

# Planned Giving 101: THERE'S AN ALUM FOR THAT

Ever dreamed of being a major donor to Garrison Forest even if your bank account says otherwise? Ever wondered about how you could help that elderly aunt you love so much? GFS alumnae are experts in helping people help themselves and the institutions they love. *We asked four of them for advice.*

## HOW THE SANDWICH GENERATION CAN HELP ITS ELDERS.

*Lee Hurd Switz '60 is a principal in The Monument Group in Richmond, Va. A 1964 Smith graduate with an M.B.A. from Virginia Commonwealth University, Lee has spent her career helping nonprofit organizations raise money. She has volunteered with an organization modeled on Hull House and is a board member of the Virginia Network of Nonprofit Organizations.*

Aunt Emma is getting by on a rather limited income. Remember how good she was to you when you were little? Want to help her now and get a tax-break at the same time?

### > THINK ABOUT WHO HAS BEEN IMPORTANT IN YOUR LIFE.

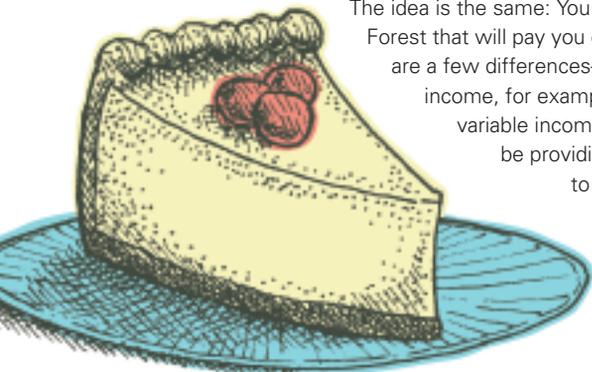
Maybe it's been your grandfather. Maybe it's been your mother-in-law. Whoever it is, a charitable gift annuity can be a great way to help them and Garrison Forest at the same time. One of my favorite stories is about a much-beloved parent whose son funded an annuity for her decades ago. At 104, she is still receiving those quarterly checks—and thank heavens, since most of her other assets have long since been depleted.

### > UNCLE SAM SWEETENS THE PIE.

When you fund an annuity, you get a sizable tax deduction for the year in which you make the gift. The person receiving the payments will receive a check four times a year, a portion of which will be tax-free.

### > CHARITABLE REMAINDER TRUSTS: ANOTHER GOOD OPTION.

The idea is the same: You make a gift to Garrison Forest that will pay you or a loved one for life. There are a few differences—annuities provide fixed income, for example, while trusts provide variable income. Either way, you would be providing help to someone dear to you and to Garrison Forest School.

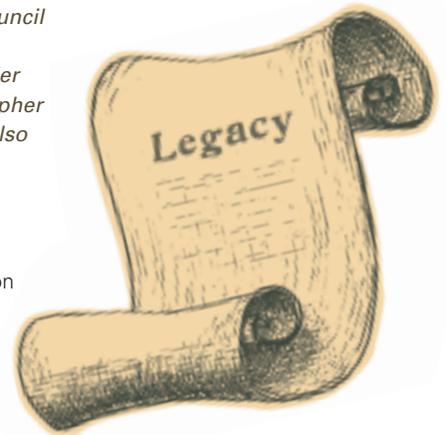


### > WHAT'S IT ALL ABOUT?

Philanthropy, in essence, is about making a difference. Gift annuities and trusts allow us to do that in two separate directions—first to people who are important to us and then to the institutions we love.

