



REMEMBER STANFORD

CHARITABLE
ESTATE
PLANNING &
TAX TIPS
WINTER/SPRING
2004

Creating a Legacy



Jane, left, and Leland Stanford sit beneath a portrait of their son, Leland Stanford, Jr., as they listen to President David Starr Jordan (shaded from the sun by a parasol) give the Opening Day Address on October 1, 1891. The Stanfords established The Leland Stanford Junior University in memory of their teenage son, and they left their estate to the university after their deaths. Their legacy lives on in the students, faculty, and community that continue to benefit from their gift.

CONSIDER A BEQUEST TO STANFORD

Creating something that lasts—it's an ideal at the heart of Stanford's mission. Students leave Stanford with a wealth of knowledge, experiences, and relationships that they turn to throughout their lives. A Stanford education continues to shape alumni long after they have left the Farm.

Many Stanford alumni and friends wish to give back to a university that gave them so much. They also want to leave something to an institution whose efforts promote global good and progress. They can accomplish both of these goals by including Stanford in their estate planning. Bequests become gifts that support Stanford's future.

MAKING A GIFT IN RETURN

"I've often said that my Stanford education is the greatest gift I've ever received, except for my parents' gift of life," says Ann Hammond Clark, '62. Her degree in biological

sciences led to her career in medical research, sales and marketing, health education, and health consulting. In addition, the Stanford friends she made during her four years on campus have been among her greatest supporters throughout her life.

Wanting to give back to the institution that has meant so much in her life, Ann decided to include Stanford in her will. In so doing, she also found a way to give something back to her parents.

After a long struggle with Alzheimer's, Ann's mother, Betts, died in 2001. The illness was painful, not only for Betts, but also for Ann, her sister, Penn, '66 (J.D. '78 Emory University School of Law), and her father, Howard, '34, M.D. '38, who died shortly before Betts. After her father's death, Ann discovered on his desk a videotape and letter from Stanford's Office of Medical Development. That was the first Ann learned of her father's interest in supporting efforts in the School of Medicine to train its students in working



REMEMBER STANFORD



Ann Hammond Clark, '62, right, with her closest Stanford friends, from left, Gail Grunsky Muller McDaniel, '62, M.A. '76, Muriel Bengson Whitcomb, '62, and Margie Copithorne Ramsey, '62, at their 40th reunion

with patients as well as in analytical research skills.

The videotape and letter outlined Stanford's renewed emphasis on patient care. Ann knew the shift would have pleased her father. So she contacted Stanford to ask about making a gift in support of research and clinical medicine in the area of Alzheimer's dementia.

After a meeting with Dr. William Mobley, chair of the Department of Neurology and Neurological Sciences and the John E. Cahill Family Professor in the School of Medicine, Ann was convinced she wanted to establish a memorial fund in her parents' honor to support his work. She also decided she wanted to leave something to Stanford that would continue Alzheimer's research after her death.

"I'm committed to doing something for patients with Alzheimer's and their families," she says. "I think the best way I can help is to support the excellent research being done in Dr. Mobley's department."

Ann and her financial advisor met with Carol Kersten, the director of planned giving for Stanford's medical school. Together, they decided the best way for her to leave something to Stanford was through a bequest. Ann says she is confident about her decision because she is supporting an institution that she believes in and a field about which she cares deeply. In the fortunate event that a cure for Alzheimer's is found before her death, she trusts that Stanford will use her gift wisely to further research in other areas of the neurosciences.

ACTING ON ONE'S BELIEFS

Robert Lehrer, Ph.D. '62, has spent his lifetime pursuing interests in drama and theater, and he hopes his bequest will help others do the same.

Robert came to Stanford after earning his bachelor's and master's degrees in theater arts at UCLA. In those years, UCLA didn't have a doctoral program in drama. Stanford proved to be the best option to continue his theater studies. However, he soon found other advantages to being at Stanford.

