


Gift Strategies

HARVARD UNIVERSITY PLANNED GIVING NEWS



SPRING 2022

IN THIS ISSUE Supporting Family, Serving the Public Good; Empowering Women's Voices; Q&A with Damian Uebelhoer and Abby Mason; UPG Virtual Events



"I have confidence that Harvard knows the best areas to support. The money out of our estate can go to things we believe in."

—DICK SALLICK AB '58

Supporting the Next Generation and Beyond

By establishing a charitable remainder trust for their children, Dick AB '58 and Lucy Sallick are helping to secure Harvard's future as well as their family's.



PHOTO: Dick and Lucy Sallick

When Dick Sallick AB '58 arrived in Cambridge as a first-year Harvard College student in 1954, he had no idea that Harvard would become a familial touchstone throughout his life. Coming from a small Quaker school in New York, it took time to adjust to his new campus community, but over the next four years, he enjoyed his coursework and made lifelong friendships.

"I found a kind of freedom there and met people from all over," says Dick, who studied history while also completing premedical courses. "I've always been grateful that I went to Harvard."

In 1959, while attending medical school at Cornell University, he was introduced to Lucy Riley—the sister of a classmate—and the two were married a year later. Lucy also had ties to Harvard: her mother, Matilda White Riley AB '31, AM '37, an alumna of Radcliffe College, was a trailblazer in the field of social gerontology, often working side by side with Lucy's father, Harvard alumnus John W. Riley Jr. PhD '37. In addition, Lucy's grandmother studied mathematics at Radcliffe in the 1890s.

Over their 60-plus years of marriage—as Dick, a psychiatrist, and Lucy, an artist, raised a family that has grown from their three children to include four grandchildren and two step-grandchildren—the couple has maintained a strong connection with Harvard. Lucy curated a collection of her mother's correspondence, writings, and photographs for Radcliffe's Schlesinger Library. Their daughter, Hilary White Sallick AB '85, EdM '91,

a teacher and poet, earned two degrees at Harvard. In 2006, Dick and Lucy visited Italy with their grandchildren on an intergenerational trip hosted by the Harvard Alumni Association. And most recently, Dick attended a Harvard-sponsored history seminar on the U.S. Constitution.

"I appreciate the broad education," he says. "When I'm learning new things, I have this coatrack of memories to go back to, thanks to Harvard."

When they made the decision to establish a charitable remainder trust for their children, choosing Harvard wasn't just about their history with the University. "We wanted to do something for our kids," says Lucy, "but we wanted to do it in such a way that would also serve the public good. We've been thrilled to see the University embrace social justice issues—particularly around race and the Black Lives Matter movement—and giving back in this way supports both goals."

With a charitable remainder trust, the Sallicks can provide income for their children for a period of time and then provide support for Harvard when the term ends.

"We had confidence in two things: Harvard's values and its money management," explains Dick. "I have confidence that Harvard knows the best areas to support. The money out of our estate can go to things we believe in—and at the same time it can benefit our children. The two things fit very well together."

PHOTO: COURTESY OF DICK AND LUCY SALLICK

"We wanted to do something for our kids," says Lucy, "but we wanted to do it in such a way that would also serve the public good."

—LUCY SALLICK



PHOTO: A student admires *Cut* by Odili Donald Odita, displayed during the exhibit *Prints from the Brandywine Workshop and Archives: Creative Communities* in the Special Exhibitions Gallery at the Harvard Art Museums.

CHARITABLE REMAINDER TRUSTS

Planned giving strategies give you the opportunity to extend the impact of your gift and receive financial benefits. Harvard's planned giving experts can help you make your gift to the University in the most fulfilling and prudent way—whether it's a gift that can be used right away or a gift that produces lifetime income for you and/or others. One gift strategy is a charitable remainder trust (CRT). A CRT provides lifetime income for you and/or other beneficiaries in a tax-wise way—while also ensuring future support for Harvard. The trust can be funded with stock, cash, real estate, art, or other assets and invested with the Harvard endowment or in a tax-efficient diversified portfolio of mutual funds.

