

Gift Strategies

HARVARD UNIVERSITY PLANNED GIVING NEWS



SPRING 2014



NANCY KELLER-GO

GIFTS OF REAL ESTATE AND OTHER ASSETS OFFER ADVANTAGES

Nancy Keller-Go, senior vice president of Estates and Special Investments at Harvard Management Company (HMC), sat down with *Gift Strategies* to discuss her path to Harvard and the benefits of charitable gifts.

Q: What brought you to Harvard?

After studying economics and politics at Yale, and earning a master's degree in art history, I did a stint as a fashion merchandiser for the Gap's U.S. stores. Eventually, I went to law school and spent more than 15 years in private practice, advising individuals and families on complex estate planning matters. During that period, I also cofounded a specialty wine retail business.

Joining HMC was a career shift that offered an exciting opportunity to leverage all of my professional experiences and interests. As a lawyer, I worked with individuals and their families to define their legacies and help them achieve personal and philanthropic goals in the most tax-efficient manner. In my work at Harvard, it is valuable to be able to understand donors' needs when they are making charitable gifts.

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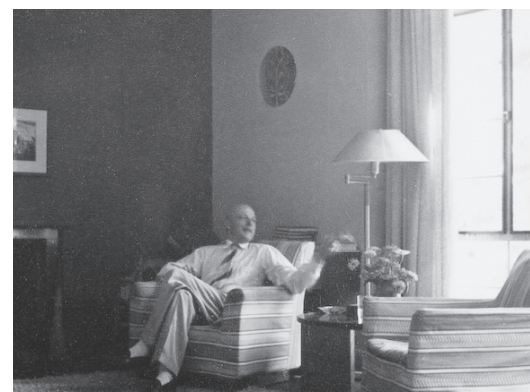


BUILDING A FUTURE AT HARVARD

In 1989, Henry B. (Harry) Hoover, Lucretia Hoover Giese PhD '85, and Elizabeth Hoover Norman AM '64—the three children of Harvard-trained architect Henry B. Hoover MArch '26—decided to honor their father upon his death by establishing the Henry B. Hoover Fellowship. Its purpose is to benefit students in the Graduate School of Design, and it was established with gifts from family, friends, and colleagues.

Twenty-five years later, Harry and Lucretia now plan to continue their father's legacy with an additional gift. Upon the death of the last sibling, part of the proceeds from the sale of their family home in Lincoln, Massachusetts, which their father designed in 1937, will add to the Hoover Fellowship. At that point, an estate tax deduction, which may offset any tax the estate might otherwise owe, is possible.

Henry Hoover studied at Harvard's School of Architecture, as it was then known, and went on to pioneer the modern architectural movement in Lincoln. He designed more than 50 modern houses in Lincoln and other



HENRY B. HOOVER MARCH '26

suburbs west of Boston, as well as houses in New Hampshire, Georgia, and Florida.

The quality of the education and the financial assistance Hoover received at Harvard inspired his children to establish the fellowship in his name.

"The training he received at Harvard was so important to him," Lucretia says. "That's why we decided to establish a fund to provide scholarships to students who would not otherwise be able to attend Harvard. Our father had received a scholarship that enabled him to study at Harvard."

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ABOVE: A VIEW OF THE WEEKS BRIDGE AT HARVARD UNIVERSITY

PHOTO: KRIS SNIBBE/HARVARD UNIVERSITY (HU)

NANCY KELLER-GO PHOTO: STEPHANIE MITCHELL/HU

HENRY B. HOOVER PHOTO: COURTESY OF HARRY HOOVER AND LUCRETIA HOOVER GIESE

GIFTS OF REAL ESTATE AND OTHER ASSETS OFFER ADVANTAGES

CONTINUED FROM COVER

Q: How do you work with University Planned Giving and generous supporters of the University?

I partner with UPG colleagues to assist prospective donors considering gifts to Harvard of interests in private companies, restricted stock, real estate, art and collectibles, mineral interests, life insurance, book and film royalties, and other complex assets. A donor might choose to make an outright gift, or to structure a planned gift to receive a stream of income.

Q: One way to support Harvard is through gifts of real estate. How does the real estate gift process work, and what are some advantages of these gifts?

All a donor needs to start the process is an interest in making the gift. If a donor is interested in giving real estate, he or she should call UPG. Our shared goal is to provide swift, responsive service.