The friendly and supportive environment of the drama department helped Robert (who was now a Korean War veteran) thrive in ways he never had before. He found

faculty who took a personal interest in his academic and acting development, especially Professor (now emeritus) Wendell Cole and his wife, Charlotte. They spent many hours talking with Robert and sharing thoughtful insights for getting his best performances. He also found himself recruited to perform with the Stanford Players, the drama department's acting troupe. Throughout his years at Stanford, he had many opportunities to put all he had learned into practice on the stage.

Now 74, Robert lives in New York City and is still finding opportunities to perform professionally. In the last five years he has appeared in 12 Off-Off-Broadway productions; he had a principal role in a fall episode of the ABC sitcom *Hope & Faith*; and he will be seen in the yet-to-be-released feature film, *Marie and Bruce*, starring Julianne Moore and Matthew Broderick.

Because Robert attributes much of his success in life to his Stanford experience ("That Stanford Ph.D. carries a lot of clout!" he says), he decided to include in his will a provision that his New York City residence will go to Stanford at his death. The proceeds of its sale will establish a fund to support graduate drama students and will be named in memory of his mother and stepfather, Charlotte and Alexander Frey. Robert says his mother always loved Stanford, although she never attended the university herself, and he wanted to honor her and her husband in this way. "It became obvious, when I thought about it, that my estate should go to Stanford," he says.

After making his decision, Robert placed a call to Stanford's Office of Planned Giving. Staff attorney Kara Wertheimer helped him explore options for designating his gift. She also assisted him and his estate-planning attorney in drafting the provision to ensure that his gift to Stanford would be used according to his wishes.



Robert Lehrer as Boyet in the Stanford Player's May 1956 production of Shakespeare's *Love's Labour's Lost*

CHARITABLE ESTATE PLANNING



Robert Lehrer today

“When I was a graduate student,” Robert says, “fellowships in the arts and the humanities were not readily available. I know I received no aid of this kind. Between classes, I worked as a page at the Hoover Institution and, during one quarter, as a graduate assistant. Consequently, my greatest concern is that my bequest to further graduate study in drama at Stanford be carried out, so that other graduate students will be able to devote themselves full time to their study.”

PROVIDING FOR FUTURE GENERATIONS

Creating opportunities for others is something that W. Warren Shelden believed in. He was the father of Bill Shelden, '73, and the grandfather of Virginia Willingham, '99, and Andrew Shelden, '03. He held a special affection for Stanford, his son says.

“He felt pretty close to the institution,” Bill says. “In some ways, it’s sort of remarkable that he adopted Stanford as he did, because he had a school of his own. As a parent, he was pretty satisfied with my experience here.”

Warren graduated from Yale University. He later worked for, and was eventually president of, the family’s residential land development business, Detroit-based Shelden Homes, Inc. He was very successful, and he used what he had earned to make positive differences in the lives of others.

Over his lifetime, Warren served on the boards of numerous philanthropic and charitable organizations. His family also established an undergraduate scholarship

fund at Stanford. Warren provided for his family, but he decided he also wanted to include Stanford in his will.

He discussed this decision with his son, letting Bill know what he had planned and the kinds of things he wished his estate to support. However, Warren chose to keep his gift unrestricted so that Stanford could use it wherever it would be most needed at the time. Because they had talked about it, Warren knew that his son would be able to work with Stanford to ensure the gift would go to something he believed in.

After Warren died in 2002, Bill worked with Stanford’s fundraising staff to use the bequest for his father’s primary interest: undergraduate education. Most of the gift established a rotating faculty appointment to be awarded to professors making extraordinary contributions to undergraduate education. The W. Warren Shelden University Fellow in Undergraduate Education is part of the Bass University Fellows in Undergraduate Education Program. The remainder of the bequest endowed an undergraduate scholarship fund and a fund to support undergraduate programs. Because the allocations from the bequest are part of Stanford’s Campaign for Undergraduate Education, the gift qualified for campaign matching funds that doubled its size.

Bill is pleased his father made the gift—he only wishes his father could have experienced Stanford’s appreciation.

