundations and universities with endowments are facing similar situations.

We thank you for your understanding in these difficult economic times. You can be certain that we will continue to give careful attention to the management of endowment funds. Like you, we want to see them restored to previous growth levels, so that they can be used to help educate the next generation of Asia's leaders. In the meantime, if you have any questions, please do not hesitate to contact me.

Sincerely,

Mary B. Scarpinato

CFO, United Board

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STATUS REPORT OF THE ENDOWMENT ACCOUNT FROM THE UNITED BOARD

Apr 9, 2010

Dear Jean,
I hope all is well! It is always a pleasure speaking with you. As promised, below you'll find the letter previously sent to you in November 2009, regarding the status of the St. Luke's alumni Nursing Foundation Scholarship. The current status of the endowment is attached for your records. However keep in mind that although the fund currently remains "underwater" there has been a marked improvement since we reported the value as of 6/30/2009. As of 2/28/2010 the historical contributions are at \$68,117 while the endowment value is at \$56,504 leaving the fund underwater by \$11,613 (\$5,152 closer to full value than we found them at year end).

Please do not hesitate to contact me if you have any questions.

Have a wonderful weekend!

Best regards,
Shanna Hamilton
Assistant to the President/
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CORPUS (total of historical contributions)	Amount
As of 06/30/2009	\$ 54,417
Contributions through 02/28/2010	\$ 13,700
Current corpus balance	\$ 68,117
ENDOWMENT VALUE	
As of 06/30/2009 (final audited)	\$ 37,945
Contributions	\$ 13,700
Change in Market (inclusive of investment fees)	\$ 4,859
As of 02/28/2010	\$ 56,504
Reported Underwater at 06/30/2009	\$ 16,765
Underwater of 02/28/2010	\$ 11,613
Improvement in value as of 02/28/2010	\$ 5,152
NOTE: Underwater refers to the endowment value dipping below the value of historical contributions.	

TIMELINE: CREATION OF AN ENDOWMENT FUND

- A**ll meetings in 2007 had a quorum and were conducted by telephone through www.FreeConferenceCall.com.
- June 26, 2006—Exploratory talk with SLANF, USA Board in Orlando, FL.
 - March 4, 2007—The creation of the Endowment Fund by SLANF, USA. Virginia-Cacho Almiron '72 appointed as Chairperson.
 - April 2007 issue of the SLANF News: Article "Talk about a Revolution" by Jean Cacho Almiron '72 to inform & collect feedback from general membership.
 - July 28, 2007—The committee was formed with 12 members. Met to study and research all possibilities available to administer the fund.
 - August 26, 2007—The Endowment Fund Committee voted on the following resolutions:
 1. To name the account "St. Luke's Alumni Nursing Foundation, USA Endowment Fund".
 2. To have the United Board for Christian Higher Education in Asia (UBCHEA) manage the fund.
 3. Atty. Claro L. Mamaril to work on the legal terms of the fund with UBCHEA, including tax benefits of individual contributions.
 - September 2, 2007—Special Meeting called by the Board of Directors to adapt the recommendations of the Endowment Fund committee:
 1. The endowment fund account to be referred to as the "St. Luke's Alumni Nursing Foundation, USA Endowment Fund".
 2. The proceeds of the first \$100,000 to be called the "Dean Ester Abellera Santos Scholarship Fund".
 3. There's a \$25,000 minimum to open an Endowment Fund Account with UBCHEA. SLANF, USA to fund the initial deposit of \$10,000 and to fulfill the remaining balance of \$15,000 within 2 years.