## HOW WE CAN ALL BE MAJOR DONORS, EVEN IF WE DON'T HAVE MAJOR BUCKS.

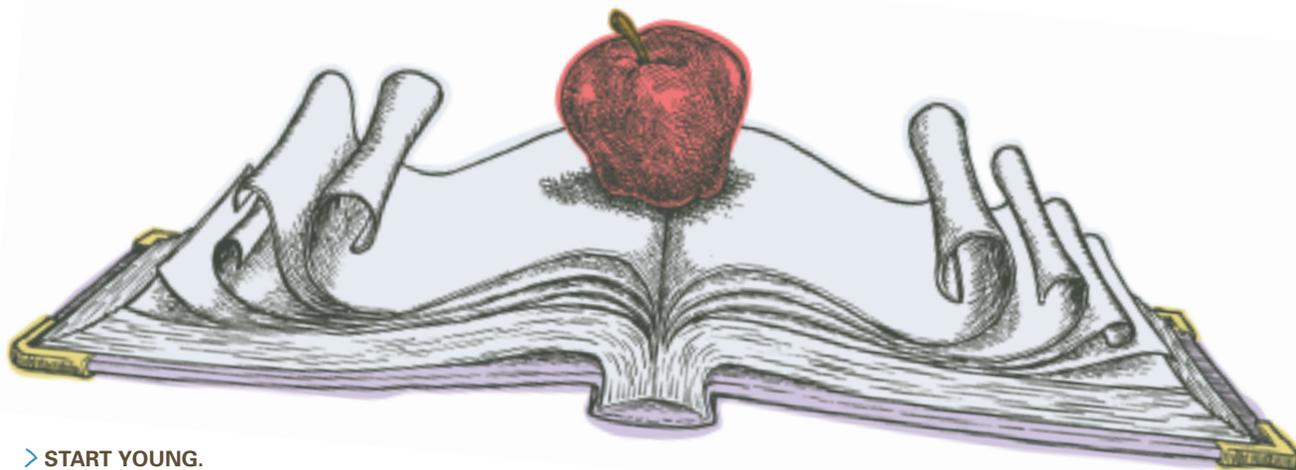
*Elizabeth Piper '88 is the Director of Development for the Virginia Foundation for the Humanities, which is part of the University of Virginia. She graduated from UVA in 1992 with a major in American Studies and is a board member of the Piedmont Council for the Arts in Charlottesville. Her two sisters, Jenepher and Loring, are also GFS alumnae.*



Not all of us can send a check to underwrite Garrison Forest's next big program. Many of us, however, have retirement plans and/or life insurance policies that could allow us to make the kind of gifts that will strengthen GFS.

### > THINK ABOUT LEAVING A LEGACY.

Garrison Forest made me who I am today. I used to dream about having a permanent impact on the school, but the problem was that I knew I didn't have the means to make a major gift. Then I made GFS a beneficiary of my retirement plan. All it took was a phone call and a change of beneficiary form. It makes me feel proud to know that someday I will be making a real difference to help young capable women have the same opportunities I had at GFS.



### > START YOUNG.

Most people think that planned gifts are for older people, but we should all be building our retirement funds from the moment we have an employer who offers one. By the time retirement age comes around, that fund will have grown substantially, and even if we have only designated the School to get 10 percent of it, that could easily translate into a major gift.

### > DON'T FORGET ABOUT LIFE INSURANCE POLICIES.

Life insurance policies are another easy way to make a major gift to GFS. Whether you have insurance on your own or through your employer, you can simply arrange for Garrison Forest to be one of the recipients.

## HOW WE CAN HELP OURSELVES NOW AND GFS LATER.

*Virginia Coleman '62 graduated Phi Beta Kappa from Radcliffe and a year later entered Harvard Law School, where she was one of about 20 women out of 500 in the Class of 1970. She spent her career in Boston with Ropes & Gray, specializing in estate planning. During the course of her career she was recognized by the Boston Estate Planning Council as the Estate Planner of the Year, was one of the first recipients of the Scholar-Mentor Award from Massachusetts Continuing Legal Education and was elected to the Estate Planning Hall of Fame by the National Association of Estate Planners and Councils. Recently retired as a partner, she continues to consult with her former firm.*

Planned giving is all about converting non-income producing assets into a steady income stream for yourself or your loved ones while dedicating the asset itself to charity. Such assets could include stocks with a low-cost basis or a second home you no longer use.