“I think he would have gotten a lot of satisfaction out of seeing the reaction to his very charitable gift,” Bill says. “It was the right thing for him to do.”



W. Warren Shelden

RECENT ESTATE GIFTS

Stanford is grateful for the more than \$56 million from 164 estates it received during its 2003 fiscal year. A sampling of those gifts is described below.

CARROLL ALEXANDER, a friend, left the residue of her estate, totaling more than \$400,000, to Stanford as an unrestricted gift.

ELISABETH E. BAUER, a friend, provided in her will for a gift that totaled more than \$9.5 million to support the Hoover Institution, in honor of her late, beloved husband, Paul H. Bauer.

JOHN A. BLUME, '33, **ENG.** '35, **Ph.D.** '67, left a bequest, including the remainder interest in his Hillsborough home, totaling \$7.5 million. A portion of the gift endowed a graduate fellowship fund in civil engineering, another portion went to the Blume Earthquake Engineering Center, and the rest was unrestricted.

HELEN BURNHILL, A.M. '30, wife of the late Clifford Burnhill, '29, **L.L.B.** '32, gave Stanford the residue of her estate. That, combined with the maturity of the couple’s Stanford pooled income fund, resulted in a gift of more than \$3 million to endow The Clifford and Helen Burnhill Crew Fund for support of both the men’s and women’s intercollegiate crew programs.

HARDING CLEGG, '36, **M.D.** '40, provided in his trust for an unrestricted gift of \$10,000 to Stanford.

PATRICIA COX, '43, named Stanford as a beneficiary of her life insurance policy, resulting in a gift of \$30,000 to The Stanford Fund.

MARY CONSTANCE GIBSON, '32, bequeathed the residue of her estate to Stanford’s Pooled Income Fund. It will pay income to one person for life and, upon the beneficiary’s death, will be available for Stanford’s unrestricted use.

ROBERT HARPER, '38, **M.B.A.** '40, provided in his will for an unrestricted gift of one-half of the residue of his estate, resulting in a bequest totaling \$630,516.

HELEN HOSTETTER, A.M. '47, left a specific bequest of \$10,000 to provide scholarship support for minority women.

VIRGINIA M. REED, wife of the late Parker Reed, '31, **M.B.A.** '33, left a portion of the residue of her estate, totaling \$233,500, to be added to The Parker Reed Fellowship Fund in the Graduate School of Business, an endowed fund that provides financial aid to M.B.A. students with a preference for students from government and/or public sectors.

BONNIE O. VRIEZE, a friend, bequeathed the residue of her trust estate to endow a fund named in memory of her son, Edwin H. Vrieze III, '51, to support heart disease research in the School of Medicine, resulting in a gift to date of nearly \$1.5 million.



Students chat near Encina Hall, circa 1965

REMEMBER STANFORD

GOOD COUNSEL**BY CHRIS YATES, '81, DIRECTOR OF PLANNED GIVING**

Welcome to the inaugural issue of *Remember Stanford*, a semi-annual newsletter published for alumni and friends by Stanford University's Office of Planned Giving. I hope that you will enjoy reading this publication, that you will learn from it, that it will prompt your own fond memories of the Farm, and that perhaps you may even be inspired to provide for your own legacy at this world-class institution of higher learning.

The mission of Stanford's Office of Planned Giving is simple: to increase the quantity and quality of planned gifts to the university. With that in mind, we strive to provide the best possible service to all potential donors, no matter how large or small the gift might be. Our specialty is planned gifts, and we have five expert attorneys on hand to assist.

You may be wondering what I mean by "planned gift." You are not alone! I'll never forget one of the first calls I received as a new planned giving officer nearly 12 years ago. It was from a very kind local woman who wanted to donate a small variety of palm tree that had outgrown her yard. Having been directed to me by the university operator, she thought she had reached the office of "plant giving." All's well that ends well—the tree is thriving in its campus home in front of Encina Hall.