With a gift of real estate, a donor can maximize a gift to Harvard while minimizing taxes and without affecting liquidity. By making an outright gift of property, the donor can also avoid the hassle of hiring a broker, negotiating a purchase and sale agreement, and all of the back-and-forth associated with selling real estate.

A home, second residence, commercial real estate, or even raw land may be a terrific asset to donate. A gift of illiquid assets may have significant tax advantages if the property has grown in value since the donor acquired it. An optimally structured gift of appreciated property to Harvard can eliminate the capital gain tax, which would otherwise be due if the property were sold, and can entitle the donor to a tax deduction for the full market value of the asset. Because Harvard is a public charity, it is typically able to sell the assets without incurring tax, so the entire proceeds can be used to support the University.

Q: What are some of the more interesting gifts you’ve seen?

Many years ago, Harvard received an interest in a company that owned office towers in Manhattan. The company founder gave all of the interests in the company to several institutions conducting cancer research. When the time came to sell, we worked with the other shareholders to select the right broker, structure the sale, and negotiate with the buyer. Harvard took an active role in that complex process, with a very successful outcome.

Gifts of private or closely held company interests are always fascinating. Often, we work with a founder whose vision

and passion created the company and built the value that he or she is now able to contribute to the University.

Legal and tax considerations may accompany these gifts; one of the best parts of my job is working closely with donors to find creative solutions.

Q: Why do you enjoy working to support Harvard?

It is very satisfying to know that my work contributes in some small way to making Harvard more accessible. It’s important to individual students and our global community that exceptional young people who will shape our common future have the opportunity for exceptional learning. All of us have an interest in supporting education and research that push the boundaries of knowledge and improve lives.

There is a tremendous energy and excitement around each gift because each donor has an inspiring story, and each gift is meaningful to the University community.

Q: What do you like to do in your spare time?

I like to spend time with my husband and my kids. They help me live in the moment. My husband continues to build vinodivino, the wine business we founded together. I get to taste a lot of wines I wouldn’t ordinarily get to try, and my husband has to do all the heavy lifting! 🍷

BUILDING A FUTURE AT HARVARD

CONTINUED FROM COVER

The support of his professors, especially George H. Edgell (then dean of the School of Architecture), profoundly affected Hoover’s career, Lucretia says. He won the Charles Eliot Prize and two traveling fellowships, the Frederick Sheldon and Nelson Robinson, Jr. Fellowships. He also became the first recipient of the Eugene Dodd Medal for excellence in draftsmanship.

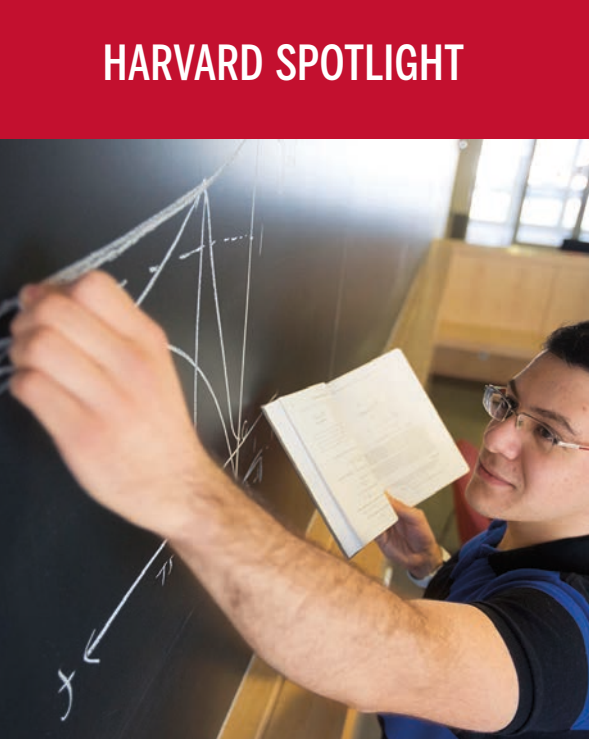
“He had a really direct relationship with buildings—buildings he designed, as well as those he experienced,” Harry says. After graduation, Henry Hoover produced a series of drawings of Harvard buildings. His architectural drawings were not mere elevations; he was able to relate buildings to their sites with extraordinary clarity, producing drawings of consummate draftsmanship and liveliness.

“The training he received at Harvard was so important to him.”

—LUCRETIA HOOVER GIESE PHD ’85

“One legacy of our father was to create houses that would enhance quality of life. Now we have the opportunity to celebrate his life,” Harry says.

