


CREATIVE LEGACIES

*Through Endowments,
Memorials and
Scholarships*

DONOR'S GUIDE



CREATING LEGACIES THROUGH ENDOWMENTS, LEGACIES AND SCHOLARSHIPS

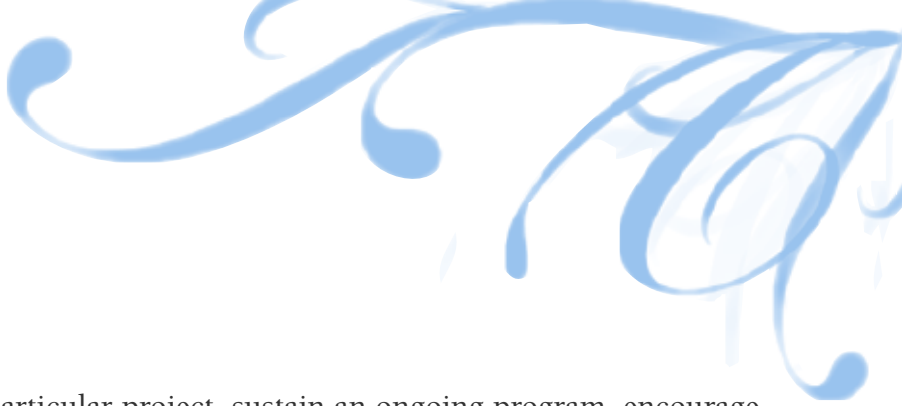
*T*he act of giving a gift to a charitable organization leaves us with feelings of goodness and satisfies a deep need to help others. Studies have shown that generosity is good for your health and happiness. Many gifts can provide recognition for you, someone dear to you or someone you hold in high esteem; they also serve as endorsements of our good works. We will take a look at three gift opportunities.

Endowment Funds—Gifts That Keep on Giving

Creating an endowment fund is a wonderful way to honor a charitable organization, provide financial support to a worthy project or recipient, receive tax benefits, and continue a project in your name or the name of a loved one long into the future.

How an Endowment Fund Works

Charitable organizations need funding for many different projects. A donor can create an individualized named endowment fund to



support a particular project, sustain an ongoing program, encourage study into new areas or provide an award to a worthy recipient.

Once the endowment gift is established, we will set up the fund and pay a fixed percentage of its annual value to the designated recipient or project each year, reinvesting additional earnings and building up the fund over time. Because use of the fund is restricted to a small portion each year, the fund can last in perpetuity—forever.

Endowment funds are often named after the donor, but they can be named in honor or memory of any individual. If you decide to set up an endowment fund with our organization, we will work with you to create a fund that will serve your needs and ours. Together we will determine the purposes of the fund, develop a personalized fund description, describe the ideal recipient or project to benefit from the annual payments from the fund and name the committee that will select the annual recipients. We will also devise a backup plan to be used in the event that the fund's original purpose becomes impractical or obsolete.

Endowing Your Annual Gift

Annual giving is the lifeblood of most charitable organizations—including ours. Being able to count on money that is raised each year



makes it possible for us to carry on our mission. Yet, when a person dies, so does his or her annual gift, and the source of this long-established flow of funding stops. Unless we can replace that annual gift with the gifts of others, we will lose valuable income and our programs may suffer.

One possible solution is for donors to “endow” their annual gifts. To do this you would put a bequest in your will and specify that the money is to be added to our endowment. When your gift is invested as part of the endowment, it generates a total return (income plus growth) along with the rest of the endowment. As a portion of that return is paid out each year in your name, your gift will be providing income to support our mission each and every year.

Creating the Fund

Endowed funds can be created through an outright gift, through a bequest in a will or through a life income gift such as a charitable remainder trust. For more details, please refer to the “How to Make Your Gift” section at the end of this brochure.