Planned gifts are deferred in nature, meaning that they normally are not realized until the donor's death. The simplest example is a bequest, usually provided in a donor's will or living trust. This first issue of *Remember Stanford* is devoted to describing how to make a bequest to Stanford, along with several stories about donors who have already taken that step. We want you to know what

inspired them, how they each went about making their provision for Stanford, and how their bequests will be used when the university eventually receives them. Over the next several issues, we will describe other types of planned gifts, such as life income gifts, where a donor makes a gift to the university and, in return, receives an income or annuity for life. Many of these gifts have legal and tax complexities, which we will attempt to explain in plain English.

By necessity, most of the topics we will explore in this publication relate in one way or another to one's eventual and inevitable demise. Death is not an easy or popular subject to raise, but I hope that you will be inspired by what you read here. These are stories about people who genuinely care about Stanford, its students, and its faculty. Their legacies will help ensure that future generations of students are able to enjoy extraordinary opportunities and that Stanford will continue to make a positive and meaningful impact on our world.

Finally, we would enjoy hearing from you. If you have your own Stanford memory, photograph, or story, especially concerning traditions like Jim Kurtz's blanket (page 6), send them our way. And please don't hesitate to contact me or any other member of the planned giving staff if you have questions or need assistance with setting up your own bequest or other type of planned gift for Stanford. We are happy to help!

*If you are not interested in receiving our publication, please let us know. You may contact our editor, Kate Carter, by phone at (650) 724-7468, by e-mail at kate.carter@stanford.edu, or by regular mail at **Remember Stanford**, Office of Development, Attn. Kate Carter, Frances C. Arrillaga Alumni Center, 326 Galvez Street, Stanford, CA 94305-6105. Please give your full name and your address. 🐾*

PLANNED GIVING STAFF

Making a planned gift like a bequest usually involves some consultation with an attorney specializing in estates and trusts. Stanford's Office of Planned Giving includes five attorneys who can help you make a planned gift to Stanford. They cannot create your estate plan or write your will. But they can answer questions about different planned giving opportunities and work with you and your advisors to determine which, if any, may be best for you and your situation. Here they share a little about themselves. They look forward to getting to know you to help you make the best choices for you and your family.



CHRIS YATES, '81, is the director of Stanford's Office of Planned Giving. He earned his J.D. from the University of Chicago and practiced with the law firm of Morrison & Foerster for three years. He returned to Stanford

to work as associate director of undergraduate admissions and then as associate director of planned giving. After five years as Caltech's director of gift and estate planning, Chris came back to Stanford in the summer of 2003. He is also the immediate past president of the National Committee on Planned Giving.

Chris spent his four years at Stanford playing the baritone horn in the Stanford Band. His fondest college memories include the LSJUMB's road trip to Boston in 1980, where Stanford played Boston College and the band demonstrated its true incomparability in a joint concert with the Harvard Band in Harvard Square. He misses the Southern California beaches but is happy to be back at his alma mater. *Chris Yates: (650) 736-0409, chris.yates@stanford.edu*



CAROL KERSTEN, J.D. '82, has been the director of planned giving for medical development at Stanford for 15 years. She earned her bachelor's degree in philosophy from the University of Notre Dame. Carol has served as a member of the Northern California Planned Giving Council's Ethics Committee.

While at Stanford Law School, Carol spent two years as a resident assistant in the Florence Moore undergraduate residences, Cardenal and Mirlo, and she also sang in the university chorus and was a member of the Ballroom Dance Club. She is now on the board of Palo Alto's Kara, a grief support organization, and does volunteer work with children who have lost parents. Carol enjoys hiking, biking, traveling to the Mediterranean (when she can), and taking Stanford Continuing Studies classes. *Carol Kersten: (650) 725-5524, carol.kersten@stanford.edu*

FOUNDING GRANT SOCIETY

We, Leland Stanford and Jane Lathrop Stanford, husband and wife, grantors, desiring to promote the public welfare by founding, endowing, and having maintained upon our estate known as the Palo Alto Farm, and situated in the Counties of San Mateo and Santa Clara, State of California, United States of America, a University for both sexes, with the Colleges, Schools, Seminaries of Learning, Mechanical Institutes, Museums, Galleries of Art, and all other things necessary and appropriate to a University of high degree, do hereby grant, bargain, sell, and convey ... the following described property...

