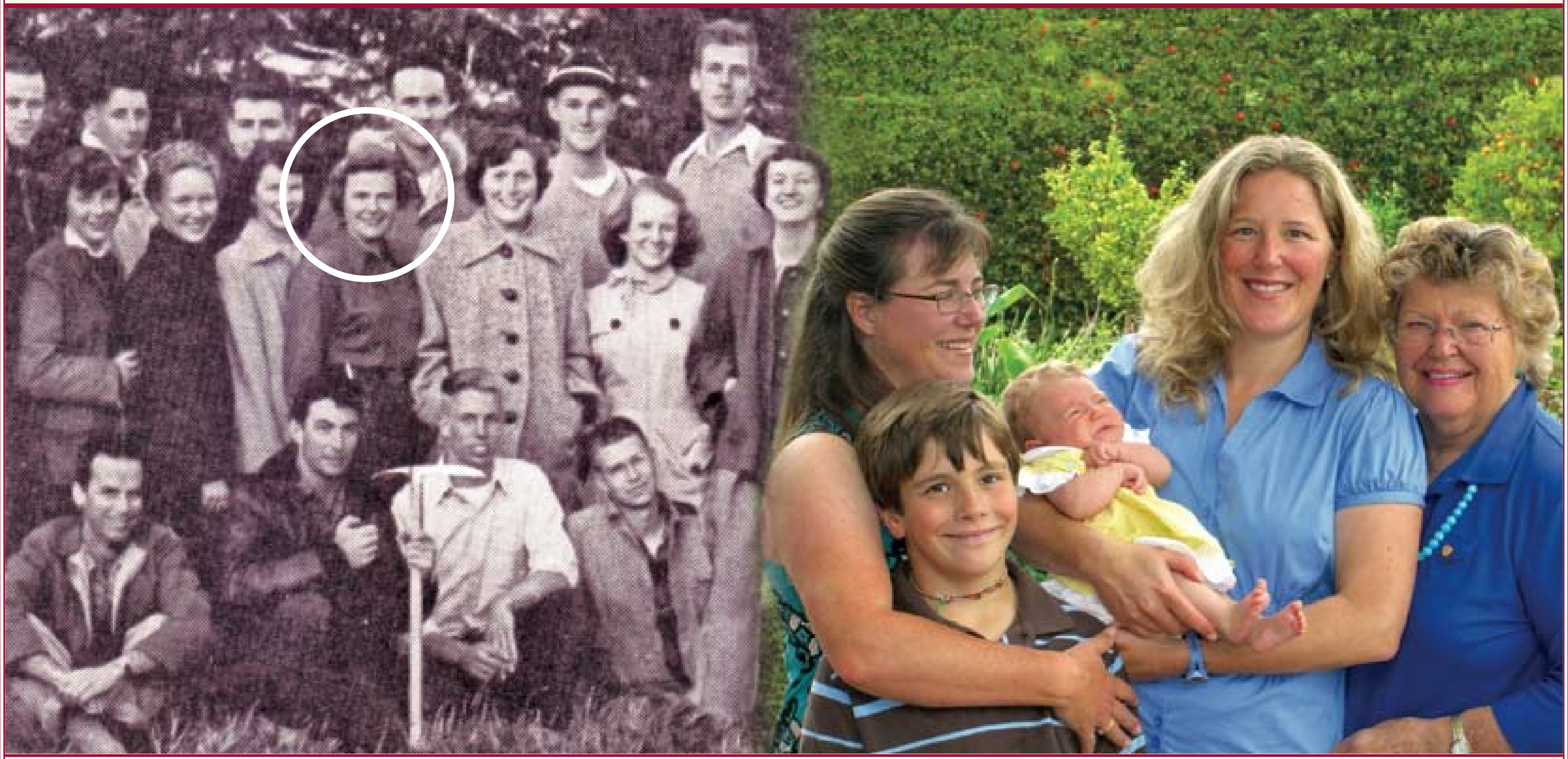
Remember Stanford

Charitable Estate Planning & Tax Tips

Fall 2009

Creating a Legacy



***Left**: Carolyn Thresher, '53, MBA '56 (second row, fourth from left), ascended Mt. Shasta with the Stanford Alpine Club, where they were surprised to witness a nuclear test in the Nevada desert several hundred miles away. **Right**: Carolyn enjoys a visit from her daughters and grandchildren in Santa Barbara. Left to right: Fiona and her son Christopher, Valerie and her daughter Kintla, Carolyn.* PHOTOS: STANFORD QUAD, 1951; COURTESY OF CAROLYN THRESHER

After All These Years

Earlier this year, Ellen Uhrbrock, MBA '56, invited her friend Carolyn (Teren) Thresher, '53, MBA '56, to join her at Stanford's Founding Grant Society luncheon. The two have been friends since business school—when they were among only three women in their graduating class—and Carolyn accepted Ellen's invitation without paying much attention to the name of the event or what members of the society have in common.

