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*Planning for the Future.*



**MichiganTech**  
Create the Future

Michigan Technological University  
Spring 2016

A Financial and  
Charitable Gift Planning Guide

# Foresight



David and Joyce Lyth

Born in the small Upper Peninsula community of Wallace, few might have predicted Joyce Caylor Lyth's success as a business pioneer. She is remembered for her commitment to mentoring others and her steadfast ethical values. Today, recipients of the Joyce Caylor Lyth Memorial Endowed Scholarship are a lot like Joyce was: first-generation female college students and Upper Peninsula natives studying accounting.

Joyce moved to Houghton in 1968 to study accounting at Michigan Tech, where she met her husband and

## Scholarships Honor Alumna, Provide Opportunity for Women in Business

1973 Tech alumnus David Lyth. After graduation, David went on to earn his master's from Western Michigan and a PhD from Michigan State, pursuing an education-centered career that focused on student success.

Joyce found her calling in accounting and entrepreneurial endeavors. She served as chief accountant at Stryker, controller of two firms, and ran her own business.

The impact of their Michigan Tech educations inspired the Lyths to designate a large portion of their estate to their alma mater. Joyce's diagnosis of brain cancer in 2009 provided a sense of urgency to finalize their giving plans. With David by her side, Joyce fought

valiantly for five years before her battle ended in March 2014. Today, David makes scholarship gifts in her memory until the endowment is fully funded through their bequest.

Former SBE dean Gene Klippel partnered with David to create more opportunities for women at Michigan Tech through scholarship growth. The result is the Pioneering Women in Business program. It offers mentoring to women by successful SBE alumnae, along with financial support. David and the School provided initial funding for a Pioneering Women in Business Annual Scholarship. Anyone is welcome to contribute—and crowdfunding may soon become an option.

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The Joyce Caylor Lyth Memorial Endowed Scholarship is the first named fund under this umbrella, included as a model for other donors who want to honor a loved one for excellence in business while supporting future businesswomen.

David returned to campus in the fall of 2015. He met with six future pioneering women in business over lunch. “It’s almost as though the scholarship recipients are our daughters. It’s like growing our own family.”

David hopes the new fund engages more donors—including alumni—



and reaches more students. “I had a chance to meet one of the scholarship recipients on her

graduation day. She thanked me and said, ‘It made a huge difference.’”

## Simple Steps to Create a Plan for the Future



You can provide for the people and causes most important to you by taking simple steps now. Creating your plan for the future can be easy—and even enjoyable.

While an attorney should always draft your will, we can help demystify the process and prepare you for meeting with your attorney with these steps:

### 1. Itemize your assets

Take a piece of paper and draw a line down the middle. On the left side, write something you own. On the right side, write the name or names of the person(s) you wish to give that item to.

### 2. Organize your estate

Make the process of organizing your estate and plans easier by requesting our wills guide. This free fill-in-the-blanks guide walks you through the process of gathering information about your assets, your family, and your goals.

### 3. Write down questions

Consider practical questions, such as, “If I give my house to my adult son and my adult daughter, what will they do with it?” If you encounter a question you can’t find a solution for, make a note to ask your attorney.

### 4. Review your plans for family

You can give some assets to family members right away and to others over time. Ask us about ways to provide an income stream or a lump sum to a loved one and achieve your personal and inheritance goals.

### 5. Consider charity

Remember to include any charities that are important to you. If you have given during life, consider providing for these

organizations through your estate. Ask us about plans like charitable remainder trusts and gift annuities that can help your family first and Michigan Tech later.

### 6. Visit your attorney

Bring the information you gathered and questions to your estate planning attorney. Your attorney can draft a will or trust that will achieve your goals. You complete the plan through a simple signing process.

### 7. Update your plan

Update your estate plan as your life changes. Marriages, births, and deaths are all events that may make you want to revise your plans.

## Get Started

To assist you with making or updating your future plans, we can provide you with our complimentary wills guide. Many of our supporters find this guide useful in navigating their goals.

To obtain your copy, please complete the enclosed reply card or visit our website [mtulegacy.org](http://mtulegacy.org) to use our online will planner.



## Alumni Gifts Fund High-Impact Programs for Student Success



Michigan Tech leads the way in college access and attainment by providing resources for all students. Generous, forward-thinking donors help make it happen—and the results are impressive.

### New Ways to Teach and Learn

The William G. Jackson Center for Teaching and Learning opened in 2014 to support student success through the resources it provides faculty and instructors. The Center is a hub of professional development including teaching technologies, tools, best practices, and consultants. Sixty percent of Michigan Tech faculty participate in Center events—and the outreach continues to grow.

“They can walk in or make appointments to learn how to use a response system in class, record an on-demand video for students, or discover how to integrate whiteboards in an active-learning classroom,” says Michael Meyer, director of the Center for Teaching and Learning.

The Center was made possible by a \$1 million gift from Michigan Tech alumnus Bill Jackson, who graduated with a BS in electrical engineering in 1958. In addition to space for faculty, the Center coordinates proctored exams for the five percent of Tech students who require accommodated testing under the Americans with Disabilities Act. Trends indicate the Center could soon serve upwards of 15 percent of the student population. The space is also used to administer commercial exams—and allows instructors

to implement computerized- and mastery-based testing.

Jackson’s gift has also funded more than 20 faculty-led blended learning projects and helped to update several classrooms. The latest remodel, slated to open in summer 2016, is a new 60-seat, active-learning classroom space. “Bill’s gift is truly transformational. He appreciates how technology enhances education and has provided us a means to meet the tremendous demand for contemporary teaching and learning models,” says Meyer.