On November 11, 1885, Jane and Leland Stanford enacted a Grant of Endowment to found The Leland Stanford Junior University in memory of their son. Known as the Founding Grant, it was the foundation of a new university created to educate "the children of California." The Stanfords made additional gifts to the Founding Grant over their lifetimes and through their bequests after their deaths. Members of the Founding Grant Society continue in their tradition.

The Founding Grant Society recognizes and honors those individuals whose estate gifts will provide future support for Stanford University, including its medical center and the Hoover Institution. According to its charter, the society "is intended to convey to those whom it honors that in so acting, the Stanfords' university also becomes their university, and that each individual act of support reaffirms the Stanfords' promise to children about the future ... that it will be better, that they are needed to make it better, and that a legacy of education will serve them more than any other."

The society is open to all those who provide support for Stanford in their estate plans through wills, trusts, life income gifts, IRAs, retirement plans, life insurance designations, and other vehicles. Membership involves no dues or obligations of any kind. From time to time, the university holds special events for Founding Grant Society members. Guest speakers include the greatest names from Stanford and the community at large. In past years, Condoleeza Rice, former Stanford provost and now national security advisor; John C. Bravman, the Freeman-Thornton Vice Provost for Undergraduate Education; Maggie Kimball, university archivist; and Paul Yock, M.D., director of the Center for Research in Cardiovascular Interventions and the Martha Meier Weiland Professor in the School of Medicine, were among the speakers at these events.

Occasionally, the university and its schools, institutes, and programs publicly recognize Founding Grant Society members who have expressly given permission to list their names. Many of the more than 1,100 members have allowed their names to be published; others wish to remain anonymous, and the Office of Planned Giving is happy to honor their wishes.

For more information about the Founding Grant Society, contact the Office of Planned Giving by phone at (800) 227-8977, ext. 5-4358 or by e-mail at bequests.trusts@stanford.edu. If you think you qualify for membership and would like to join, please complete the attached application and return it to us. »



The Founding Grant Society seal is taken from the cover of the Founding Grant. The letters L, S, J, and U are intertwined in an elaborate monogram.



JONRIE DÁVILA, '81, associate director of planned giving, earned her J.D. from Hastings College of Law in 1984. She worked as a business litigator at Vargas & Bartlett in Reno, Nevada, and later at Holtzmann, Wise & Shepard in Palo Alto. Jonrie joined Stanford's Office of Development fundraising staff during the Centennial Campaign in the late 1980s and early 1990s and then served as the director of major gifts and planned giving at the University of Dayton. She also worked in planned giving for the American Cancer Society and Southern Methodist University before joining Stanford's Office of Planned Giving in 2001.

Jonrie was a Stanford Dollie her sophomore year, and even now she finds it difficult to keep her hands and feet still when the Stanford Band plays. She is currently learning to speak Spanish in order to better appreciate her husband's heritage, and she can often be seen and heard cheering Stanford's athletic teams. *Jonrie Dávila: (650) 725-4363, jonried@stanford.edu*



STEPHEN W. PLAYER, '63, associate director of planned giving, earned his L.L.B. from Hastings College of Law in 1966. He was a partner at the Palo Alto firm Finch, Sauers, Player & Montgomery and later was associated with Crist, Griffiths, Schultz & Biorn. He worked as a sole practitioner immediately prior to joining Stanford in 1999. Steve was the founding president of the Foundation for a College Education and is a member of the Board of Trustees for Channing House, a life-care retirement community. He was also on the membership board of governors of the Iris & B. Gerald Cantor Center for Visual Arts.

