Ernest “Ernie” DeSalvo (COM ’62) and Diane DeSalvo are busy and active retirees, yet they still find time for Ernie’s alma mater, DePaul University. Ernie was profoundly influenced by the Rev. John Cortelyou, former president of DePaul University, and his enthusiasm for the university. Ernie still quotes one of his favorite “Cortelyou-isms”: “Get a busy man to do something and it will get done.” Ernie and Diane also have fond memories of DePaul thanks to friends such as the late John Graven (COM ’49 and MBA ’50) and current Cortelyou Heritage Society member Anastasia Graven (MA ’64).

Ernie was the first in his family to go to college, and it made a huge difference in the life of his family. Ernie grew up on the West Side of Chicago, attended St. Philip High School and went to DePaul on the GI Bill after service in the Korean War. Ernie put himself through school working full-time at American Cyanamid, where he was later promoted to area sales director of a territory that included more than 60 sales representatives and five sales managers.

Ernie energetically pursued night classes at DePaul while supporting a family that included two active toddlers. He often arrived home from classes at 10 p.m. and played with his young children before hitting the books. He slept very little to make this possible, and Diane supported him by caring for the children when he needed to spend weekends studying at his mother’s house.

Ernie recognizes that DePaul created an opportunity for him by providing a quality education to night students and other students working their way through school. This drives his passion to give back.

Ernie’s brothers, John and Jim DeSalvo, followed in his footsteps and also graduated from DePaul.

Ernie and Diane participate actively in the Cortelyou Heritage Society and the President’s Council. Ernie also agreed to Chair his Class of 1962 Reunion this fall. Ernie and Diane are happy to be engaged actively with DePaul in retirement because they are delighted with the Rev. Dennis H. Holtschneider, university president, and his vision for DePaul. As Ernie says, “Father Holtschneider makes you proud to be a part of DePaul. Our degree is worth more now than when we graduated because of all the positive changes that have occurred.”

Ernie and Diane have three children, Matthew, Deborah and Thomas, and nine grandchildren, yet were able to include DePaul in their estate plans. Diane says, “It was easy, because DePaul is something we believe in.”

When asked what advice he would pass on to DePaul’s Class of 2007, Ernie replied, “Be proud of your university. Be passionate in your commitment to the business you choose. Remember the students following you and share some of your reward with them.”
IRA Gifts: A Closing Window of Opportunity

DePaul has received a number of important contributions from alumni and other friends under a 2006 law permitting people over age 70½ to make charitable gifts up to $100,000 from their IRAs. These gifts can result in significant tax savings, even for donors who do not itemize their deductions.

The law expires, however, at the end of 2007, so we encourage eligible IRA owners to act soon if you are interested in arranging a gift.

To make an IRA contribution, simply contact your IRA trustee or custodian and state that you wish to have a distribution check written to DePaul University. Then notify our office of your plans. We will need to coordinate with your IRA administrator to ensure proper transfer and receipting of your gift.

. . . But the Door Is Always Open to Estate Gifts

Even if you are unable to make an IRA gift in 2007, we hope you will consider making the University a beneficiary of your retirement account, such as a 401(k) plan, 403(b) account or IRA.

A combination of death taxes, state and federal income taxes or even generation-skipping transfer tax can take 60% to 70% of the retirement accounts of many people at death, leaving little remaining for heirs. Here are some planning options:

Beneficiary change. Name DePaul as partial or 100% death beneficiary. The custodian can provide the appropriate forms.

Disclaimers. Make DePaul the contingent beneficiary of an IRA or qualified plan and give heirs the right to disclaim (turn down) some or all of the benefits.

Life Income Plans. Provide a fixed or variable income to a spouse or other person for life, with later benefit to DePaul.

Please call us if you have questions about leaving a retirement account to benefit future generations of DePaul students.

Reunion News

Reunion Weekend is scheduled for October 12-14, 2007, and is a great time to catch up, share memories and reflect on DePaul.

Some highlights of the weekend include a Reunion Luncheon on Friday in Cortelyou Commons for those who have graduated more than 50 years ago and to celebrate the 50th reunion for the class of 1957, with remarks from Rev. Dennis H. Holtschneider, C.M., president of DePaul University.

On Saturday, a Reunion Dinner Celebration at the Union League Club will honor all alumni celebrating reunion years. Reunion weekend will wrap up on Sunday with a reunion mass and reunion brunch. There are also a number of other activities planned for the weekend, including athletic events, Theatre School performances and School of Music concerts.

Visit us online at www.alumni.depaul.edu/reunions for a complete list of events and activities.
Plan Ahead for Zero Capital Gains Tax

Starting in 2008, the long-term capital gains tax rate for taxpayers in the 10% and 15% tax brackets drops from the current 5% rate to 0%, effective through December 31, 2010. The zero tax rate is scheduled to end after 2010, unless Congress changes the law.

Who benefits? For 2008, it is estimated that the 15% bracket will apply to taxable income up to $33,000 for single taxpayers. Married couples filing jointly will be entitled to the 15% rate if 2008 taxable income does not exceed an estimated $66,000.

Taxpayers with incomes below those levels will find it appealing to sell profitable investments in 2008 through 2010. But what if your tax bracket is higher than 15%?

Many adult children regularly provide financial assistance to parents who are in a 10% or 15% tax bracket. Most simply write checks, but a better alternative for those with investment portfolios might be to give mom or dad highly appreciated securities. The parent can sell the stocks in 2008 through 2010, without owing any tax, and the children can use their cash for investment purposes.

Here’s an idea that can help a relative and DePaul. Fred’s mother lives in a retirement community and her taxable income is about $28,000 a year (15% tax bracket). Fred would like to assist his mother and help the University, as well. Fred gives his mother $10,000 in appreciated securities that she then contributes to DePaul in 2008 for a gift annuity. His mother receives a lifetime income, avoids capital gains taxes 100% and receives a charitable deduction.

The John R. Cortelyou Heritage Society

Rev. John R. Cortelyou, C.M. was President of DePaul University from 1964 through 1981 during a period of extraordinary advancement. His legacy is now reflected in the program that bears his name. The Cortelyou Heritage Society honors individuals who demonstrate their commitment to DePaul by making a planned gift today that supports the goals DePaul will realize in the future. Call our office at 312-362-8268 to find out more about this honorary gift club.
Golden Years Bring Golden Opportunities

DePaul is offering readers of Cortelyou Quarterly a new booklet – *Golden Opportunities* – that is written for people who are retired or who are about to retire. It illustrates ideas for making the most of your retirement years and maintaining, even improving, your financial security.

Wise planning can permit retired people to enjoy all that life has to offer and then to pass on to future generations both their resources and ideals for living. The booklet also touches upon some truly “golden opportunities” through which your retirement planning may blend with the hopes and goals you may have for the future of the University, in a way that will make your retirement years even more productive and meaningful.

Retirement is a milestone in anyone’s life – the crowning achievement of a lifetime of work. But retirement also should be a time of planning for the future – your own, your family’s and that of generations yet to come. A planned gift during retirement can provide donors with income for life, several varieties of tax savings, money management services of a skilled trustee and the great personal satisfaction of being part of DePaul’s future. We encourage you to give thought to your own plans, and to return the enclosed card for a free copy of the booklet, *Golden Opportunities*.

Photos in this issue are from the April 26, 2007 Cortelyou Heritage Society Luncheon.