### > MAKE YOUR ASSETS WORK FOR YOU.

Many people have stocks they acquired decades ago that are not producing much income for them. They are reluctant to sell them because of the capital gains taxes they'd have to pay. These taxes on sale can be avoided, and a current charitable deduction obtained, by giving the stock to a charitable remainder trust, which would pay income to the donor for the rest of her life. A similar result can be obtained by giving the stock to GFS in return for a fixed annuity, payable by GFS, for the rest of the donor's life.

### > CONSIDER REAL ESTATE.

If you have some land or perhaps a vacation home you no longer need, you can contribute that as well to a charitable remainder trust with the same result as outlined above. Alternatively, if you would like to continue to live in the property for the rest of your life, you may make a donation of the property, which is effective at your death. Either way, a charitable deduction would be available, so both you and Garrison Forest would benefit from your generosity.

### > GO WITH A PRO.

Philanthropy makes the world a better place. But before you make a major decision, you need to make sure that the gift you have in mind is consistent with your long-term goals. A good estate planner will be able to help you balance your family's needs and your desire to be philanthropic.

### > WHERE THERE'S A WILL ...

You might want to consider the most familiar planned gift of all: remembering Garrison Forest in your will. Your thoughtfulness could make a difference for generations of future Garrison Girls.



## HOW GRANDPARENTS CAN HELP THEIR GRANDCHILDREN.



**Susan McCormick Scarborough '89** is a Financial Advisor and CERTIFIED FINANCIAL PLANNER™ professional with Morgan Stanley Smith Barney in Lutherville, Maryland. She provides clients with comprehensive wealth management and investment strategies. A University of Richmond graduate, she is a member of the GFS Alumnae Board and of the board of the House of Ruth Maryland.

Many grandparents are helping to pay for their grandchildren's education. A few have been farsighted enough to make a major gift at the same time—and get a potential tax-break, too.

### > CHARITABLE REMAINDER TRUSTS CAN HELP GRANDCHILDREN NOW.

Instead of sending a check every year to cover their grandchildren's tuition, some grandparents choose to set up a charitable remainder trust to cover those same expenses. They get a tax deduction when they establish the trust; they receive income from it to pay for tuition, and when the term of the trust is completed, Garrison Forest receives a major gift for its Endowment. It is a wonderful way to help your grandchildren and Garrison Forest at the same time.

### > CHARITABLE LEAD TRUSTS CAN HELP THEM LATER.

A charitable LEAD trust won't help with tuition, but it's a wonderful way for grandparents to provide for their grandchildren down the line. Here's the idea: You set up the trust now, and it will provide money to Garrison Forest for a certain amount of time, usually between 10 and 20 years. When that time period is up, the trust passes to your grandchildren—with reduced estate and gift taxes. Garrison Forest will have been able to do something substantial with your gift, and you will have made a very thoughtful gift to your grandchildren.

### > IT TAKES A GOOD LAWYER.

Both of these trusts are great vehicles for grandparents who want to make a difference in their grandchildren's lives and in the future of GFS. Remember, though, that estate tax laws are complicated and are subject to change. It's really important to get tax and legal advice before making any major decisions.

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*This advice not intended to provide individually tailored investment, tax and/or estate planning advice. Consult your tax adviser for matters involving taxation and tax planning and your attorney for trust and estate planning and other legal matters.*

## LEARN MORE:

### VISIT

[www.gfs.plannedgiving.org](http://www.gfs.plannedgiving.org) for the student-created "Why I Love GFS" video featuring legacy donors, the complete list of Marshall-Offutt Circle members and much more.

### CONTACT

**Deanna Gamber Urner '85, Director of Development**  
She can create a profile for you of how these and other planned gifts may benefit your particular needs and wishes.  
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