For Hoover’s children, their expression of support for future Harvard students is truly a family affair. Although Elizabeth Hoover Norman died in 2010, her siblings consider her an integral part of the gift. “All of us are behind this expression of our gratitude,” Lucretia says. “She’s here in spirit, as is our father.” 🌸



RAJA GHAWI '15

MEET RAJA GHAWI

Raja Ghawi '15, an engineering sciences concentrator from Syria, attends Harvard College with the support of financial aid. He recently helped design a machine that streamlines the production of stem cells used in the treatment of cancer patients. After graduation, Raja hopes to attend law school to focus on science policy, intellectual property, and ethics.

You can support outstanding students like Raja and receive lifetime income from Harvard by making a planned gift.

LEARN MORE

To learn more, please email pgo@harvard.edu or call 800-446-1277.

Make a Difference. Make a Bequest.

You can make a lasting impact by including the following language in your estate plan.

“I give (_____ dollars or _____ percent or all of the residue of my estate) to the President and Fellows of Harvard College, a Massachusetts educational, charitable corporation (for its general purposes or for the benefit of a School or Unit).”

Bequests can be tailored to your interests. Please contact Harvard University’s Planned Giving team at 800-446-1277 or pgo@harvard.edu for assistance.

Thank you!



RIGHT: A STUDENT SITS IN HARVARD YARD.
PHOTO: ROSE LINCOLN/HU

WILLIAM TAYLOR MBA '50 GIVES TO SUPPORT BUSINESS STUDENTS, MEDICAL RESEARCH

William Taylor MBA '50 is giving back to Harvard by establishing a series of gifts to benefit future generations of students and to support medical research. Taylor's charitable gift annuities and pooled income fund gifts also provide him with a steady income and tax benefits.

Taylor's generosity was inspired in part by the financial help he received as a student at Harvard Business School (HBS).

Before attending HBS, Taylor studied mechanical engineering at Carnegie Mellon University but decided against going into the field. "I started out in engineering school, got two-thirds of the way through, and realized I didn't want to be an engineer," he says, laughing.

A casual conversation with a Carnegie Mellon fraternity brother led Taylor to Harvard. "He mentioned he was going to go to Harvard Business School, and that sounded great to me, so I applied and was admitted," Taylor recalls. "It was a very enjoyable experience. It was beneficial to me because of the classmates I was enrolled with, as well as the educational factors of the institution itself."

In his second year at HBS, Taylor realized he did not have enough money to continue his education. Harvard provided a scholarship, as well as a job delivering newspapers in his dormitory to earn spending money.

"They essentially financed my way through the second year," he says.

After receiving his MBA, Taylor worked for several companies, including one that manufactured portable power saws, one that made industrial rubber products, and one that made products used to turn iron into steel. He was a consultant for a national management and technology consulting firm, and then worked for a company that produced and delivered construction materials. Finally, he pursued his dream of owning a small business and started a management consulting firm specializing in acquisitions.

"After I had been out a while and had some money, I thought it would be nice if I could do the same thing for somebody else," he says.

Looking for a way to give back, Taylor decided to help HBS students who need financial assistance. He was also interested in funding medical research at Harvard.



WILLIAM TAYLOR MBA '50

PHOTO: CAROLYN STONE/HARVARD MEDICAL SCHOOL

Taylor chose to set up charitable gift annuities and pooled income fund gifts that will benefit the Taylor Fellowship Fund at HBS and the William Morgan Taylor Medical Research Fund at Harvard Medical School, among other funds.

"The fellowship gifts were to help qualified students get financed to get through school, and, of course, the medical research donations were for exactly that purpose," he says.

His gifts have other benefits, too.

