



WOMEN & PHILANTHROPY

seasons of growing, caring, giving



WORKSHOP PHOTOS BY ROBERT ELBERT, ISU UNIVERSITY COMMUNICATIONS

The *Women and Philanthropy* workshop was held in Ames, Iowa in May, 2006. The next workshop is scheduled for May 15, 2007. Visit the website for information about upcoming events at <http://www.foundation.iastate.edu/about/women/annual.html>

New Faces in Philanthropy: Women Who Make a Difference

One of those bumper stickers that is meant to make you look twice reads: “A woman’s place is in the house: the House of Representatives.” This is a humorous way of expressing the changing societal expectations of women. Certainly, more and more women are joining the ranks of the top echelons of the corporate, political, academic and nonprofit worlds. Moreover, women control much of the wealth in this country. Today many women, acting alone or in partnership with their spouses, are making meaningful planned gifts to various organizations, including Iowa State. As philanthropists in general become more financially sophisticated, even those of more modest means are discovering the joy of being able to use their resources to benefit others, while at the same time providing for their personal financial security. Women continue to volunteer their services at organizations they want to benefit, but increasingly they are supplementing their volunteer activities with significant financial contributions.

This premiere issue of *Women and Philanthropy* focuses on the stories of women philanthropists. While giving is often the primary motivation behind women taking action, there are also tax and financial benefits to consider. With careful plans, philanthropy enables women to make gifts that will have a greater impact. The examples you’ll read show ways that some women have used planned giving to support their philanthropic interests while furthering their own personal and financial goals.

We hope you enjoy this issue and find ideas that apply to your situation, whether you are married or single, working (paid or volunteer) or retired. If you have questions or simply want more information, we invite you to contact us or send for our booklet, *Making a Difference — Creative Ways to Leave Your Own Legacy*. Working together, we can make this world a better place for ourselves and for our children and grandchildren.

Leadership Roles in Philanthropy Came Naturally for ISU Alum

Since she was young, Marilyn Kollmorgen has rolled up her sleeves and pitched in. Whether she was a college student participating in philanthropic activities with her sorority or taking a leadership role in her community as an adult, Marilyn says volunteering always felt natural.

“I think women are the heart of philanthropy. You have to be able to show a personal side and a human side of helping, not just facts and figures and I think women have that insight and intuition about issues. That’s the way we’re made,” she said. “I began volunteering in college and then when I had children, it was a way to be a part of their lives as they began school.”

Marilyn started out slowly. With each endeavor she gained more experience and found new opportunities to make a difference.

“As you pick up knowledge along the way, you start to feel that you have ideas and eventually, I ran for the school board and was president of the chamber of commerce,” explained Marilyn. “Pretty soon I was asked to get involved, more than I had planned. That’s how it happened, no grand plan, it just evolved naturally.”

It wasn’t long before Marilyn got involved with her alma mater, Iowa State University. As an ISU Foundation governor, she quickly connected with other women in the group. Their discussions and observations led to the formation of a new committee aptly named, “*Women and Philanthropy*.”

“Women were often ill-prepared to handle finances and yet they were called to do that because they were widowed and left alone, especially in our mother’s generation,” she said. “We wondered what we could do to educate women and give them the confidence to make critical decisions. That’s how the Women and Philanthropy Committee got started.”

Today, the group is focused on educating and encouraging women to be philanthropic leaders at Iowa State University and in their communities. Marilyn’s involvement with the committee has been a valuable experience that inspired her to take action.

“My experiences with the Women and Philanthropy committee expedited my giving choices. It was not, ‘What can I do at the end of my life, but what can I do now?’ The results are so positive, it makes me feel like I’m contributing,” explained Marilyn. “I think often people wait until the end of life and then don’t have the joy of watching what happens. This decision lets us feel involved and that’s important to us.”

Marilyn and her husband, Bob, also knew it was important to keep their family involved with their decisions about gift planning. Because they had always made a point of educating their children about the value of philanthropy, the Kollmorgens knew their children would be supportive.

“We always talked to our kids about the importance of giving back and when it came time to make decisions about our estate, we wanted them

to be involved and understand why this was an important decision for us,” Marilyn said. “My husband was the recipient of a merit scholarship when he attended ISU, so we wanted to make a gift through our estate to establish a merit scholarship to benefit future students. Our children are philanthropists themselves and they know this is something that is very meaningful to us.”



“I think women are the heart of philanthropy.”

Marilyn Kollmorgen

The Kollmorgens are retired now and spend time traveling across the country. Though Marilyn has stepped back from taking active leadership roles, she enjoys being a resource and a mentor while encouraging others to get involved.

“Give as you can because the benefits that you see your gifts make are extremely satisfying. That feeling of helping and being involved and seeing the results of your time, money and encouragement is so much fun,” she explained. “You don’t do it for your own benefit, but the result is that you benefit. And that’s pretty cool.”

Doing More for Your Favorite Causes — It's All in the Planning

Look at any quality charitable organization — its key volunteers, its planned giving committee, its special event organizers — and you will find some of the community's most influential women in the forefront. Whether it's community support, education, health care, eldercare, or children's programs, concern for positive results is a top priority for women in their charitable planning.