"She thought I would enjoy the lectures, and I did," says Carolyn. The day's program included a performance by Mariachi Cardenal de Stanford and talks by Department of Art and Art History Chair Kristine Samuelson, Professor of Neurobiology Bill Newsome, and Associate Professor of Neurobiology Jennifer Raymond.

After lunch, Founding Grant Society Chair Douglas Brown, '59, MBA '61, spoke briefly about the importance of bequest intentions—that is, when people notify Stanford they've included the university in their wills or trusts. Carolyn turned to her friend and said, "I've had Stanford in my living trust for more than 10 years—I just never thought to mention it."

Before the day was out, Carolyn had informed Stanford of her bequest intention and joined the Founding Grant Society. Membership in the society carries no dues or obligations and, like anyone else who tells Stanford about a bequest, Carolyn is free to change her plans at any time. Joining the society has also given Carolyn an opportunity to reconnect with the university, as her life abroad kept her away from campus for many years.

After she earned her MBA, Carolyn started work in the financial sector in San Francisco. There she met her husband, Philip, a University of Oxford graduate and one of the first economists to specialize in wildlife conservation. She traveled with him to India and then to East Africa, where he became a key economic advisor to the fledgling Tanzania National Parks system. During their time there, the parks became a world-renowned conservation success story.

Carolyn was not permitted to work in Tanzania, but that didn't stop her from making her own contribution. She obtained a commercial pilot's license, had a Cessna 182 shipped from Santa Barbara to Tanzania, and volunteered as a pilot for the national parks. She flew everyone, from foreign diplomats to visiting scientists, including a group of Stanford researchers who came to visit Jane Goodall during her famous study of the chimpanzees of Gombe Stream National Park. She and her husband also took hundreds of wildlife photographs, most notably aerial photos of the wildebeest migrations in the Serengeti. The photos have appeared in *Life* magazine, textbooks, encyclopedias, and other publications around the world.

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When the Threshers left Tanzania, they lived in Nairobi, Kenya; Rome; and Barbados before settling in Santa Barbara in 1983. Philip passed away in 1998, around which time Carolyn established a living trust that includes charitable gifts to Stanford and other educational institutions. Her experience at the luncheon shows it is never too early or too late to let Stanford know of your bequest intention. The university is pleased to recognize Carolyn's generosity and welcome her into the Founding Grant Society after all these years.

Planning a Legacy

Edward Abraham, '74, MD, '78, transferred from Amherst College to Stanford in his sophomore year, when he decided he'd had enough of New England winter. "The snow in western Massachusetts starts at the second floor," recalls Edward, who grew up in Arizona. Both the climate and the community at Stanford suited him better. He was a pre-med philosophy major whose academic endeavors included biochemistry research with Ronald Davis, now the director of the Stanford Genome Technology Center. Edward's favorite memories include playing tennis with Nobel laureate Paul Berg and living in Synergy House during its first years as a cooperative housing community at Stanford.

"Six or seven of us were responsible for cooking each night, stumbling and bumbling our way through making dinner for these 40 people we lived with," Edward recalls with a laugh. The experience made him an excellent cook, says his wife, Norma-May Isakow, who earned her undergraduate and law degrees in South Africa before moving to Los Angeles, where she met Edward. "I came here as a single person, I had my feet on the ground—and then he swept me off them," she says. They celebrated their 20th anniversary this year.

Last year Edward and Norma-May approached Stanford about including a legacy gift for undergraduate scholarships in their estate plans. After consulting with Steve Player, '63, senior associate director of planned giving, they decided to designate Stanford as a beneficiary of their TIAA-CREF 403(b) retirement plans. Per their letter of designation, their gift will eventually establish the Edward Abraham and Norma-May Isakow Undergraduate Scholarship. Though no one anticipates the funds coming to Stanford anytime soon, the university is extremely grateful for their thoughtful planning and welcomes Edward and Norma-May as members of the Founding Grant Society.