Steve played guard on Stanford's varsity football team. After law school, he spent a year working for Stanford-in-Britain at Harlaxton Manor in Grantham, England. Steve is married and has two grown children and one granddaughter. *Steve Player: (650) 725-5509, splayer@stanford.edu*



KARA D. WERTHEIMER, associate director of planned giving, earned her bachelor's degree in psychology from U.C. Berkeley in 1987 and her J.D. from Cornell University in 1990. She was an associate at Brobeck, Phleger & Harrison before joining her mother in her probate, trust, and estate planning firm. Their firm, Wertheimer & Wertheimer, then merged with the law firm of Fotenos & Suttle where Kara continued as a principal prior to joining Stanford's Office of Planned Giving in 1999.

Kara finds the most interesting aspect of working at Stanford to be learning from alumni about their personal experiences, both during and after college. Outside of work, Kara most enjoys spending her time with her husband and two children. *Kara Wertheimer: (650) 725-5565, kara.wertheimer@stanford.edu*

REMEMBER STANFORD



A 1931 "Kaffee Klatch" at Roble Gym on University Day, a day of visits and open houses

REMEMBERING STANFORD

Jim Kurtz, '35, of Columbus, Ohio, included Stanford in his will as the beneficiary of a \$2,000 gift to athletics. After his death in September 2001, his wife, Ellis Kurtz, and daughters, Ellis Kurtz Gery, Carolyn Kurtz, and Marilyn Kurtz Parker, wrote to the Office of Planned Giving to share how much Stanford had meant to their husband and father.

"Dear Stanford University,

We want to be sure you know how important you were to our father, Jim Kurtz. He headed out to spend his first year with you in 1931 and loved every moment of his time there. He played on the freshman baseball team, as you can see in this photo. We still have his blanket, which we understand is given to athletes. It is tattered, but cherished.

Bequest & Trust Tips

MAKING A BEQUEST TO STANFORD

Bequests usually include cash or securities and sometimes real estate. Other assets may be appropriate as a gift to the university if they are readily saleable or else something that Stanford needs and can use. A bequest may be of a specific dollar amount or specific asset, or it can be expressed as a percentage of the residue of an estate or all the residue of the estate.

To make a gift to Stanford from your estate, you must sign a new will or trust instrument, add a codicil to your present will, or make an amendment to your present trust instrument. To ensure that your exact intentions are carried out, estate-planning documents (e.g., a will or trust) should be prepared by your attorney, preferably in consultation with a member of the professional staff in the Office of Planned Giving. We are very careful to honor all requests that a donor's estate plans and/or other gifts remain anonymous.

CONSIDERATIONS

A bequest can be unrestricted or restricted. An **unrestricted** gift is given to Stanford with the intention that the university can use it at its discretion to support its most important needs and priorities at the time it is received. A **restricted** gift is designated for a specific program or for a specific purpose that is important to the donor. Donors are encouraged

to consult with professional staff in the Office of Planned Giving before writing a will that includes any type of restriction on a bequest, to ensure that Stanford will be able to use the gift appropriately.

An **endowed** fund preserves the principal and provides annual income to Stanford in perpetuity. It can be named for the donor or someone the donor wishes to honor or recognize. Stanford will provide annual financial and (where appropriate) narrative reports about the use of endowed funds to individual(s) of the donor's choosing. Named endowments require a minimum funding amount, which varies according to purpose. Some examples of current minimum gifts for endowed funds are as follows:

Professorship (for distinguished tenured faculty)	\$4 million
Faculty Scholar Chair (for distinguished junior faculty)	\$2 million
Graduate Fellowship	\$100,000*
Undergraduate Scholarship	\$100,000**
Book Fund	\$25,000

* Minimum amount may be higher depending on the designated school or field.

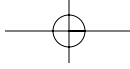
** Annual reporting for endowed undergraduate scholarships requires a minimum gift of \$150,000.

A bequest can also be **expendable**, meaning that both the principal and income can be spent at the university's discretion when the gift is received.

TAX ADVANTAGES

An outright gift to Stanford from your estate—whatever the amount, and whether it is expendable or for endowment, restricted or unrestricted—is entirely free from federal estate taxes. This means that Stanford is able to benefit from the full amount of the bequest, whereas if it were left to an individual heir, a significant amount (currently up to 48 percent) could go to estate taxes.