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>> continuation "Timeline: Creation of an Endowment Fund" from page 3

- September 16, 2007—Release of \$10,000 approved during the Finance Committee Meeting.
- October 2, 2007—\$10,000 sent to UBCHEA to open the St. Luke's Alumni Nursing Foundation, USA Endowment Fund Account.
- October 6, 2007—The SLANF, USA Endowment Fund presented by the Board as our gift to the St. Luke's College of Nursing—Trinity University of Asia during the St. Luke's Centennial Celebration in the Philippines
- December 31, 2007—The Board of Trustees of UBCHEA unanimously approved the establishment of the St. Luke's Alumni Nursing Foundation, USA Endowment. \$8,000 deposited to the Endowment Fund Account.
- March 2008—\$7,000 deposited to the Endowment Fund Account from contributions. UBCHEA's initial term of \$25,000 fulfilled.
- July 4, 2008—Endowment Committee approved as a standing SLANF, USA committee during the General Membership Meeting.
- February 28, 2010—Corpus balance of endowment account with UBCHEA: \$68,117.
- May 26, 2010—In a special meeting of the SLANF, USA board, it was unanimously voted to expand the mandate of the Endowment Committee to include direct scholarship giving to the Dean Emeritus Ester A. Santos Scholarship Fund. \$10,000 appropriated to the program with \$5,000 for immediate release.
- June 28, 2010—\$5,000 check personally delivered by Unidad Reyes Bonoan '75, Treasurer, to Trinity University of Asia.

PRESIDENT'S CORNER

Two years has gone by since the 2008 San Francisco Reunion. The SLANF, USA leadership was passed on from the 60's and 70's group of officers to a younger generation of officers from Class '75—Class '80. We actually didn't know what we were getting into but, because of all of you who are always willing to provide the support when needed, we took on the challenge. We would not have been able to do it without the vision, help and guidance of previous presidents, Emilia Nuesca Nieveras '62, Franora Avila Escarez '68, Elisa Calvelo Pamintuan '71 and Aurora R. Rebortira '72. Thank you very much!

When we started planning the reunion, we knew we were going to be facing major financial challenges due to the current economic situation. The Southern California Chapter started planning as soon as San Diego, CA was chosen to be the venue for the 2010 Reunion. Their enthusiasm was sometimes tempered by the thought of the cost of putting up this event. Often times, they were asked, "*Bakit napakamahal naman?*" First of all, the venue is San Diego, California. Secondly, this fund raising event is only held every two years and over and above the opportunity to socialize and be with friends and classmates once again, we have goals and objectives to achieve.

This brings us to our mission - ***"We believe in repaying with gratitude the school that nurtured us to be the competent and dedicated nurses we are today. Thus, we, members of the SLANF, USA, pledge to assist our alma mater, St. Luke's College of Nursing—Trinity University of Asia in enhancing its capacity to provide quality nursing education and positive learning environment so as to produce world-class professional nurses in this age of globalization."***

I am pleased to let you know that last year, when massive flooding occurred in the Philippines due to Typhoon *Onboy*, SLANF, USA was able to provide financial assistance to several nursing students, faculty members and fellow alumni through Dean Emeritus Ester A. Santos and the joint efforts of SLNAFI and SLTNAAI.

The funding for the Dean Emeritus Ester A. Santos Scholarship Fund that we were working for did not get started as planned. UBCHEA was not spared by the downturn of the economy. But, the "St Luke's Spirit" that was instilled in us by the school, did not let the economy get in the way of plans. To "jump start" the fund and get the ball rolling, it will now be funded by direct contributions in addition to the SLANF, USA Endowment Fund with UBCHEA. A direct contribution from SLANF, USA was made. The initial check of \$5,000 was hand delivered by Unidad Reyes Bonoan '75 to Trinity University of Asia last month.

Now we get to the fun part! The SLANF, USA Southern California chapter is ready to welcome all of you to the 17th Grand Reunion and Scientific Convention. By all accounts, preparations seem to be going smoothly and the responses received had been very encouraging. I hope you will all have happy memories to take home with you. In behalf of the 2009-2010 Executive Board, I would like to say thank you to all of you for the never ending support and generosity. Welcome to San Diego!

Marlene de la Cuesta Kostik '75
SLANF, USA President 2009-2010

CHECK OUR WEBSITE FOR UPDATES: www.slanfusa.com

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