



UNIVERSITY OF WYOMING
FOUNDATION

Your Legacy
UW'S FUTURE

GIFT PLANNING THAT WORKS FOR YOU



Your Legacy

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ABOUT THE FOUNDATION

The UW Foundation, established in 1962, is appointed by the University of Wyoming Board of Trustees to raise, receive, and manage private gifts to maximize support for the University of Wyoming. It is an independent nonprofit corporation with a Board of Directors comprised of up to 30 members. Through private gifts, the foundation is able to enhance UW programs and projects to meet future needs.

ABOUT PLANNED GIVING

Planned giving allows you to support UW with a gift through your will or trust or another estate planning tool—charitable gift annuity or retirement plans, for example. The UW Foundation's gift planning staff assists donors when integrating charitable gifts into their financial, tax, and estate-planning objectives, maximizing benefits to both donors and the University of Wyoming. Planned gifts can provide donors with an immediate tax deduction and other benefits such as life income, continued use of gifted property, or elimination of capital gains tax.



A PROUD TRADITION

The cowboy and bucking horse have been the symbol of the University of Wyoming since the early 1900s. Steamboat is regarded as one of the greatest bucking horses ever, gaining notoriety as the undisputed “worst bucker” in the early 1900s. The Marian H. Rochelle Gateway Center bronze, *Wyoming Cowboy* by Chris Navarro, shows Steamboat and the determination and spirit of both the horse and the rider in a contest of one man against one horse. The sculpture carries the brand and symbol of the University of Wyoming, which represents both our western heritage and the best of Wyoming.

The University of Wyoming, too, represents the best of Wyoming. UW was established in 1886 when Wyoming was still a territory, and then in September 1887 UW opened its doors to 42 students and 5 faculty members. Since then, UW has been educating the great scholars, thinkers, and leaders of tomorrow while inspiring feelings of loyalty and pride in its alumni and friends.

Because of this proud tradition, many have chosen to give back in thoughtful and creative ways to the colleges and programs that impacted their lives. In the pages that follow, we outline some of the ways in which you can help bolster the future of UW through gift planning strategies, each with different benefits for you and the university.

YOUR FINANCIAL AND PHILANTHROPIC GOALS

PROVIDE FOR YOUR FAMILY AND ALSO LEAVE A LEGACY

One way or another, the University of Wyoming has made an enduring impact on you, a colleague, or a family member—through an education received at UW, its athletic programs, its impact on your community or the state's economy, or its research, technology, outreach, and services. No matter how UW has touched your life, the UW Foundation is here to help you ensure that generations to come have the same opportunities that you have benefited from. We hope you will consider making a gift that will not only support UW but also create a lasting legacy for you or those who have made an impact on your life. Our goal is to help you reach your goals.

Financial and estate planning, when done properly, includes a discussion of values and how to ensure that those values continue for generations to come. The UW Foundation gift planning team is available to work with you and your advisors to discuss the charitable tools available to accomplish your goals. We match your wishes with the needs of the department or program that you want to support and make sure that those wishes are carried out.

There are many ways to accomplish your goals of earning additional income, hedging against inflation, diversifying assets, simplifying estate administration, or realizing tax benefits while also fulfilling charitable giving wishes.

In this booklet, the following planned gift vehicles are outlined:

- **Bequests from a will or trust** – the most common planned gift
- **Retirement plans** – a common asset that can be used either during a donor's lifetime to make a charitable impact and avoid tax during their lifetime or for heirs upon passing
- **Charitable gift annuities and charitable remainder trusts** – gift arrangements that pay you income and establish your legacy at UW
- **Charitable lead trusts** – a gift arrangement that provides income to UW while reserving the trust corpus for you and/or your loved ones
- **Retained Life Estates** – a personal residence, vacation home, or other real estate can be transferred to UW while the owner retains the right to live in it and utilize the property for the rest of his or her life
- **Life insurance** – a potential component of any estate plan to provide for heirs or favorite charities

However you decide to make a gift, take the time to consider the specific impact you want to make. Planned gifts can be designated to support a college or program of your choice or can be used to create a personalized fund to support a specific purpose such as a scholarship or programmatic excellence.