Donors who wish to include a bequest to Stanford (or other charities) in their estate plans should consider funding the gift out of their tax-deferred retirement plans, such as IRAs, Keogh, 401-k, and 403-b plans. These plans are subject to income tax upon distribution to heirs, and if the donor's estate is large enough to be subject to estate tax, then a bequest of retirement plan assets to heirs may be reduced by as much as 70 percent as a result of the combined taxes. If a charity receives such assets, it pays no tax upon distribution, and 100 percent of the bequest is preserved. To make a bequest of retirement plan assets to Stanford, it is best to either name the university directly as a successor beneficiary using the plan's beneficiary designation statement, or, if the plan is designated for the donor's estate, to have the donor's will or trust name Stanford specifically to receive all or a portion of such plan assets.



CHARITABLE ESTATE PLANNING

He was a member of Beta Theta Pi and enjoyed lasting friendships with his brothers. His daughters all learned the fraternity songs when they were young. They also trailed along with Dad to see any Stanford game within driving distance.

Dad's license plate throughout his driving years was SU 35, which stood for his school and graduation year. He was proud to explain the meaning to anyone who asked.

Dad was a fine person, a leader in business and the community, who cared deeply for his family, friends, and the causes that he championed. He was a great representative of Stanford and always encouraged young people to consider applying. Although he received his M.A. from Ohio State University and ultimately taught accounting there, Stanford University was his school."

Do you have a favorite memory, an amusing or touching story, or a Stanford photo of yourself, a friend, or a loved one? **Remember Stanford** would like to know about it and have the opportunity to share it with our readers.



Jim Kurtz in 1932, as a member of the Stanford baseball team

You are invited to send your stories and digital photos to us through e-mail to Kate Carter at kate.carter@stanford.edu. You may also send them through regular mail to **Remember Stanford**, Office of Planned Giving, Attn. Kate Carter, Frances C. Arrillaga Alumni Center, 326 Galvez Street, Stanford, CA 94305-6105. We will make every effort to return photos. ➤

For more detailed information about bequests, please send an e-mail to the Office of Planned Giving at bequests.trusts@stanford.edu, or call (800) 227-8977, ext. 5-4358.

SAMPLE BEQUEST LANGUAGE

Expendable Bequests:

I hereby give (dollar amount, percentage of residue, or description of property) to THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY, an educational institution. This gift shall be fully expendable at the discretion of the Board, and it shall be used to ... (see below for possible purposes)

Endowment Bequests:

I hereby give (dollar amount, percentage of residue, or description of property) to THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY (hereinafter, "the Board"), an educational institution. The property comprising this gift may, for investment purposes, be merged with any of the investment assets of Stanford University, but the gift shall be entered in the university's books and records as THE (name of fund) FUND. The Board shall spend so much of the Fund income and appreciation as it shall determine reasonable to ... (see below for possible purposes)

Bequest Purposes:

UNRESTRICTED:

... support the objects and purposes of Stanford University.

RESTRICTED:

- ... provide books and other materials for the Stanford University Libraries.*
- ... support the Graduate School of Business.*
- ... support the School of Earth Sciences.*
- ... support the School of Education.*
- ... support the School of Engineering.*
- ... support the School of Humanities and Sciences.*
- ... support the School of Medicine.*
- ... support the Stanford Law School.*
- ... support the Department of Athletics, Physical Education and Recreation.*
- ... support the Hoover Institution on War, Revolution and Peace.*
- ... support the Iris & B. Gerald Cantor Center for Visual Arts.*
- ... support the (name of department) department.*
- ... support research in (name of field of study) at Stanford University.*
- ... provide financial aid for undergraduate students.*
- ... provide financial aid for graduate students at the School of (name of school).*

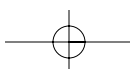
(If a specific or restricted use is stated, inclusion of the following language will make certain that the bequest always remains productive.)