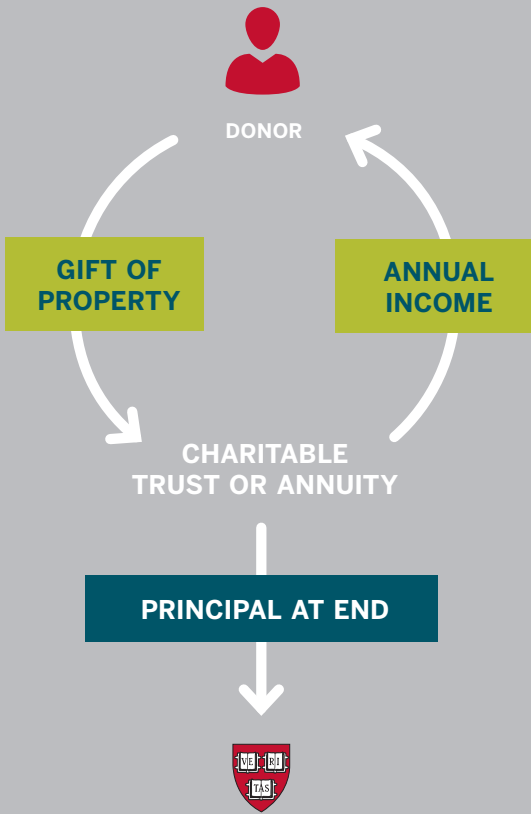




PHOTO: Arlene Hirschfeld

EMPOWERING WOMEN'S VOICES

For Arlene Hirschfeld, a planned gift to support the Women's Studies in Religion Program at Harvard Divinity School is an extension of her life's work of helping people and organizations be all they can be.

Arlene Hirschfeld has long championed the power of women leaders to make a difference in the world. A tireless community activist for over 50 years with deep Colorado roots, she was inducted into the Colorado Women's Hall of Fame in 2006 in recognition of her advocacy, philanthropic leadership, and mentorship efforts.

In 1992, at a program in Denver sponsored by the Colorado chapter of the National Museum of Women in the Arts in Washington, D.C., and the Harvard Women's Studies in Religion Program (WSRP), Hirschfeld heard a speech given by Constance Buchanan, then director of WSRP. Buchanan's speech, entitled "Women and Motherhood: From Artistic Image to Public Value," opened her eyes to the importance of how religion can foster or limit the roles that women play. This foundational knowledge holds valuable lessons for women leaders driving change in all areas of society.

The WSRP at Harvard Divinity School (HDS)—which explores the relationship between religion and gender through interdisciplinary research and teaching across subjects including feminist theology, ethics, and women's history—inspired Hirschfeld to get involved and introduce its work to others. Since 1997, when Buchanan left HDS to become a senior program officer at the Ford Foundation, Hirschfeld has had the privilege of working with director Ann Braude, whose effective leadership has driven the growth and influence of the WSRP to the success it continues to enjoy today.

"I am honored to be able to share my time and financial support with HDS—one of the best investments I can make in our future."

—ARLENE HIRSCHFELD

Starting in 1994, Hirschfeld was part of a group of donors from across the country that raised a foundational endowment for the long-term sustainability and impact of the WSRP. Their efforts were aided by another group of donors—led by Rita E. Hauser HLS '58, who put together a fund to match gifts of \$25,000 or more by women across the University during that time. In 2014, Hirschfeld again joined some of WSRP's dedicated supporters in establishing the Constance H. Buchanan Endowment to support the program. Recently, she spearheaded efforts to bring the amount raised for the fund to \$1 million after Buchanan passed away in 2020. Through these efforts and continued support, these donors help to expand opportunities for talented scholars to participate in the program. They always welcome new people to get involved.

Energized by WSRP's momentum as it continues to thrive, Arlene and her husband of 55 years, Barry Hirschfeld, recently augmented their contributions to the Buchanan Endowment Fund with a gift of life insurance, a charitable giving technique she learned about from Anne McClintock, executive director of Harvard University Planned Giving. "The network of women is incredibly powerful," Hirschfeld says. "WSRP supporters have used their knowledge to inspire their communities, and the program has empowered WSRP Research Associates to do their critically important work while mentoring young women around the world."



A Legacy of Giving Back

From volunteering at a local hospital as a teenager, through her career as a high school English teacher, and into motherhood, Hirschfeld has been actively involved in over 40 organizations—as president of the Junior League of Denver, board chair of JEWISHColorado, and as a trustee of the Women's Foundation of Colorado and the Denver Art Museum. She credits her parents—who volunteered extensively across the Jewish and secular communities in Denver—as her role models, as well as her husband, for enthusiastically supporting her lifelong commitment to the community and to helping others.