### Helping Students Succeed

The Waino Wahtera Center for Student Success opened in 2013 and complements the efforts of the Jackson Center by offering resources that attract and support students. The Center plans undergraduate student orientation, coordinates four student-success courses, and helps students explore majors and work through academic challenges.

The Wahtera Center was made possible through a bequest from the estate of Waino Wahtera, who earned a BS in chemistry from Michigan

Tech in 1942. The support Wahtera received during his time as a student served as inspiration for the gift.

Peer coaches schedule more than 40 weekly appointments, helping students develop time management skills, organizational habits, and study strategies. “This is a particularly successful program because students embrace the opportunity to learn from peers,” says Susan Liebau, director of the Center for Student Success.

The Center, located in the Administration Building, brings dozens of resources and staff that support student success into one centralized location. “Students can accomplish so much once they’re here. Because the Center works so closely with academic advisors, the Dean of Students, and the Learning Center, we can really expedite the process for our students,” says Liebau.

As students change, the resources and people who serve them evolve too. Student success will always be at the forefront of what Michigan Tech is all about.

## Michigan Tech’s McNair Society

Named after Fred McNair, University president from 1899-1924, the McNair Society honors alumni and friends who leave a legacy for Michigan Tech through their estate plans. We welcome the following new members to the McNair Society:

**Les and Stefany Cook**

**Stephen ’69 and Suzanne Dickinson**

**William ’69 and Barbara Dolmovic**

**Terrence ’73 and Leslie Hakkola**

**Ronald W. Henning ’72**

**Kim ’79 and Alan ’79 Lobdell**

**David ’73 and Joyce ’72 (dec) Lyth**

**Adam ’03 and Elizabeth ’04 Mitteer**

**Andrew ’64 and Margaret Perrie**

**Theodore (Tad) ’83 and Suzanne (Murphy) ’84 Taggart**

**William ’64 and Barbara Worman**

## Required IRA and 401(k) Withdrawal Rules for Retirees

*Dear Savvy Living,*

*Can you tell me about required IRA and 401(k) distributions? I turned 70 this year and want to be clear on what I'm required to do and when I have to do it.*

The old saying “you can’t take it with you” is definitely true when it comes to Uncle Sam and your tax-deferred retirement accounts. Here’s what you should know about required retirement account distributions along with tips to help you avoid extra taxes and penalties.

### RMD Rules

Beginning at age 70½, the IRS requires owners of tax-deferred retirement accounts—such as traditional IRAs, SEP IRAs, SIMPLE IRAs, SARSEPs, 401(k)s, 403(b)s, and 457s—to take annual required minimum distributions (RMDs) and pay taxes on those withdrawals. Why? The IRS doesn’t want you hoarding your money in these accounts forever. They want their cut. Distributions are taxed as income at your ordinary income tax rate.

There are, however, two exceptions. Owners of Roth IRAs are not required to take a distribution, unless the Roth is inherited. And if you continue to work beyond age 70½, and you don’t own five percent or more of the company you work for, you can delay withdrawals from your employer’s retirement plan until after you retire. But if you have other non-work-related accounts, such as a traditional IRA or a 401(k) from a previous employer, you are

still required to take RMDs from them at age 70½ even if you’re still working.

### RMD Deadlines

Generally, you must take your required distribution every year by December 31. First-timers, however, can choose to delay taking their distribution until April 1 of the year following the year they turn 70½. For example, if your 70th birthday was in March 2015, you would turn 70½ in September and your required beginning date would be April 1, 2016. But if your 70th birthday occurred later in the year, say in August, you wouldn’t turn 70½ until 2016. In that case, you would be required to take your first distribution by April 1, 2017.

But be careful about delaying. If you delay your first distribution, it may push you into a higher tax bracket because you must take your next distribution by December 31 of the same year.

Be aware you can always withdraw more than the required amount, but if you don’t take out the minimum, you’ll be hit with a 50 percent penalty on the amount that you failed to withdraw, along with the income tax you owe on it.

### Distribution Amounts

Your RMD is calculated by dividing your tax-deferred retirement account balance as of December 31 of the previous year by an IRS estimate of your life expectancy. A special rule applies if your spouse is the sole beneficiary and is more than 10 years younger than you.

IRA withdrawals must be calculated for each IRA you own, but you can withdraw the money from any IRA or combination of IRAs. 403(b) accounts also allow you to total the RMDs and take them from any account or combination of accounts.

With 401(k) plans, however, you must calculate the RMD for each plan and withdraw the appropriate amount from each account.

To calculate the size of your RMD, you can use the worksheets on the IRS website—see [irs.gov/Retirement-Plans](http://irs.gov/Retirement-Plans) and click on “Required Minimum Distributions.” Or, contact your IRA custodian or retirement plan administrator who can do the calculations for you.

For more information, call the IRS at 800-829-3676 and ask them to mail you a free copy of Distributions from Individual Retirement Arrangements (Publication 590-B), or see [irs.gov/pub/irs-pdf/p590b.pdf](http://irs.gov/pub/irs-pdf/p590b.pdf).

*Savvy Living is written by Jim Miller, contributor to the NBC Today Show and author of “The Savvy Living” book. Any links in this article are offered as a service; there is no endorsement of any product. These articles are offered as a helpful and informative service to our friends and may not always reflect Michigan Tech’s official position.*

### IRA Charitable Rollover Is Now Permanent

*In 2015, Congress enacted a permanent extension of the IRA charitable rollover. As a result, individuals age 70½ or older can make gifts directly from their IRA to charity in 2015, 2016, and beyond.*

### For More Information on Gift Planning



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