IMPACT OF PLANNED GIFTS

- Smith College was founded by the charitable bequest of Sophia Smith
- Each year, the college receives an average of $11 million in charitable bequests
- Alumnae and friends also make many other forms of planned gifts
- Planned gifts have benefited the college’s unrestricted budget, scholarships, libraries, museum, athletics, individual departments, botanic gardens – you name it
- Planned gifts can significantly increase your class’s reunion total
RECENT $1 MILLION AND HIGHER REALIZED BEQUESTS

- $1.2 million to the Mortimer Rare Book Room, Museum, English Dept.
- $1.5 million to endow Alice MacRae Kissel Scholarship
- $1.6 million to endow Wilma Warburg Fund for Faculty Research
- $1.5 million toward study of international affairs
- $2 million to endow the Louise Ines Doyle 1934 Chief Curatorship at the Smith College Museum of Art
- $4.2 million to endow the Sherrerd Center for Teaching & Learning
- $2.6 million to endow B. Elizabeth Horner Endowed Praxis Internships
- $13 million . . . UNRESTRICTED
WHAT DOES SMITH DO WITH UNRESTRICTED BEQUESTS?

- $50,000 or less: Goes to Smith Fund
- Over $50,000: Goes to capital improvements
- Very large: Craft a special purpose in keeping with the college’s current needs and donor’s known interests, if possible in conversation with family
PLANNED GIVING AND REUNION

- Gifts that increase Grécourt Society membership
- Gifts that count toward reunion totals
Gifts that increase Grécourt Society membership

- Smith’s honorary society for those who have made a planned gift to the college
- As of today, 2,250+ living alumnae and friends are members
- Grécourt award – class with highest number of new TGS members since last reunion
- ALL planned gifts qualify donor for Grécourt membership
- Some planned gifts don’t count for reunion totals
- Charitable Bequest intentions (mostly)
- Retirement Plan Beneficiary Designations
CHARITABLE BEQUEST

Julie Montgomery Fulkerson ’58

- Never completed Smith degree due to family illness
- Two years at Smith qualified her for a job as a chemist
- Paid husband, Bill’s, way through graduate school
- Bill went on to earn a chemical engineering degree
- Despite Bill’s higher earnings, they consider their finances an equal partnership
- Julie wants to support women whose education was interrupted as hers was
Fulkersons leave two equal bequests to Smith and Rice (Bill’s alma mater)

At Smith, their bequest will create The William and Julie Montgomery Fulkerson 1958 Fund in support of Ada Comstock Scholars
IRA BENEFICIARY DESIGNATION

Sharonjean Moser Leeds ’67

- Theater major at Smith, with dance emphasis
- Dancer, instructor, choreographer, artistic director of a modern dance company
- Saved well for retirement and owns an IRA
If left to individuals, an IRA gets taxed twice: once by estate tax (federal and state), once as ordinary income

Potential to lose up to 70% of value to taxes

Sharonjean leaves IRA to Smith, no taxes imposed

No lawyer or will required: She just completes a simple form with her IRA administrator

Sharonjean’s gift will support arts & dance program
Gifts that count toward reunion totals

- Charitable Gift Annuity
- Deferred Payment Gift Annuity
- Flexible Deferred Payment Gift Annuity
- Charitable Remainder Trust
- Gifts of Real Estate
- Charitable Lead Trust
- Some Charitable Bequest Intentions

Note: These all count toward your class’s comprehensive gift, but generally not toward your class’s Smith Fund goal
CHARITABLE GIFT ANNUITY

- Smith’s most popular form of planned gift that can increase your reunion total now.

- Class of ’68 annuity “push”
Ruth Turner ’46

- Successful magazine and book editor
- Fought the system to continue working after having a family
Ruth establishes a Charitable Gift Annuity

- Gives at least $10,000 in cash or stock to Smith
- Receives reliable fixed income for life
- Receives a substantial tax deduction at time of gift
- Annuity income is partially tax-free
- Principal will go toward scholarships for Smith students attending college while raising children
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<th>Rate of Income</th>
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Sample Charitable Gift Annuity Rates (as of 9/12/14)
DEFERRED PAYMENT GIFT ANNUITY

Jacqueline Sawyer ’74

- Choreographer and Dance Educator
- Wanted to honor memory of friend and near-classmate Yolanda King ’76
Jacqueline establishes a Deferred Payment Gift Annuity

- Age at time of gift was 57
- She will begin receiving income at age 65
- By deferring, her rate of income increases
- Principal will go toward Theatre or Dance
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<th>Current Age</th>
<th>Income Deferred to Age</th>
<th>Rate of Income*</th>
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<td>75</td>
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* Income varies with exact date of birth and timing of gift

Sample Deferred Payment Gift Annuity Rates (as of 9/12/14)
FLEXIBLE GIFT ANNUITY

Joanne “Chichi” Brumberg ’65

- Math major
- Retired systems engineer for IBM
- Not sure when she will need income
Joanne establishes a flexible gift annuity

- Donated in 2009
- Can start receiving income any time between 2013 and 2017
- The longer she waits, the higher her rate
- Principal will go to the “general purposes” of the college with no restrictions
How good a gift is a charitable gift annuity?