Arlene and Barry, who have previously volunteered for and given donations to the Harvard College Parents Fund, have dedicated themselves to serving every aspect of their community—from health care and infrastructure to education and art—while balancing their family and careers to raise two sons, Barry Jr. AB '93, MBA '98 and Hayden AB '98, who carry on their tradition of service.

Faith has always remained an important presence for the couple. "We are active in and supportive of our Jewish and secular communities. We are committed to fostering respect and appreciation of all religions and work to eliminate prejudices. Because of WSRP, it was easy for me to get involved at Harvard Divinity School, which champions and shares these values," she says.

Hirschfeld serves on the HDS Dean's Council, motivated to serve the School's focus on studying and learning from more than 30 religious traditions. "This culture of respect for one another—for their religious beliefs and viewpoints—shows all of us what we must do to move forward together for the betterment of our global community. In light of HDS's impeccable scholarship and meaningful work, it enjoys a well-deserved reputation as a worldwide leader. As such, when HDS speaks about issues, others listen. I am honored to be able to share my time and financial support with HDS—one of the best investments I can make in our future."

PHOTO: COURTESY OF ARLENE HIRSCHFELD

LIFE INSURANCE

There are several ways you may use your life insurance to make a meaningful gift to Harvard. Depending on the type of policy you donate, you may receive an upfront income tax deduction, and any future premium payments may be tax deductible.

For more information, please contact Harvard University Planned Giving at pgo@harvard.edu or **800-446-1277**.



PHOTOS: Sunlight illuminates the windows in Swartz Hall at Harvard Divinity School.

A PARTNERSHIP BUILT ON TRUST(S)



In October 2021, administration of Harvard's charitable trusts, pooled income funds, and annuities transitioned from the Trusts and Gifts team at Harvard Management Company (HMC) to TIAA Kaspick. A longtime leader in planned gift management, Kaspick partners with nonprofits nationwide, including many colleges and universities. The Kaspick investment team now manages the University's three pooled income funds as well as the charitable remainder trusts and charitable lead trusts that are not invested in Harvard's endowment.

We spoke with Kaspick's chief investment officer Abby Mason AB '80, MBA '87 and Damian Uebelhoer, former chief trust officer at HMC who now serves as senior director of investment strategy and asset management for Harvard Alumni Affairs and Development, about their respective roles and their partnership in managing Harvard's trust investments.

Can you tell us about your experience managing trusts and other planned giving assets?

Abby Mason: I joined TIAA Kaspick in 1995 as the CIO and have held that position ever since. Our team of 17 investment professionals is responsible for managing over \$9 billion in planned gift assets. Many of us at Kaspick have 10 or more years of experience, which means we've worked together through many different market environments and managed every type of planned gift.

Damian Uebelhoer: I have over 15 years of generalist experience investing trust portfolios across public equities, fixed income, and alternatives. Before joining the University team in 2021, my work at HMC began back in 2007 with the trusts and gifts group. My responsibilities leading the investment function included investment research, strategic and tactical asset allocation, portfolio construction, fund selection, financial modeling, trading, and risk management. I also served as a portfolio manager for more than 200 charitable trusts invested in the tax-efficient investment strategy. I've worked closely with gift officers and donors to help structure customized planned giving solutions. Over the long run, we've been successful in delivering superior performance that has exceeded market benchmarks with lower volatility.

What are your roles pertaining to the investment of Harvard's trusts and how will you work together?

AM: The investment team at Kaspick is responsible for designing the portfolios and conducting all related trading and execution activities. In that work, we leverage Damian's extensive experience managing trusts

and his deep knowledge of Harvard's program. The University investment committee oversees our work and our results.

DU: While I will continue to play a critical role in advising Kaspick and as a member of the investment committee, having Kaspick support portfolio execution and trading allows me to focus on strategic opportunities to build and enhance other aspects of the University's giving program.

What are the different ways that Harvard trusts can be invested?