Memorial Gifts—Honor a Loved One by Supporting a Favorite Cause


Making a memorial gift to a charitable organization is a wonderful way to honor and remember an individual who was admired, loved and respected. Your gift is a lasting tribute to the important part that he or she played in your life and/or in our organization. It can establish a permanent link with the past and encourages others to participate in a vision for the future.

Your memorial gift can be made to establish an endowment, to support a scholarship fund or to support another project at our organization that is of special interest to you.

How It Works

There are several ways you can establish a memorial gift:

- **Outright.** Current outright memorial gifts may be made at anytime—in honor of your loved one—to support a project of special interest.
- **By will.** You can make a bequest in your will that will provide funding after your lifetime for an important cause—in memory of your loved one.

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- ***Through an endowment.*** You can set up an endowment that will fund a special program or project in perpetuity—in memory of your loved one.

There are many different ways we can recognize your memorial gift. Your honoree might be named in a report or program, or the name might be inscribed on a plaque. Grants or prizes to deserving individuals could be awarded in memory of your loved one. For a larger gift, your honoree's name might be placed on a room, an auditorium or even a building. The form of recognition will depend on the nature of your gift and your personal wishes and circumstances.

If you are considering a memorial gift, please let us know. We would be happy to work with you to plan a gift that will serve both as a lasting memorial to your loved one—and as support for an important program of our organization. For more details about the different ways in which you can make a memorial gift, please refer to the “How to Make Your Gift” section at the end of this brochure.

Give the Gift of a Scholarship

Few gifts offer greater satisfaction than a gift to establish a scholarship. You can experience the pleasure of enabling students to receive a



quality education and also follow their progress as they learn and grow. It is a contribution that gives back to the community and one that serves as an example for others to follow—it is a gift you will remember for the rest of your life.

Benefit Both the Scholar and the School

We are dedicated to ensuring that opportunities are available for today's students to achieve their dreams of growing, learning and making a difference. Providing scholarship awards, based on both financial need and outstanding academic performance, is an integral part of this goal. Providing scholarships based on academic excellence attracts both top students and top faculty to an institution, and it rewards students for their hard work and dedication. Providing scholarships for students with financial need allows students with diverse backgrounds and experiences to come together in the common pursuit of education.

In order to make a difference we must continue to develop a variety of scholarship programs that guarantee an education to all deserving students. As the cost of education continues to rise, so does the need for scholarship assistance. More than half of today's students receive

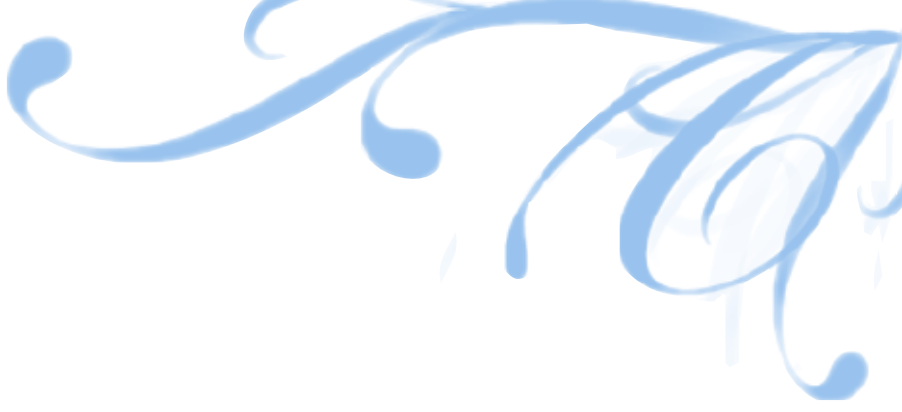


some sort of financial aid. For many of these students, a scholarship isn't a luxury; it is a necessity. Without help, the increasing expense may make a quality education off-limits to more and more qualified students.