Edward Abraham, '74, MD '78, and Norma-May Isakow

Good Counsel

BY STANFORD'S PLANNED GIVING STAFF

National studies of charitable giving show that many people include gifts to charity in their estate plans, but few of them tell the recipient organizations about their intended bequests. Although creating a legacy gift is a personal matter, informing the organization you intend to benefit can have benefits for you as well. If you've included Stanford in your estate plans but are unsure whether you should let the university know, here are a few facts to consider:

1. **You deserve to be thanked.** Bequests are so important to Stanford, and represent such a meaningful gift that we want to be able to thank you during your lifetime. In addition to expressing our gratitude, we wish to steward your generous intentions through membership in the Founding Grant Society and recognition in selected university publications and honor rolls. If you prefer not to join the society or to remain anonymous, just let us know, and we will abide by your wishes.

2. **We can help you create the legacy you imagine.** If you have a specific purpose or program in mind for your bequest, notifying the Office of Planned Giving can help ensure that your wishes are carried out. In many cases, we can suggest the right language to establish a fund at Stanford that will accomplish your goals for supporting the university.

Like many donors, Edward and Norma-May wanted to plan a gift and still make sure that family needs will be taken care of. In this case, they designated a specific amount from their retirement accounts for Stanford and stipulated the gift would come to Stanford only after both of them have died. Using a retirement account for a charitable gift can also have tax advantages. Retirement plan assets may be subject to both estate tax and income tax when left to individual heirs; such assets are not taxed if left to a qualified charity.

For this couple, the purpose of the gift—higher education—is more important to them than the method of giving. Edward heads the Department of Medicine at the University of Alabama at Birmingham's medical school, and Norma-May is the director of service-learning programs at the same university. "We both really value education," says Norma-May, "and Stanford represents the best in education. You want everyone to have access to that." What's more, their daughter Claire Abraham, '12, is enjoying her time on the Farm and giving them a fresh perspective on the opportunities for undergraduates at Stanford.

Their gift is also one of gratitude. A former Fulbright Fellow whose research in pulmonary and critical care medicine is known around the world, Edward says, "Stanford provided me with its own kind of legacy, in terms of my successes and accomplishments in life."

STEVE GLADFELTER

The Planned Giving team (from left): Steve Player, '63; Carol Kersten, JD '81; Jonrie Dávila, '81; Chris Yates, '81; Ellen Lussier; Kara Wertheimer; Julie Kwon, '94; and Angela Kalayjian

3. **You can put your family first**. There are many ways to include charitable giving in your estate plans without short-changing your family. If you tell us that you want to make sure your bequest to Stanford does not unduly diminish what you want to leave your family, we can help you and/or your advisors consider alternatives that will provide for your family and for charity. In some cases, a particular gift planning strategy can help reduce the tax burden on your heirs.*

4. **You can always change your mind**. Circumstances, goals, and sentiments can change over time, and you are always free to change your plans accordingly. Even if you notify Stanford in writing of your bequest intention (using the attached form, for example), it is not a binding commitment, nor does it limit in any way your ability to later change or eliminate a provision for Stanford. We encourage all friends of Stanford, whether or not they're planning a bequest, to review their estate plans every few years to make sure that their goals will be met and that current tax laws are taken into account.

We hope this information is helpful whether you are planning a bequest to Stanford or to another institution. If Stanford is in your estate plans, please consider letting us know. You can do so by returning the attached form, by calling our office at 800.227.8977, ext. 54358, or by e-mailing us at rememberstanford@stanford.edu. ❧

*Our gift planning recommendations are not intended as legal advice. You should always consult your own attorney and/or financial advisor on any important decision about your estate.

Recent Estate Gifts

Stanford is grateful to the generous alumni and friends who have remembered the university in their estate plans. These gifts make a difference across campus. The following is a sampling of recent estate gifts:

FLORENCE AND JOSEPH A. BELLOLI III (PARENTS '66) made a bequest of approximately $15,000 to Green Library. The expendable funds will be used to purchase books and periodicals for the Rare Book Room. Joseph was Stanford's chief humanities and social sciences librarian for 28 years.

GENEVIEVE O. BENN, a friend of the university, left a gift of nearly $1 million to establish three research funds in the School of Medicine. The bequest has endowed the John K. Benn and Genevieve O. Benn Funds for Respiratory, Cancer, and Heart Research.

CHARLOTTE K. AND WENDELL COLE, PhD '51, made bequests totaling more than $700,000. Their gifts established the Wendell and Charlotte Cole Memorial Fellowship Fund, to provide graduate fellowships in the drama and design departments; the Marie Klein Memorial Fund, to purchase drama and history books for Green Library in memory of Charlotte's sister; and the Charlotte Cole Memorial Fund, to purchase books and manuscripts for the Hoover Institution. Professor Wendell Cole taught dramatic literature and theater history at Stanford for 52 years.

JAMES H. AND KATHRYN M. COPELAND, '49, made a bequest of $10,000 for undergraduate scholarships.

