

WAYNE COUNTY FOUNDATION

Presents

Unraveling the Mystery of Charitable Gift Annuities and Bequests

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Today. Tomorrow. Forever.



Alan's Top 10 Reasons to Give to the Wayne County Foundation

1

We are a **local organization** with deep roots in the community.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

2

Our professional program staff has **broad expertise** regarding community issues and needs.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

3

We provide highly **personalized service** tailored to each individual's charitable and financial interests.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

4

Our funds help people **invest in
the causes** they care about most.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

5

We accept a wide **variety of assets** and can facilitate even the most complex forms of giving.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

- 6** We partner with **professional advisors** to create highly effective approaches to charitable giving.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

7

We offer maximum **tax advantage** for most gifts under federal law.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

8

We **multiply the impact** of gift dollars by pooling them with other gifts and grants.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

- 9** We build **endowment funds** that benefit the community forever and help create personal legacies.

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Alan's Top 10 Reasons to Give to the Wayne County Foundation

10

We are a **community leader**,
convening agencies and
coordinating resources to create
positive change.

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What is an Outright Bequest?

- Most common of will-directed giving
- You direct in your will that your entire interest in certain money or property be transferred to the Foundation.
- Your estate will be entitled to a charitable deduction for the full, fair-market value of your gift.

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Types of Outright Bequests

- **General**
 - most popular type of charitable bequest
 - you designate a specific dollar amount to be donated to a charity (such as \$1,000 or \$10,000)
- **Specific**
 - you designate a specific piece of property to be donated to a charity (such as stock or a vacation home)

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Types of Outright Bequests

- Residuary
 - A residuary bequest is used to give a charity all or a portion of one's property after all debts, taxes, expenses, and other bequests have been paid. (For example giving the Foundation "the rest of the property that I own at my death" is a residuary bequest.)

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Types of Outright Bequests

- Percentage
 - A bequest also can be expressed as a percentage of an estate or residuary estate. (For example, a donor might leave the Foundation fifty percent of the residuary estate.)

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Types of Outright Bequests

- Contingent
 - You designate the Wayne County Foundation as a contingent beneficiary in the case where a beneficiary dies before you or disclaims the property. This will ensure that the property will pass to the designated charity in one of these situations, rather than to unintended beneficiaries.

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Proper Bequest Terminology

"I give, devise, and bequeath to the Wayne County Foundation the sum of \$_____ to be used for its general purposes."

OR

"I give, devise, and bequeath to the Wayne County Foundation, for its general purposes, (state the fraction of percentage) of the rest, residue, and remainder of my estate, both real or personal."

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Benefits of a Charitable Gift Annuity

- Attractive rates – Example:
 - The payout rate for a 70 year-old couple is approximately 5.2%; 5.7% for a 70-year-old single; 7.1% for an 80-year-old single.
 - That means, a \$100,000 gift annuity would provide a 70 year-old person \$5,700 in income every year.*

**Note: Rates are given only as an illustration and will depend on the timing of the gift and the age of the donors. Also, like most charities, the Wayne County Foundation uses the rates recommended by the American Council on Gift Annuities.*

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Benefits of a Charitable Gift Annuity

- Regular payments
 - You decide how often you receive payments.
- Fixed income
 - Your payment rate will be locked in at the time you obtain your annuity, and it will remain the same every year.

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Benefits of a Charitable Gift Annuity

- Lifetime benefit
 - Your payments continue your whole lifetime, no matter how long you live.
 - Two-life annuity - when one person dies, the other can continue to receive the same amount for the rest of his or her life

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Benefits of a Charitable Gift Annuity

- Dependable source
 - The Wayne County Foundation stands behind all of our gift annuities. We back up our annuity obligations with the full financial assets of our organization.
- Relief from taxes
 - you receive an income tax charitable deduction to apply on an itemized return
 - you will be able to claim part of the annuity payment as tax-free income.

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Benefits of a Charitable Gift Annuity

- Simple process
 - The Wayne County Foundation can provide you with a customized illustration so you can see how the annuity works using your age and contribution amount.

Asking for more information is not an obligation to proceed with establishing an annuity. Our role is simply to provide clear illustrations so that you understand your options.

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Why Endowed Funds?

- Anyone can do it.
 - Named funds in the Wayne County Foundation can be established for as little as \$5,000 with a standard Fund Agreement and no set-up fee.

OR

- with the appropriate language, a fund can be established through a bequest or other planned giving vehicle. We will work with you and/or your professional advisor(s) at no charge.

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Why Endowed Funds?

- It's easy.
 - A donor may give to any number of non-profits or charitable endeavors through a single fund.
 - A donor may establish a fund through a testamentary gift or in their lifetime, becoming, in essence, their own favorite charity.
 - Friends, relatives, and co-workers may make contributions to a fund at any time, in any amount.
- It's timely.
 - Funds can be established immediately upon request.

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Why Endowed Funds?

- You have choices.
 - Your gift may be totally unrestricted -- leaving granting decisions to the Foundation Board to support areas of greatest community need;
- OR
- you may designate gifts to any existing fund of the Foundation, or to a fund in your name with your own set of charitable parameters.

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Why Endowed Funds?

- You have options.
 - Your gift can take many forms from cash to stock, to sophisticated planned-giving vehicles.
 - Planned giving may provide additional benefits, such as
 - retention of income
 - a larger end result than making a gift outright
 - providing increased income for yourself or your beneficiaries
 - serving as a trustee/retaining control of certain gifts

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Why Endowed Funds?

- Leave a legacy.
 - Funds can be established in your name, or in the name of someone you wish to honor or memorialize
 - The charitable recipient and the community-at-large will forever be reminded of who you are and the causes you support.
- Your gifts keep giving over time.
 - Because the principal of a permanent fund is not expended (only the income), the fund you establish, or designate to receive your contribution, will exist in perpetuity.

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Why Endowed Funds?

- Your gifts keep pace with changing times.
 - As the needs of the community change from generation to generation, the income received from undesignated or field-of-interest funds may be used to meet future challenges unheard of today.

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Why Endowed Funds?

- We're flexible.
 - Whatever you want to accomplish charitably, tell us and we will find a way to meet your needs or refer you to someone who can.
- No initial fees.
 - Because the Wayne County Foundation is a public charity, no consultation fees are ever charged to either you or your professional advisor, and, there is no fee to establish the fund.

**Note: After the fund is funded (which in the case of a planned gift may be years) an small annual fee is charged against the fund.*

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Why Endowed Funds?

- The intent of your gift is protected.
 - Should restrictions placed on your gift in your lifetime become unnecessary, or incapable of fulfillment after your death, the Foundation's Board of Directors will protect the spirit of your gift by funding only those charitable endeavors that most nearly meet your original intent.
- We respect your privacy.
 - All consultations with the Foundation are kept confidential.
 - Once a fund is established, you may continue to have anonymity upon request

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Why Endowed Funds?

- We follow and evaluate all grant allocations.
 - All Wayne County Foundation grant recipients are held accountable for fulfilling the terms of a fund, if any.
 - Reports of how the grant was used and a follow-up evaluation are required.
 - Site visits may be scheduled and any dollars not used for the stated purpose must be returned to the fund for redistribution.

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Why Endowed Funds?

- We provide ongoing accountability for the management of your funds.
 - Reports are provided annually through an independent audit;
 - All grant activities are disclosed publicly;
 - We are licensed by the State of Indiana;
 - Great care is put into the selection of our Board of Directors.

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Consult Your Attorney

We, of course, recommend that you seek further advice and assistance from an attorney in writing or augmenting your will before proceeding with any type of charitable bequest.

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Thank you!



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