Increasingly, however, tax and financial benefits are becoming an integral part of the planning process — not because of the personal gain (although this may be a side benefit), but because the tax and financial benefits enable more women to make more meaningful gifts than otherwise would be possible.

Let's look at some of the creative techniques more and more women are using in their gift planning. Many of these gift plans play a major role in helping you achieve your mission.

An Impact Gift that Can Increase Your Income

Mary Greenfield, a widow who just turned 75, has a relatively comfortable retirement income. Much of her portfolio is in fixed income instruments such as CDs. Unfortunately, with some of her CDs coming due and the current modest interest rates, Mrs. Greenfield is going to have to accept a lower rate of return if she rolls over the CDs.

Having been a long-time volunteer and ISU supporter, Mary learned from our gift planning office about the **charitable gift annuity**. This is a plan which, in return for a gift of cash or stock, will pay her a regular income for her lifetime. At her age the payment rate is 7.1 percent, higher than what she might expect from many CDs. What's more, the income

Current Gift Annuity Rates*

AGE	RATE*
60	5.75%
65	6.0%
70	6.5%
75	7.1%
80	8.0%
85	9.5%

* Rates subject to change

tax charitable deduction will save taxes this year and part of her payments will be income tax-free until she reaches her life expectancy (at 88 years, 5 months). Mary is delighted with her increased cash flow and knowing that the gift principal will support the work to which she has been so committed.

A Unique Plan to Prepare for the Future — Yours and Ours

Karen Ogleby, age 50, is an attorney in private practice. Her goal is to retire at 60 to travel the world. To reach this goal, she needs to find a way to supplement her retirement income, since she has maxed out contributions to her 401(k) retirement plan.

Being an active volunteer, she learns about a life income gift plan called a **deferred gift annuity**. The plan permits her to make a large contribution now in exchange for regular lifetime payments which we agree to defer until her retirement. She will receive a substantial income tax charitable deduction for her contribution, the deduction will offset some of her taxes now, and she can look forward to favorably taxed payments to bolster her retirement income when she may be in a lower tax bracket.

Karen finds comfort in knowing that the lifetime payments are backed by our general assets. This unique gift plan helps Karen to achieve her retirement goals and to make a major gift to us that otherwise would not have been possible — a win/win solution for Karen and Iowa State.

Effective Charitable Planning for You and Your Spouse

Judy Brown has long been a key volunteer and now serves on the board. She is a stock analyst and her husband, Roger, is a broker. Over the years they have built a very comfortable portfolio. Having years of experience with astute donors, Judy decided that a **charitable remainder trust** was the best way for Roger and her to fulfill their philanthropic objectives and plan for a more secure retirement.

By funding the trust with low-yielding, highly appreciated stock, the Browns were able to bypass any capital gains tax liability on the transfer to the trust and arrange for a higher income over their lives. They also received a substantial income tax charitable deduction for our remainder interest. The charitable deduction will help them retain more of their current income.

The Browns liked the CRT's flexibility best. They had various payout options from which to choose. By electing to go with a variable percentage payout, they have the potential (assuming growth in the trust) to increase their income and to leave more to charity. And, the CRT allows them to name more than one charitable beneficiary. Both charities and family benefit under this arrangement.

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Creating Your Own Legacy with a Tax-Wise Charitable Bequest

Mrs. Hargroves, a 72 year-old widow, has often thought about making a major gift to Iowa State in memory of her late husband. But like many people in their retirement years, she is a little concerned about “outliving her resources,” in spite of the fact that she has a comfortable portfolio.

After weighing different options, Mrs. Hargroves decides to make a

memorial bequest in her husband's name. A charitable bequest does not interrupt her cash flow, and she has the comfort of knowing she can change the provisions should circumstances dictate. While the charitable bequest generates no income tax benefits, it does shelter her estate from the potential of even harsher estate taxes, an important consideration since she no longer has the shield of the marital deduction. Mrs. Hargroves is also pleased, since she already has a will, that her attorney can make

the bequest provision with minimal cost through a simple codicil.

To get the most out of her memorial gift, Mrs. Hargroves designates that her bequest go into our endowment. In the endowment, since only 4.25 percent of the funds are used to sponsor particular programs, the gift will keep on giving year after year. This not only magnifies the impact of her bequest, but provides an outstanding example to others about how to make a memorial gift.

Have Questions? Need More Information? Let Us Help!

Today, we receive more and more questions from women about our programs and gift opportunities, such as:

- What specifically is your mission and how do you go about achieving it?
- What programs do you offer and how can my participation help make a difference?
- What planned gift opportunities are available to me and my family?
- Do you have a planned giving recognition society? And how does one qualify for membership?

We encourage you to contact our office with your own questions. As a first step you may want to send for one of our most requested booklets, ***Making a Difference — Creative Ways to Leave Your Own Legacy***. This free booklet explores the full gamut of gift plans, highlighting the financial and tax benefits of each. For more information about the mission and charitable work of Iowa State University, simply check the appropriate box on the attached card and return it to us. Or give us a call — we'll be happy to answer questions.



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