Letter from the Vice President for Development and Institute Relations

Fiscal year 2009 was my first at Caltech, and it was one of discovery and revelation. I saw firsthand what a loyal, supportive group of friends the Institute has, and how this community's ardent commitment to Caltech's mission more than compensates for our relatively small numbers. There is so much I’d like to share with you about my “freshman year” but that would take me another year. Instead, let me touch on some of the year’s highlights, including the stories behind a couple of this year’s leadership gifts.

Overall, 2009 was a successful year, with almost $132 million in new gifts and pledges received from private donors, along with continued support from dedicated friends and alumni. I would like to note the following, in particular:

- 5,581 alumni provided approximately $2.9 million in current-use gifts through the Alumni Fund.
- An average of 31 percent of contactable alums contributed—37 percent of undergraduate and 25 percent of graduate alumni.
- The class of 1952 had the highest participation rate: 70 percent.
- $34.8 million came from foundations.
- We welcomed 14 new Torchbearers—donors who have made a commitment to support the Institute through bequests and deferred gifts—into the Caltech family. These friends made 13 life-income gifts, including three trusts, three gift annuities, six trust additions and one addition to an outside-managed trust—a combined value of nearly $2.8 million.
- 77 estate distributions from 39 benefactors provided almost $18 million for Caltech research and programs.

I know that behind every gift is a story, and one example of inspired and creative giving from this past year is the gift of Shang-Li Huang (MS '69, PhD '76) and his wife, Betty: $1 million to establish the Shang-Li and Betty Huang Endowed Graduate Fellowship Fund in Mechanical Engineering, with an additional $500,000 contributed by the Gordon and Betty Moore Matching Fund. The motivation for the gift encapsulates so much of what makes Caltech special. According to S.L., as he's known to his friends, attending graduate school at Caltech shaped his life, laying a foundation for his success in areas beyond engineering and research. Some of his deepest friendships, for instance, began when he and a few other students and professors would surface from their labs to share meals. They enjoyed each others' company so much that they founded a club, the Meat and Wine Society, that still meets more than three decades later. He says that he and Betty were very glad to have the opportunity to endow a graduate fellowship fund, because they “have always believed that education is one of the most important tools that we can provide to our next generation.” Not only will their generosity help the Division of Engineering and Applied Science continue to attract engineering graduate students of exceptional talent, it will help talented students set a foundation for their own future success.

This is the kind of sentiment shared by many of the individuals and organizations that support Caltech, including our long-standing support group, the Caltech Associates. Established in 1926 by Henry Huntington (of Huntington Library fame), along with 100 of the most influential men and women in Southern California, the Associates made a commitment to “aid and advance the welfare of the California Institute of Technology," and that is exactly what they have done ever since. Over the years, the Caltech Associates have contributed to 37 campus buildings, endowed 52 professorships, and given millions of dollars for fellowships and scholarships. This past year, the Associates added 47 new memberships, for a total of 1,447, and contributed $33 million to Caltech programs. Additionally, a number of Associates have gone on to become involved with the Institute in other ways, including as members of Caltech's Board of Trustees.

I believe Caltech has the best Board in higher education. We benefit immeasurably from the wise counsel born of the trustees’ vast experience in all areas of business and industry, and we are extremely fortunate for their generous financial support of everything from endowed professorial chairs, graduate fellowships, and scholarships to major research centers and institutes. The past fiscal year alone saw the following examples:
• Senior Trustee Stewart Resnick and his wife, Lynda, gave $20 million toward the creation of the Resnick Institute for Science, Energy, and Sustainability. An additional $10 million was contributed by the Gordon and Betty Moore Matching Program, and after a second phase of funding, the total endowment for the Resnick Institute is expected to exceed $90 million. Said the Resnicks about their gift, "We are passionately committed to finding alternative and sustainable energy solutions. We're making this investment because Caltech is truly one of America's greatest research universities, and we are confident that this new institute will develop the breakthrough technologies we need to address the daunting challenges of energy security, rapidly accelerating energy demand, and climate change."

• The Gates Frontiers Fund pledged $10 million in memory of longtime Caltech trustee Charles C. Gates to establish the Charles C. Gates Center for Mechanical Engineering. Why? Because, according to his daughter, a cotrustee of the foundation, "My father felt that Caltech did things differently than other prominent universities; he liked the concentration of energy going into science and technology, and loved Caltech's focus on the hard sciences. He was an engineer himself, and believed that mechanical engineering should cut across all the disciplines, that we have to get people from all these areas into the same room, get them talking to each other to solve problems." This new center helps Caltech to address global energy and climate problems and the United States to develop energy-market leadership.

• Board chairman Kent Kresa and his wife, Joyce, pledged $2 million to endow the Joyce and Kent Kresa Professorship in Engineering and Applied Science. This gift was augmented by $1 million from the Gordon and Betty Moore Matching Program. The professorship will support and recognize a faculty member in aeronautics and aerospace engineering, fields Kent helped shape in his nearly 30 years at Northrop Grumman, 13 of those spent as the company's CEO and chairman. Endowed chairs are invaluable to Caltech's continuing vitality because they offer our faculty the freedom to pursue the research they are most passionate about, which in turn opens up new avenues of discovery and invention.

I’d like to close by sharing the words of one of our very good alumni friends, Ron Linde. Ron received his MS and PhD at Caltech in the 1960s, and he has been an active Caltech trustee since 1989. Having Ron as a trustee comes with the added benefit of knowing his wife, Maxine. They’re a great team, and their philanthropic efforts are both thoughtful and generous. Some years ago, Ron and Maxine endowed a professorship, currently held by Emmanuel Candes and formerly held by Barry Barish. In 2008 they once again demonstrated their deep and visionary commitment to Caltech when they endowed the Linde Center for Global Environmental Science, which will be housed in the renovated Linde + Robinson Laboratory. At the lab’s wall-breaking ceremony, Ron spoke eloquently about why he and Maxine had chosen this way to expand their support of Caltech:

> From a donor’s perspective, when it comes to investments, Caltech really rises up to the top as a candidate with its remarkable people, small size, and really astounding record of achievement... I would say to those who are looking at possibly making an investment in Caltech: we feel that if you want an investment that is going to have enormous impact, not only on Caltech, but on our nation and on our planet, there is no better place than right here, and no better time than right now.

That, I think, sums up the most essential lesson of my first year, which is that a gift to Caltech is an investment in the future—of science, of scientists, of ideas, of innovation, of world-changing discoveries. Those things happen here and they are made possible by our generous, collaborative, and spirited donors—alumni and friends—visionaries all. I marvel at all that transpired my first year, especially as I see the momentum that has been built, because I know that the next year is going to be even better. I look forward to reporting back to you about our next round of successes, and thank you for your tremendous generosity.

Peter Hero