



MIZZOU Legacies

A GIFT PLANNING NEWSLETTER FROM THE UNIVERSITY OF MISSOURI

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Note from the editor:



To make a gift through one's estate is a powerful thing.

In this edition of *Mizzou Legacies*, the impact of a scholarship created

by a bequest is explored on Page 1. Andrea Fuhrer's story suggests the kind of impact endowed scholarships have at MU as a result of the For All We Call Mizzou campaign (be sure to catch the campaign update, Page 2). The other stories in this newsletter explain how a bequest can benefit the donor, the donor's family and a charity.

An estate gift can change people's lives for the better. The Office of Gift Planning and Endowments stands ready to help you with your estate plan. Should you have any questions, please feel free to contact us by phone at 800-970-9977 or by e-mail at giftplanning@missouri.edu.

James Preston, editor
Mizzou Legacies

Bequest funds new scholarships

Margaret Waters Jordan passed away in 2004. She sent Andrea Fuhrer to college in 2007.

Like other incoming freshmen at MU, Fuhrer applied for scholarships. But she never expected just one award to cover most of her tuition, room and board.

Fuhrer received the Gerald and Margaret Waters Jordan Memorial Scholarship through the Chancellor's Fund for Excellence. This scholarship is granted to students from Audrain County, Mo., who show academic ability and have financial need.

The scholarship is made possible by a gift from Jordan, BS '31, and her husband, Gerald, who died in 1997. Jordan was born in the small town of Vandalia, Mo., in 1909. She and Gerald were married for 61 years. For many years, they helped run Waters Furniture, the Waters' family business in Vandalia.

Fuhrer, a freshman from Mexico, Mo., was one of the first of seven



Andrea Fuhrer, recipient of the Gerald and Margaret Waters Jordan Memorial Scholarship, is working on dual degrees in journalism and nutrition and fitness. She is a member of the Alpha Phi sorority.

other students to receive the Waters Jordan award. She scored a 30 on her ACT and was ranked close to the top of her high school class, but was still surprised to learn of her award. "At first we thought it was a mistake," Fuhrer said.

The scholarship made her parents very happy. "My dad is always encouraging me to keep up my grades so I can keep my scholarships," she said. "The scholarship makes a big

difference for my family. My brother will finish high school soon." Her scholarship will make it easier for her family to send her brother to college.

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The POWER of a *Bequest*

The University of Missouri receives distributions from estates totaling an average of more than \$8 million dollars a year. MU receives most of those gifts because someone included a bequest to MU in a will.

Approximately 90–95 percent of planned gifts are bequests, and one reason for their popularity lies in their power.

Bequests are a simple tool for transferring wealth from one generation to the next and from an individual to a philanthropic cause. To make a bequest, a donor just needs a will. Or, a donor can designate distributions in a living trust that acts just like a bequest from a will.

A bequest can be made in the form of a specific asset, a specific dollar amount or a percentage of the estate. Bequests of specific assets and dollar amounts are fixed, even if the assets in the estate change or fluctuate in value; however, a distribution amount based on a percentage is fluid with the assets available in the estate.

A bequest can also be the residue in an estate, that is, whatever remains in the estate after all specific bequests, distributions and indebtedness have been satisfied. In some instances, the residue can be a significant portion of the estate.



When you include the University of Missouri in your estate plan, please notify the Office of Gift Planning and Endowments. It's the only way MU will know about the gift and be able to say "thank you."

Endowments and charitable trusts

A bequest is one means of establishing endowments and charitable trusts.

A bequest can leave instructions for the creation of an endowment at MU on behalf of the donor that can perpetuate the donor's lifetime giving to the university.

Charitable trusts can be created with instructions

from a bequest that provide income to heirs and a remainder gift to the University. In some instances, a trust can create a stream of gifts for MU over a number of years after which the remainder returns to the donor's heirs. Such provisions give donors options for addressing tax issues and inheritance planning.

Beneficiary designations

Like bequests, a beneficiary designation can be a powerful way to make a gift. MU can be named a beneficiary of an insurance policy; an IRA or other retirement account; a certificate of deposit or a bank account; or certain types of deeds and titles. In general, assets that require a beneficiary be named can be given to a charity like MU. Remember, you can split beneficiary gifts just like you can a bequest.

Make a gift to MU

Consult your attorney and other advisers to learn how bequests can become a powerful part of your estate planning.