- Donors often ask: How can this be a good gift when I get so much income:
  
  Answer: The Smith College Endowment

- Highest current rate of income for an immediate pay annuity = 9% (age 90)

- Smith Endowment’s average annual return over last 10 years = 10%

- Upon termination, average remainder value = 125% of original gift
CHARITABLE REMAINDER TRUST

Pam Smith Henrikson ’62

- Took early retirement from BayBank/BankBoston
- Received low-cost stock options
- Wanted to make the largest possible campaign gift, receive retirement income, and diversify her income sources
Pam establishes a Charitable Remainder Trust

- She and her husband receive variable income for life, based on the trust’s value each year
- She received a substantial tax deduction the year she made the gift
- Funds are held in trust
- She chose to leave the remainder for “general purposes” of the college
GIFTS OF REAL ESTATE

Julia McWilliams Child ’34

- Renowned chef, author, and television star
- Owned $2+ million home in Cambridge, MA
In 1990, Julia makes a “Retained Life Estate Gift”

- Smith takes ownership of the home, but Julia retains a “life estate interest” in it
- Julia may continue to live in the home for life
- She is responsible for property tax, insurance, upkeep
- She receives a substantial tax deduction
- The home is removed from her taxable estate
- Upon her death, Smith will sell the home
In 2001, Julia moves to an assisted living facility in CA

- She “accelerates” her gift
- The “life estate interest” she retained still has $ value
- Julia relinquishes her life estate interest to Smith
- She receives a second substantial tax deduction
- Smith sells the home (kitchen goes to the Smithsonian Institution)
- Proceeds support the construction of the Campus Center
CHARITABLE LEAD TRUST

Anonymous Donor of the Class of 1960

- Held a substantial estate
- Has four adult children
- Wanted to preserve her estate for her family
- Wanted to create a meaningful stream of financial aid income for Smith
Anonymous Donor creates Charitable Lead Trust

- Places $20 million in trust
- Over next 20 years, Smith will receive annual payments totaling over $16 million
- In 20 years, remaining principal is divided among her children
- Entire remaining principal, including any appreciation, passes to children completely free of estate tax
- Largest individual gift to Smith in recent history
- All $16 million is going to count toward the Class of 1960’s 55th reunion total
CAMPAIGN BEQUEST INTENTION

Janice Carlson Oresman ’55

- Former Chair of The Grécourt Society
- Member of Campaign Steering Committee
- Wants to maximize her giving to campaign
- Has a substantial IRA
Jan “documents” her bequest intention

- Jan must be age 75 by end of campaign (12/31/16)
- Signs a statement that she is leaving $1 million to Smith (threshold)
- Provides a photocopy of Beneficiary Designation Form to Smith
- Makes a $50,000 pledge to give outright over 5 years
- Entire $1 million counts for capital campaign and reunion
50th Reunion and Later Reunion-Only Bequest Intention

For donors not in a position to get campaign credit, Smith now awards partial reunion credit for bequest intentions

- Must be in 50th reunion cycle or older
- Must have a bequest of $10,000 or more
- Must make a $500 Smith Fund gift during reunion year
- Must document bequest intention with signed statement & photocopy of relevant section of will, trust, or retirement account

- Reunion credit is discounted by age:
  - 50th reunion: 50% counts
  - 55th reunion: 55% counts
  - Etc.
What can the Planned Giving Chair do?

- Thank! Write personal acknowledgments when classmates make planned gifts, and for realized bequests.
- Promote awareness! Submit a gift planning promo to your class’s newsletter. We’ll help with content. Examples are also available on our website: [http://smith.plannedgiving.org smith/giving/5.html](http://smith.plannedgiving.org smith/giving/5.html)
- Celebrate! Be on hand for reunion to deliver the gift planning report at your class’s meeting.
- Build the buzz! Talk about The Grécourt Society to classmates and encourage them to contact us.
- Read! Please read our Guide to Gift Planning and Planned Giving Pocket Guide for more information.
- Other ideas?
QUESTIONS?