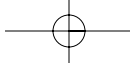
If, in the judgment of the Board, changed circumstances should at some future time render the designated use of this Fund no longer appropriate, then the Board shall use the Fund to further the objects and purposes of Stanford University, giving consideration to my special interest as evidenced by the purpose described above.

Note: We recommend that you contact the Office of Planned Giving before including any type of restriction on a bequest to ensure that Stanford will be able to use your gift appropriately.

BEQUEST GLOSSARY

- Estate:** All that a person owns, whether real or personal property.
- Bequest:** A gift made at death through a will or trust.
- Specific Bequest:** A gift of a specific amount or asset.
- Residual Bequest:** A gift of what is left of an estate after all specific bequests are satisfied.
- Trust:** A property interest, real or personal, held by one person or entity (called the trustee) for the benefit of another (called the beneficiary). A trustee holds the legal title to the property, while the beneficiary holds the beneficial interest in the property.
- Legacy:** A gift made through a will, generally synonymous with "bequest."





REMEMBER STANFORD

TAX TIPS

RECENT CHANGES IN FEDERAL TAXATION

Estate Tax The estate tax exemption amount increased from \$1 million to \$1.5 million as of January 1, 2004. (The gift tax exemption amount remains unchanged at \$1 million.) This means that each individual is now able to pass along \$1.5 million to heirs and others tax free at death. Of course, the unlimited estate tax deductions for bequests to a spouse and to charities continue in full force. The lifetime exemption amount will increase again to \$2 million in 2006.

Income Tax The top income tax rate for 2003 has been reduced from 38.6% to 35%, with similar reductions in all but the lowest two brackets (10% and 15%). It is estimated that most taxpayers will enjoy an approximate 2% reduction in their tax rate.

Capital Gains Tax The top long-term capital gains tax rate on sales of stock and certain other property has been cut from 20% to 15%, effective for transactions occurring after May 5, 2003.

Tax on Dividends Cut Beginning with the 2003 tax year, most dividends will be taxed at a maximum rate of 15%, rather than at the regular ordinary income tax rates of up to 35%.

The capital gains and dividends tax rate cuts are due to expire after 2008.

COME VISIT US!

Stanford's Office of Planned Giving is located in the Frances C. Arrillaga Alumni Center at 326 Galvez Street on the corner of Campus Drive. The building features a rotating exhibition of Stanford memorabilia, a living room and back courtyard where visitors can rest and chat with friends, a café where they can enjoy a beverage or meal, and a library stocked with recent newspapers. A business center offers alumni the use of telephones and computers with Internet access, as well as showers and small day-use lockers.



Frances C. Arrillaga Alumni Center

The Arrillaga Alumni Center is open Monday through Friday from 8 a.m. to 5 p.m., and Saturday from 11 a.m. to 5 p.m. (although the development and alumni association offices are closed on Saturday). The business center is open Monday through Friday from 8 a.m. to 7 p.m. and Saturday from 11 a.m. to 5 p.m. The café is open Monday through Friday from 8 a.m. to 7 p.m., and the bar is open from 3 p.m. to 7 p.m. The café is also open Saturday from 11 a.m. to 2 p.m. Hours vary during the holidays, so it is recommended to call in advance during those times to make sure the building is open: (800) 227-8977.

Visitors are always welcome at the planned giving office, but appointments are recommended for discussing items of business.

Office of Planned Giving

Toll-free telephone: (800) 227-8977, ext. 5-4358

Direct dial telephone: (650) 725-4358

Fax: (650) 723-6570

E-mail: bequests.trusts@stanford.edu

Website: <http://givingtostanford.stanford.edu/opps/bequests/index.html>

**Office of Planned Giving
Stanford University**
Frances C. Arrillaga Alumni Center
326 Galvez Street
Stanford, CA 94305-6105

NON-PROFIT ORG.
U.S. POSTAGE
P A I D
PERMIT NO. 28
PALO ALTO, CA

DESIGN: MADELEINE CORSON DESIGN, SAN FRANCISCO