Contact the MU Office of Gift Planning and Endowments for assistance with making a bequest, creating endowments or trusts through bequests, or gifts through beneficiary designations. Call 800-970-9977, or e-mail us at giftplanning@missouri.edu. You can also visit us on the web at formizzou.missouri.edu/giftplanning.

The Family Farm

More than a business — the Family Farm is a lifestyle — it is an ideal worth preserving.

To protect the ideal and create a lasting legacy, consider making a gift of your family farm to benefit the University of Missouri. To learn more about making a gift of farm property, or other types of real estate, call toll free 800-970-9977 or e-mail giftplanning@missouri.edu. All inquiries are confidential.

Impact of For All We Call Mizzou

With a matter of months before the end of the For All We Call Mizzou campaign, Chancellor Brady Deaton announced March 5 that more than \$900 million has been raised toward the goal of \$1 billion. The University will celebrate meeting this goal in the spring of 2009.

The impact of the campaign is already being felt on campus:

- MU awarded 1,500 more scholarships this year than when the campaign began.
- Endowments have grown during the campaign, contributing to the creation of 625 new scholarship funds and 85 endowed faculty positions.

"...more than \$900 million has been raised..."

— Brady Deaton

You can make a significant impact on the campaign by establishing an endowment through a planned gift. Documented bequests count toward the campaign when the donors are 65 years old before Dec. 31, 2008.

For more news and information about the campaign, visit the For All We Call Mizzou Web site at formizzou.missouri.edu.

Save the Date!



LEGACY
SOCIETY

The Fifth Annual Legacy Society Event

In conjunction with Mizzou Alumni Association GOLD MEDAL REUNION

Sunday, April 27, 2008

RECEPTION AT NOON
FOLLOWED BY
LUNCHEON AT 12:30 P.M.

REYNOLDS ALUMNI CENTER
UNIVERSITY OF MISSOURI



Sponsored by the Office of Gift Planning and Endowments, the College of Agriculture, Food and Natural Resources, and the College of Agriculture Foundation.

Note: Please seek the counsel of an attorney and other appropriate advisors concerning the legal and financial considerations of a gift of real estate.

A gift plan that leaves more for your children and for charity

A donor wanted to give to MU but was concerned the gift would reduce the inheritance available to his children. After consulting his financial adviser, the donor found out there was a way for him to both make a gift and preserve the inheritance for his children.

His plan — a life income arrangement — gave him and his wife income during their lifetimes. The tax savings from the arrangement made it possible to pay the premium for a life insurance policy to benefit their heirs. At the end of their lifetimes, MU received what remained of the life income arrangement.

This example illustrates how it is possible to give to both children and charity. Here's how it works:

A life income arrangement gives a donor income during his or her lifetime.

In the example above, the donor created a life income

arrangement called a charitable remainder unitrust. A unitrust is funded by transferring cash, stock or other assets into the unitrust. The unitrust assets are then managed in order to provide income for the life of the donor and/or individuals the donor designates, or for a set number of years. The payment amount is based on an annual valuation of the assets in the unitrust.

A life insurance policy can create an inheritance for heirs

Because the assets in the life income arrangement don't go to the family but eventually go to charity, an insurance policy can replace the inheritance. The insurance policy payout passes to the donor's family with certain tax advantages to the estate and to heirs. Extra income from the life income arrangement may be enough to pay the insurance premiums.

The donor leaves a major gift to MU.

MU will receive the remainder of the life income arrangement assets. In this way, even a modest estate can become a significant legacy. There are a number of potential advantages to a plan like this:

- Double your legacy.
- Reduce capital gains tax impact when giving appreciated assets.
- Reduce estate tax.
- Increase income tax deductions.
- Control distribution to heirs.

Please consult your attorney or other professional advisers to determine whether a particular gift planning option is the right plan for you. Learn more about life income arrangements at formizzou.edu/giftplanning. For details or a personal proposal, contact the **MU Office of Gift Planning and Endowments at 800-970-9977**.



CREATE YOUR OWN
MIZZOU LEGACY
THROUGH A BEQUEST.

CALL 800-970-9977

WHAT WILL YOURS BE?

MU Office of Gift Planning and Endowments Staff

Executive Director

Wayne Chipman

Newsletter Editor

James Preston

Gift Planning Staff

Wayne Chipman, Ellen McLain,
James Preston, Bill Shiflett

Endowments and Planned Gift Administration

Paula Schlager

Administrative Support

Cindy Koestner

302 Reynolds Alumni Center

Columbia, MO 65211

573-882-0272

800-970-9977

giftplanning@missouri.edu