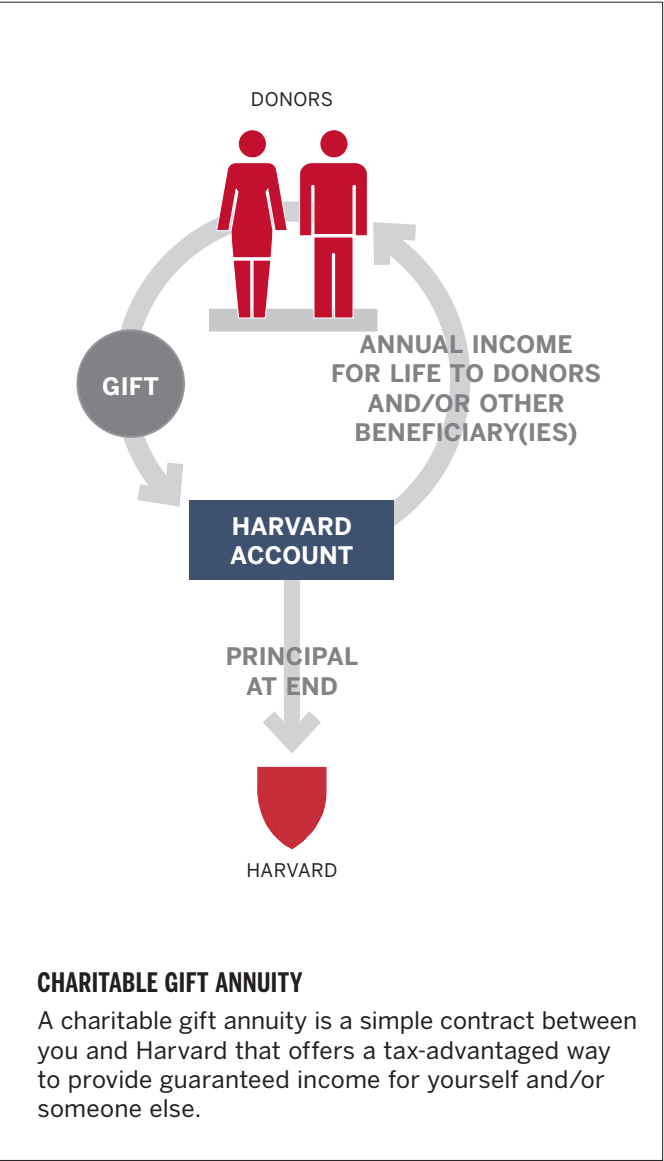
"I receive income from the gifts as long as I live, and also a tax deduction, which reduces my income taxes," Taylor says. "In other words, I benefit directly from the gifts, as does Harvard."

Harvard University Gift Annuity Rates

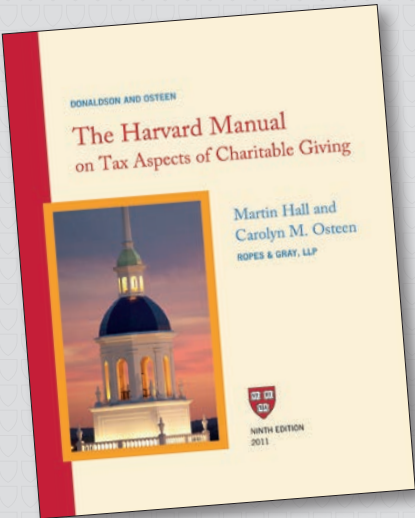
ANNUITY RATES ARE BASED ON YOUR/YOUR BENEFICIARY'S AGE(S) WHEN QUARTERLY PAYMENTS BEGIN.

| DONOR MAKES A GIFT TODAY AT CURRENT AGE... | ...AND ANNUITY BEGINS IMMEDIATELY AT THIS RATE*... | ...OR WAITS 5 YEARS BEFORE ANNUITY BEGINS AT THIS RATE* |
|--|--|---|
| 65 | 5.4% | 7.6% |
| 65/65 | 4.8 | 6.8 |
| 70 | 6.0 | 8.5 |
| 70/70 | 5.3 | 7.5 |
| 75 | 6.7 | 9.8 |
| 75/75 | 5.9 | 8.3 |
| 80 | 7.7 | 11.1 |
| 80/80 | 6.5 | 9.6 |

* RATES SHOWN ARE CURRENT AS OF APRIL 2014.



CHARITABLE GIFT ANNUITY
A charitable gift annuity is a simple contract between you and Harvard that offers a tax-advantaged way to provide guaranteed income for yourself and/or someone else.



Order The Harvard Manual on Tax Aspects of Charitable Giving

The Harvard Manual on Tax Aspects of Charitable Giving provides an in-depth look at the technical aspects of planned gift arrangements.

To order The Harvard Manual, please visit alumni.harvard.edu/harvardmanual, email pgo@harvard.edu, or call 800-446-1277.



PHOTO: TONY RINALDO PHOTOGRAPHY

STAFF ANNOUNCEMENT
University Planned Giving is happy to announce that Jane Verrill has been promoted to associate director of planned giving.