MARIA H. DEVENDORF (PARENT '71) left a portion of her estate to endow a graduate fellowship in memory of her son. The gift of more than $300,000 established the Bryan Keith Devendorf Scholarship Fund at the Graduate School of Business.

WILLNA AND STUART DUFOUR, '34, MA '41, named Stanford as a remainder beneficiary of their charitable remainder unitrust. They directed the gift of more than $50,000 to the Rixford Snyder Fund, an endowed undergraduate scholarship for student-athletes.

BARBARA AND CLINTON FRANCIS EASTMAN, '44, made an unrestricted bequest of $1,000 to the university.

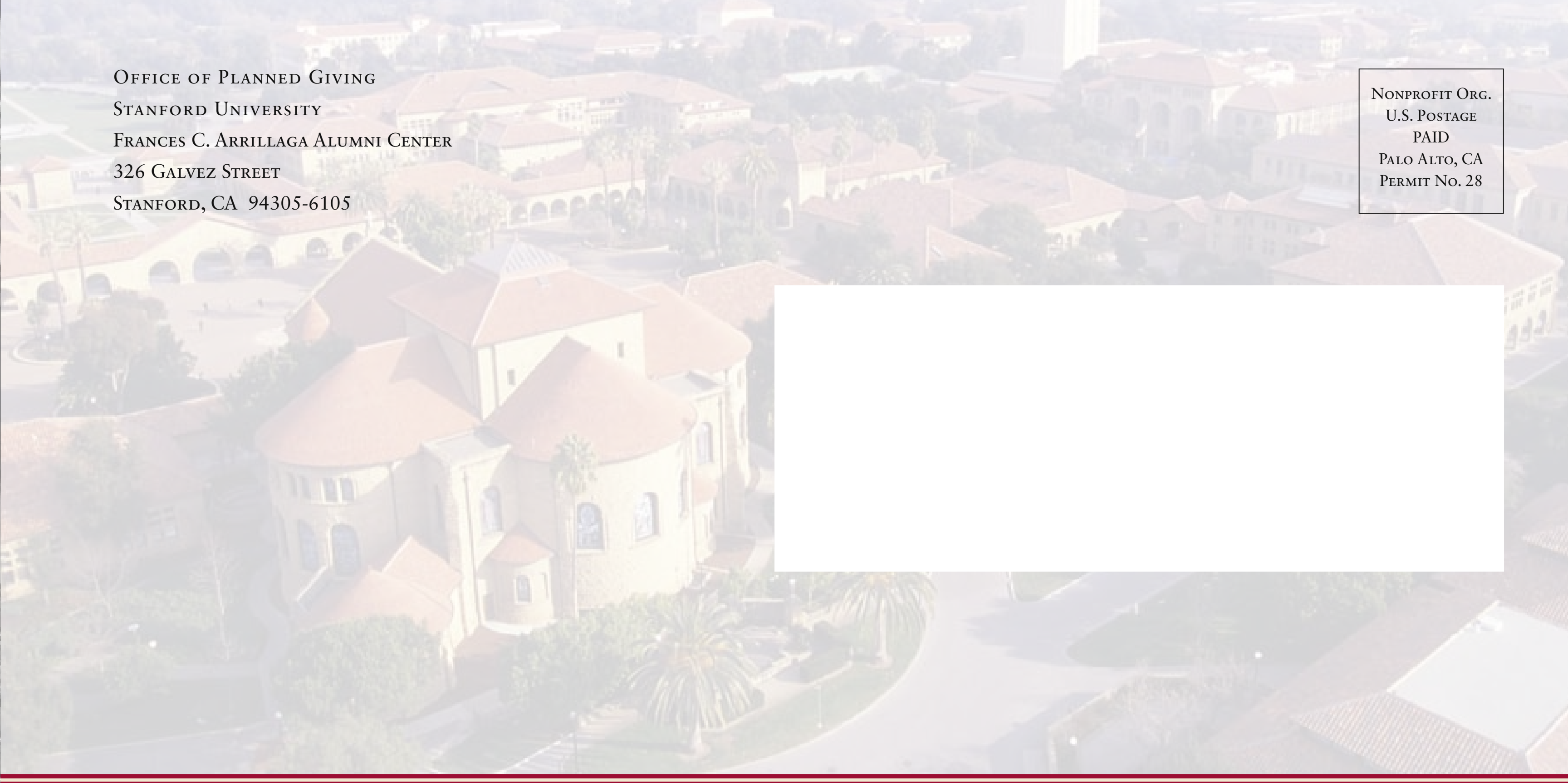
KAREN H. KOPRIVA, a friend of the university, made bequests of $1,000 to the Stanford University Primary Pulmonary Hypertension Research Center and $500 to the Stanford University Heart Fund.