TOOLS TO HELP YOU LEAVE A LEGACY

Wills • Revocable Living Trusts • Retirement Plans • Charitable Gift Annuities • Charitable Remainder Trusts • Charitable Lead Trusts • Retained Life Estates • Life Insurance

WILLS

Giving to UW through a will can be straightforward and convenient and can even be accomplished through a simple amendment to an existing will. One advantage of gifting through a will is that a donor retains control of property during his or her lifetime. Cash, securities, real estate, or personal property can be designated for UW, and such a gift can entail a specific amount, specific assets, a percentage of the estate, or a portion of the residue of the estate. Gifts can also be designated for a specific purpose—it is the UW Foundation's mission to make sure those wishes are honored.

REVOCABLE LIVING TRUSTS

Under the terms of a revocable living trust, ownership of property is held and controlled by a trust, but the donor as trustee retains control of those assets. A living trust works the same way as a will—the estate is passed to loved ones and organizations that you care deeply about—but assets bypass the expense, complexity, and public nature of probate. The other major benefit of a trust-based estate plan is that it allows for your immediate and continued support in the event of incapacity. Just like a will, a trust can convey cash, securities, real estate, and personal property. Also just like a will, a trust can make directives or gifts to charities like UW.



Donor Spotlight

TRENT KAUFMAN

*T*rent Kaufman knows firsthand the challenges that many students face. When he attended UW, his mother suffered from multiple sclerosis, and his father was disabled by a stroke. He promised them that someday he would do his best to ensure that no student had to go through what he and his brother experienced. In 2016, through a combination of an outright gift and a commitment for a gift through his estate, he established the Mary Claire Kaufman Scholarship to fund the education of students with a deceased or disabled parent.

TOOLS TO HELP YOU LEAVE A LEGACY

RETIREMENT PLANS

By far the simplest way to make a planned gift is through a beneficiary designation on a financial account. Almost any financial account can be used, but an IRA is a particularly effective tool for giving to charity. Because of the upfront tax-advantaged nature of a retirement plan, the money received in a distribution, or that goes to heirs upon your passing, is subject to income tax. However, money diverted from a retirement plan to a charity carries no tax burden for heirs. The same concept is true of charitable recipients named as death beneficiaries—there is no tax associated with the assets, as charitable organizations are tax exempt. If you are interested, ask the custodian of your plan for their specific procedures for naming a charity as a pay-on-death beneficiary. Just like any other giving tool, more than one beneficiary can be named and thus your family is provided for, as well as your favorite charities. Gifts from a financial account can also be designated for a specific purpose on campus, and to ensure that gifts are properly used, the UW Foundation records a donor's intent on a Notification of Legacy Gift form.

Gifts can also be made from an IRA to a charity during life. After reaching the age of seventy and a half, individuals are eligible to give assets from their IRAs to any qualified charity without realizing income for which tax is due. These qualified charitable distributions can take the place of all or a portion of a required minimum distribution (RMD) for up to \$100,000 per year. This is particularly helpful for individuals who do not claim the standard deduction on their tax returns, as no income is realized in this non-tax event. Contact the custodian of your plan for their specific procedures for making this type of gift—often known as a Qualified Charitable Distribution.



Donor Spotlight

DALE AND LYNN HIATT

*L*ifelong rodeo fans Dale and Lynn Hiatt created an excellence fund with their estate to support the UW Rodeo team. Now retired, Dale and Lynn enjoy restoring antique tractors.

TOOLS TO HELP YOU LEAVE A LEGACY

CHARITABLE GIFT ANNUITIES

A charitable gift annuity is a great way to secure a predictable stream of income in your retirement years. A charitable gift annuity is an arrangement where a gift is made to UW through the UW Foundation in exchange for a lifetime income stream for you, your spouse, or another loved one. When the annuity terminates, the remaining assets pass to whatever college, department, or program on campus that is designated by the donor to receive the funds. Cash, securities, real estate, or other valuable property can be used to set up an annuity, and your lifetime payment is based upon the age it is established, at which time you are entitled to an income tax deduction on a portion of the gift. Typically, only a portion of each annuity payment is taxed as ordinary income.

CHARITABLE REMAINDER TRUSTS

Another way to make a gift and retain income for yourself or another loved one is through a charitable remainder trust. Ideally, a charitable remainder trust is funded with low-yielding appreciated assets. To set up a charitable remainder trust, donors decide whether they prefer a variable or fixed income amount and whether they prefer the income for a fixed period of time or for their lifetime and the lifetimes of their loved ones. They are entitled to an income tax deduction for a portion of the value of the gift when the trust is established. When funding a trust with appreciated assets, the inherent capital gain in those assets can be avoided when the assets are liquidated by the trustee. After lifetime or a term of up to 20 years, the remaining trust assets go to UW for the benefit of the specific program or area that is designated by the donor.