THE HARVARD CAMPAIGN

Visit campaign.harvard.edu to learn about The Harvard Campaign and the School campaigns.

UPCOMING UPG EVENTS:

A VIEW TO THE FUTURE
CELEBRATORY LUNCHEON
NEW YORK CITY
WEDNESDAY, OCTOBER 22, 2014
THE HARVARD CLUB OF NEW YORK CITY

UNIVERSITY PLANNED
GIVING EVENTS

Last fall, alumni and friends of Harvard enjoyed gathering for our annual University Planned Giving meeting and luncheon at the Harvard Club of New York, and a dinner and discussion on Family, Finance, and Philanthropy in Chicago.

If you are interested in receiving materials or sponsoring a program in your area, please contact University Planned Giving at 800-446-1277 or pgo@harvard.edu.

A VIEW TO THE FUTURE: A CELEBRATORY LUNCHEON
NEW YORK CITY, OCTOBER 16, 2013

Our annual University Planned Giving meeting and luncheon at the Harvard Club of New York City brought together alumni and friends who have provided for Harvard through their estate plans, life income gifts, or other planned gifts. Speakers included Harvard Management Company (HMC) President and CEO Jane Mendillo; HMC Managing Director of Trusts and Gifts Jennifer Pline; and Jan W. Rivkin PhD '97, the Bruce V. Rauner Professor of Business Administration at Harvard Business School.

1. PAUL M. WEISSMAN AB '52,
HARRIET L. WEISSMAN, AND
EDWARD B. DUNN AB '58, MBA '62

2. JAN W. RIVKIN PHD '97,
RICHARD L. MENSCHEL MBA '59,
AND RONAY A. MENSCHEL

3. FRED M. LOWENFELS AB '66, JD '68
AND THOMAS S. SHATTAN AB '72
4. ELINOR BUNIN MUNROE AND
GEORGE B. MUNROE LLB '49



DINNER AND DISCUSSION ON FAMILY, FINANCE, AND PHILANTHROPY
CHICAGO, DECEMBER 3, 2013

Held at the Peninsula Chicago hotel, the reception was hosted by Stephen W. Baird AB '74 and Susan M. Baird, John P. Keller MBA '63 and Judy Keller, Eric C. Larson AB '77 and Barbara J. Wu PhD '81, Garrick V. Lau AB '98 and Renee Serino Lau, James T. Napolitan AB '69 and Sandra Mock Napolitan, William Clay Pate AB '86 and Kathe Aschenbrenner Pate AB '87, and John Edmund Stellato AB '88 and Julene Maree Stellato AB '90.

1. KATHE ASCHENBRENNER PATE AB '87,
JAMES T. NAPOLITAN AB '69, AND
SANDRA MOCK NAPOLITAN
2. BARBARA J. WU PHD '81
AND ERIC C. LARSON AB '77

3. MARICLAIRE HALLIGAN DIXON MAT '67
AND E. BRUCE DUNN MBA '58
4. RUTH LETANG-HORTON,
MICHAEL K. HORTON AB '76,
AND NINA B. WINSTON MPA '11

5. JUSTIN MEYERS,
KIMBERLY P. JOHNSON EDM '04,
JENNIFER PLINE, AND
THOMAS G. SINKOVIC MBA '80



HARVARD

University Planned Giving

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124 MOUNT AUBURN STREET
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| Philanthropic Advising | 617-495-4647 | Alasdair Halliday |
| Harvard University 124 Mount Auburn Street Cambridge, MA 02138-5795 | 800-446-1277 pgo@harvard.edu alumni.harvard.edu/give/planned-giving | |
| Business School | 617-495-2745 | Peter Doyle |
| Harvard College, GSAS | 617-495-4352 | Peter Kimball |
| Law School | 617-496-9265 | Charles Gordy |
| Medical School | 617-384-8449 800-922-1782 | Mary Moran Perry |
| School of Public Health | 617-432-8071 | Judi Taylor Cantor |

University Planned Giving professionals
can help you develop gift plans for any part
of the University:

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Business School
School of Dental Medicine
Graduate School of Design
Divinity School
Graduate School of Education
School of Engineering and Applied Sciences
Extension School
Kennedy School
Law School
Medical School
School of Public Health
Radcliffe Institute for Advanced Study
Harvard Art Museums
Memorial Church
American Repertory Theater
Arnold Arboretum