LYNN W. LEHMANN, JD '68, left a $10,000 unrestricted gift to Stanford Law School.

BURNETT C. MEYER, PhD '49, left a residuary bequest of more than $1.5 million to the Department of Mathematics.

VIOLET B. ROBINSON, EdD '70, made an unrestricted gift of more than $86,000 to the School of Education.

ALFRED J. WILLIAMSON, '31, CRT '55, named Stanford as a remainder beneficiary of his trust estate. The university has used his unrestricted gift of approximately $500,000 to establish the Alfred Williamson Scholarship Fund for undergraduates.



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

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CHARITABLE ESTATE PLANNING & TAX TIPS • **FALL 2009**

Remember Stanford

Creating a Legacy

For more information about gift planning at Stanford, please visit our Web site at rememberstanford.stanford.edu or contact the Office of Planned Giving:
Toll-free: 800.227.8977, ext. 54358 (USA)
International: 001.650.725.4358
Fax: 650.723.6570
E-mail: rememberstanford@stanford.edu

TAX TIPS

As 2009 draws to a close, you may be thinking about making gifts to charities to maximize your tax deductions for the year. These tips answer the most frequently asked questions about giving and taxes.

Year-end gifts to charity and deadlines for 2009 tax deductions

- Checks or properly endorsed securities sent by U.S. Postal Service must be *postmarked* no later than December 31, 2009. Gifts sent via FedEx, DHL, or other means must *arrive* at the charity by December 31 in order to count as a charitable gift in 2009.
- Credit card gifts must be charged to the credit card no later than December 31, 2009. We recommend that you check with each recipient charity regarding its processing deadline, as these may vary. At Stanford, credit card gifts may be made by phone up to 10 a.m. PST on December 31; online up to 11:59 p.m. PST on December 31. Credit card gifts arriving by mail or fax must be received by 10 a.m. on December 31.
- Gifts of securities through a brokerage account must be received in the charity's account no later than December 31, 2009. The time necessary to complete a transfer varies from broker to broker; Stanford recommends that donors check with their brokers by December 1 to ensure timely processing.

Limits and restrictions on income tax charitable deductions

- If your contributions entitle you to merchandise, goods, or services provided by the charity (sometimes called "quid pro quo gifts"), you can deduct only the amount that exceeds the fair market value of the benefit received.
- For cash gifts, no matter what the amount, you must retain in your files a canceled check or a receipt from the organization. You do not need to submit this documentation when you file your return.
- For gifts worth $250 or more ($75 or more for "quid pro quo" gifts), you must obtain a receipt from the charity showing the amount of the cash or a description of any property contributed, and whether the organization provided any goods or services in exchange for the gift.
- If you claim a deduction of more than $500 in gifts that are neither cash nor publicly traded securities, then you must attach IRS Form 8283, Noncash Charitable Contributions, to your return. If you donate an item or collection valued at more than $5,000 you must also complete Section B of Form 8283, which requires an appraisal by a qualified appraiser.
- Gifts of cash are deductible up to 50 percent of the donor's adjusted gross income (AGI).
- Gifts of appreciated securities or other assets (e.g., real estate) held more than one year by the donor are deductible, at their fair market value, up to 30 percent of the donor's AGI.
- If either of these limits apply to your total charitable giving for the year, any excess deduction can be carried over for up to five succeeding years, subject to the same percentage limitations.

UPCOMING EVENTS

- **Thursday, March 18, 2010**
  Investment Management Conference: A Report on Stanford's Endowment and Charitable Trusts Program
  Frances C. Arrillaga Alumni Center
  Sponsored by the Office of Development and Stanford Management Company
  For information, contact Kim Armstrong, 650.725.4346 / karm@stanford.edu
- **Sunday, April 25, 2010, 1–4 p.m.**
  Stanford Historical Society Annual Historic House and Garden Tour
  For information, call 650.725.3332 or 650.324.1653, or e-mail cglasser@stanford.edu or susan.sweeney@stanford.edu.
- **Thursday, April 29, 2010**
  Founding Grant Society Tea
  Frances C. Arrillaga Alumni Center
  Sponsored by the Office of Planned Giving
  For information, contact Kim Armstrong, 650.725.4346 / karm@stanford.edu

CAROLYN SWANSON

Hon Mai Goodman; Professor Emeritus Joseph Goodman, MS '60, PhD '63; and Umesh Padval, MS '85, at the 2009 Founding Grant Society luncheon.