CHARITABLE LEAD TRUSTS

A charitable lead trust can be established with cash, securities, and income-producing assets such as real estate or interests in a family limited partnership. During the term of a lead trust, the University of Wyoming can be designated to receive an annual income stream for the benefit of a college, program, department, or scholarship on campus. Think of a lead trust as lending your capital to a charity for a term of years—during which the charity receives either a fixed or variable payment annually. When the trust expires, the remaining principal can either return to the donor or pass to heirs—potentially free of gift or estate tax. A charitable lead trust is a great way to fulfill one's philanthropic goals while at the same time passing on significant assets to loved ones with reduced tax.

TOOLS TO HELP YOU LEAVE A LEGACY

RETAINED LIFE ESTATES

A personal residence, vacation home, or other real estate can be transferred to UW while the owner retains the right to live in it and utilize the property for the rest of his or her life. The owner continues to be responsible for routine expenses, such as maintenance, insurance, and property taxes. When the retained life estate ends, the property passes to the UW Foundation for the benefit of UW students and the faculty, staff, and programs that support them—the donor designates the program or area that is benefited. The donor realizes an immediate income tax deduction, a simplified estate administration process, and the satisfaction of making an immediate and significant gift that will benefit the University of Wyoming. A simplified estate can also be achieved through a transfer on death deed wherein ownership transfers upon a person's passing as a matter of law. This type of arrangement is not available in all states, however, and does not result in an immediate income tax deduction.

LIFE INSURANCE

Life insurance can be gifted to the University of Wyoming to fund a favorite program, a named scholarship, or other area on campus. UW can be named as the beneficiary for all or a portion of an existing policy or the policy can be assigned to UW as owner and beneficiary. The proceeds from the policy can be designated by the donor for a particular program or use. In the event that the policy is not paid up, premiums can be treated as a tax-deductible charitable contribution. Another effective method is to purchase a new policy with UW as the owner and beneficiary.

Donor Spotlight

LEFTY AND CARLA COLE

*L*efty and Carla Cole of the Deerwood Ranch set up a gift annuity that benefits Cowboy Joe Club scholarships and the Alumni Association: “We get a return on it through both of our lifetimes, and maybe it’ll do somebody some good. I don’t think you can beat it.”



ASSETS YOU CAN GIVE

Cash • Securities • Real Estate • Personal Property • Business Interests

CASH

Cash is the simplest and most popular form of charitable gift. Cash gifts are deductible up to 50 percent of adjusted gross income, and any portion of the deduction not used in the year of the gift can be carried forward and used on tax returns for the next five tax years. Even after considering many of the options detailed here, you may want to make a cash gift instead or in addition to an estate gift simply because it makes the most sense and allows you to achieve your charitable goals in the most prompt, direct, and impactful fashion.

SECURITIES

If you own stocks, mutual funds, or other securities that have increased in value, you may be able to satisfy your charitable giving goals while realizing considerable income and capital gains tax savings. By gifting long-term securities (those owned for more than one year) to the University of Wyoming Foundation, capital gain is bypassed that would otherwise be realized on the sale of the securities, and a donor is entitled to an income tax charitable deduction for the full value of the security, not just the original cost. Gifts of appreciated securities are deductible up to 30 percent of a person's adjusted gross income. If you own securities that are worth less than you paid for them, you might consider selling them and gifting the sale proceeds to UW—that way, you can claim both a capital loss on the sale and a charitable income tax deduction for the amount of the gift.

REAL ESTATE

If donors have a home or other real estate that they no longer want to live in or manage, it may make sense to incorporate that property into charitable planning. Gifting real property to the University of Wyoming can take a number of different forms and may help with capital gains issues. In some cases, donors can continue to occupy the property for the remainder of their lives. By utilizing a charitable remainder trust or a charitable gift annuity in conjunction with the real estate asset, a low-yielding highly appreciated piece of property can be converted into an income-producing asset.



Donor Spotlight

WILLIAM
ROBERTSON
COE

*W*illiam

Robertson Coe established UW's first estate gift to support Coe Library and the American Studies program. At his death in 1955, his total giving to UW reached \$4 million—an extraordinary amount for the time.