Scholarship Opportunities

There are many ways you can establish a scholarship. You can give to existing scholarship funds in any amount you wish. If your gift is large enough, you can set up a new scholarship fund in your name—or in memory of a deceased loved one—or as an endowed scholarship named for a special individual. And you can help set the guidelines for selecting these scholarship recipients. In this way, your values, goals and interests are perpetuated through your gift.


Once you have decided to make a gift, there are many ways in which you can fund a scholarship. You can make a gift of cash, appreciated property, real estate or life insurance. You can even make a gift through a trust that will pay income to you for your lifetime. For more details about these and other funding options, please refer to the “How to Make Your Gift” section.



How to Make Your Gift


Once you have decided to make a gift—whether it be to create an endowment, to make a memorial gift or to establish a scholarship—there are many ways in which you can do it.

- ***Gifts of cash.*** The simplest way to make a gift is to write out a check. By doing this you may be entitled to an income tax deduction—and our organization will be immediately able to use your generous gift to further our charitable purposes.
- ***Gifts of appreciated assets.*** Gifts of stock or real estate can provide additional benefits. If you make an outright gift of an appreciated asset that you have owned for more than one year, you may be entitled to an income tax deduction for the full market value of the asset, and you may also avoid the capital gains tax on the asset's appreciation.
- ***Gifts of life insurance.*** Many people own life insurance policies, purchased years ago, that are no longer needed to protect the original beneficiaries. By making our organization the owner and beneficiary of such a policy, a donor may enjoy current tax



benefits—and our organization will benefit from the insurance proceeds in the future.

- ***Gifts of retirement plan assets.*** Many people have retirement plans that have been growing, tax-deferred, over the years. If you are now required to withdraw from your retirement plan, and you do not need the withdrawn amount in any year for personal use, you may consider giving all or part of that withdrawal to our organization. Even though the withdrawals are subject to income tax, such gifts are tax deductible if you itemize. In addition, since retirement plan assets are also taxed heavily by the IRS after your lifetime, you may want to consider designating our organization as the beneficiary of your retirement plan after your lifetime and giving other non-income taxable assets (such as cash, stock, real estate, etc.) to your heirs. Such an arrangement could provide that more assets go to your family after your lifetime. *NOTE: Because the tax rules regarding retirement plans are technical and complex, please discuss your situation with your own advisors before making any gift.*

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- ***Gifts that provide income.*** Donors often find that they would like to make a major gift but cannot afford to part with income during their lifetimes. In these circumstances a donor can establish a life income gift—for example, a charitable remainder trust—that will pay income to the donor (or someone chosen by the donor) for a specified period of time (such as the beneficiary’s lifetime), after which the gift arrangement will end. The assets then will be distributed to our organization to be used for the purposes the donor had specified. Life income gifts can be very attractive to a donor—to provide tax savings, possibly to increase income and also to make a meaningful gift to support our mission.
 - ***Bequests.*** Many donors find that the best way to make a lasting difference is to remember favorite charitable organizations in their wills. When you are creating—or revising—your estate plans, it is simple to include favorite charitable organizations. Your bequest can be an outright gift of a specific amount, or you may prefer to give a percentage of your residuary estate. You can make a bequest to support a favorite project, or you can make a



gift for the organization's general purposes. You can make a gift in memory of a loved one. You can make a bequest to endow your annual gift. The choice is yours. Whatever you decide to do, when you name a charitable organization in your will you will be making a significant difference—and can leave a legacy that will benefit generations to come.

We Can Help

There are many ways you can give your support to establish a scholarship, to remember a loved one or to create an endowment fund. We would be happy to meet with you to explore the options that can be most beneficial to you—and to discuss how your gift can help preserve our future. Please contact our development office for an appointment. There is no obligation.

The information in this publication is not intended as legal advice. For legal advice, please consult an attorney. Figures cited in examples are based on current rates at the time of printing and are subject to change. References to estate and income tax include federal taxes only; individual state taxes may further impact results.