ASSETS YOU CAN GIVE

PERSONAL PROPERTY

Valuable collections, works of art, jewelry, antiques, and other personal property can also make meaningful gifts, either through an estate, a life-income vehicle, or otherwise. UW will consider such gifts if they further the purposes of the university. However, special tax rules apply, they are subject to university approval, and the amount that can be deducted depends on the appraised value and how the gift will be used.

BUSINESS INTERESTS

When the time comes to transfer or sell your business, you may want to consider a charitable gift of stock for philanthropic and other tax reasons. It is not uncommon for a closely held business interest to have appreciated greatly in value. A gift in conjunction with the sale of property can provide an avenue to offset some of the capital gain associated with the sale. This strategy is a great way to deal with business succession issues while making a significant and lasting impact at UW. A key to this approach is to start gift discussions early in the process of marketing and selling your business in order to avoid IRS concerns about self-dealing.

THINGS YOU CAN DO WITH YOUR ESTATE

- Support UW Today
- Provide for Your Family and Also Leave a Legacy
- Plan for a Loved One
- Earn Additional Income
- Diversify Your Assets
- Simplify Your Life by Gifting Real Estate
- Gift Real Estate but Continue to Live There
- Share the Collection of a Lifetime
- Avoid Tax on IRAs
- Make a Significant Gift to UW
- Continue a Tradition or Pass on Values
- Leave a Legacy

Donor Spotlight

KAPPY BRISTOL

*K*appy Bristol supports the Photo-journalism Project at the University of Wyoming in Memory of Larsh K. Bristol with yearly contributions and a bequest. Kappy and her father feel the fund is a fabulous way to create a lasting legacy for Kappy's late brother Larsh.

Photo courtesy of Larsh Bristol and larshbristol.com.





A CHARITABLE GIVING CHECKLIST

- Consider the big picture: What would you like to accomplish with your estate?
- Take the time to plan effectively—the small amount of time devoted to deciding what to give, when to give, and how to give can dramatically impact how much you are able to give.
- As you read through this guide, make a list of questions to ask your advisors and the university.
- You may want to do your own research so that you understand the concepts involved. (This guide should help, and you can also go to www.uwyo.edu/plannedgiving for more information. Once there, you can also sign up for our planned giving newsletter.)
- Make a list of people and organizations that you want to benefit from your estate plan.
- List property—including cash, real estate, personal possessions, securities, business interests, life insurance, and retirement plans—that you wish to distribute.
- Complete a wills kit, which will guide your information gathering and help you to prepare for consultations with your advisors. (For our free wills kit, call the Planned Giving office at (307) 766-4259.)
- List the professionals who you need to consult—your attorney, banker, accountant, tax advisor, financial planner, investment advisor, or representatives from charitable organizations such as the UW Foundation.
- Make sure to keep good records.
- Contact the Planned Giving office at the UW Foundation with questions or concerns.

RECORDING YOUR INTENT

All gifts to UW can be designated for a specific purpose. Whether it is the creation of a customized fund in your name or discretionary dollars for a college or department, your goals are paramount. To ensure that gifts are used properly, the UW Foundation records all planned gifts on a Notification of Legacy Gift form. This form outlines the nature of your gift and the specific purpose for which you want it to serve. Additionally, utilizing the Notification of Legacy Gift form allows for simple updates to goals without the need to restate a trust or sign a new will.

A FINAL WORD

There are many reasons people resist planning their estates and their charitable gifts. They believe they have to choose between providing for their family and friends or leaving a legacy. They believe that their assets are not substantial enough to truly make a difference in the lives of others. They believe that it is too complicated and expensive to implement.

None of this is true. You can provide for your family and friends while also accomplishing your charitable goals. You can make a difference in the lives of others—including UW in your estate plans will make a difference and impact the world.

Think of the items discussed herein as tools or building blocks of effective estate planning. With the help of your attorney and financial planners, you can communicate your wishes, provide for your loved ones, increase income, and save on taxes—all while fulfilling your charitable goals and creating a lasting legacy.



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To see how your gift can impact UW, please visit our website at www.uwyo.edu/foundation. If the University of Wyoming is part of your estate plan, we encourage you to contact us so that your intentions are properly documented and we are able to express our sincerest thanks. Please consult your attorney or tax advisor before making any charitable gift planning decision.





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