AM: Trusts can be invested in two ways. First, many trusts are invested in Harvard's endowment—and that has not changed. The endowment option is available to donors who name the University as the sole remainder beneficiary of their charitable remainder trust. It provides those donors with access to the sophisticated investment strategies employed by HMC. However, for tax purposes, the payout for endowment-invested trusts is treated, essentially, as ordinary income.

The second way is to invest a trust in one of three tax-efficient investment allocations that Kaspick manages. We worked together with Harvard to develop these strategies, designing them to have the same risk and return profiles as prior tax-efficient portfolios. These portfolios are invested exclusively in low-cost mutual funds—primarily index funds—and we manage the portfolios in a tax-efficient way, so that most payouts are taxed at the income beneficiary's lower long-term capital gains rate rather than at ordinary income rates.

At the inception of each trust, Harvard works closely with the donor to select an asset allocation that considers the donor's objectives and risk tolerance, the trust type and payout rate, and the expected horizon of the trust, among other factors. These decisions will be reviewed annually by Harvard in collaboration with Kaspick.

DU: We also work closely with donors to understand their unique circumstances and objectives to consider if a tailored investment allocation is needed.

What are the principles that guide how Harvard invests its trusts?

AM: When building portfolios, we take a long-term perspective and avoid trying to time the market. We broadly diversify portfolios across both equity and fixed-income asset classes, leaning toward equity assets to generate the returns needed to maintain the trust's purchasing power after payouts and inflation. We include assets we think will do well in the case of unanticipated inflation and deflation, and we only invest in sound strategies, avoiding investment fads. We keep fees and expenses low and regularly rebalance portfolios to manage risk. While Harvard has enlisted Kaspick as an outside manager, it continues its longstanding tradition of assessing no management fees against trusts, annuities, and pooled income funds.

DU: Our goal is to maximize the after-tax beneficiary distributions and remainder value over the trust investment horizon in a manner consistent with a fiduciary obligation of prudence and fairness to all beneficiaries. We invest with the aim of building diversified portfolios that deliver sustainable and attractive long-term investment returns. We take a multidimensional approach to investing focused on asset allocation, superior investment selection, and strong attention to risk management. Being open to change and new ideas is critically important, so our investment process and strategy will continue to evolve even as our fiduciary objectives and investment philosophy remain unchanged.

Abby, as an alumna of both Harvard College and Harvard Business School, what is it like to be working with Harvard?

AM: It's a great honor—not only because I'm an alumna, but also because it's the largest university planned giving program in the country. Everyone at Kaspick is excited to be a part of Harvard's long and successful tradition of planned giving, and we are thrilled to know we are helping Harvard donors meet their philanthropic objectives. The only disappointment is having to hold our meetings virtually because of the pandemic when I'm only three stops from Harvard Square!

Damian, what brought you to Harvard and what do you enjoy most about your work?

DU: My experience growing up in the Philippines, Malaysia, and Honduras strongly influenced my desire to work for the benefit of an institution that, through its research and scholarship, addresses many of the global challenges that disproportionately affect the developing world. At Harvard, I found an incredible opportunity to grow professionally while supporting a mission I care deeply about. I value the opportunity to take courses, engage with faculty, and access the latest academic research. Each day I learn something new working with people who are among the very best in their field.

What are your interests outside of work?

AM: I enjoy traveling—particularly to Italy, where I get to practice my rusty high school Italian—and I serve on several nonprofit boards, including those of the Boston Lyric Opera and the Friends of the Public Garden. I am also a trustee emerita of Norwich University, where I sit on the investment committee.

DU: I enjoy exploring the world with my four-year-old daughter, and when we can, we also travel to see family in France, Germany, Honduras, and Japan. I also like reading books on a wide range of subjects.

FAMILY, FINANCE, AND PHILANTHROPY

This year, we hosted a series of virtual programs, during which Harvard alumni and friends heard from Anne D. McClintock, executive director of Harvard University Planned Giving (UPG); Alasdair H. Halliday AB '82, director of Harvard UPG; and Jane E. Verrill, senior associate director of UPG on charitable giving techniques, strategic financial planning, and meaningful family conversations.

If you'd like to watch a recording of one of the sessions, please contact us at pgo@harvard.edu.

Charitable Lead Trusts

A charitable lead trust can reduce your income taxes during a high-income year and eliminate gift and estate taxes when transferring assets to heirs.

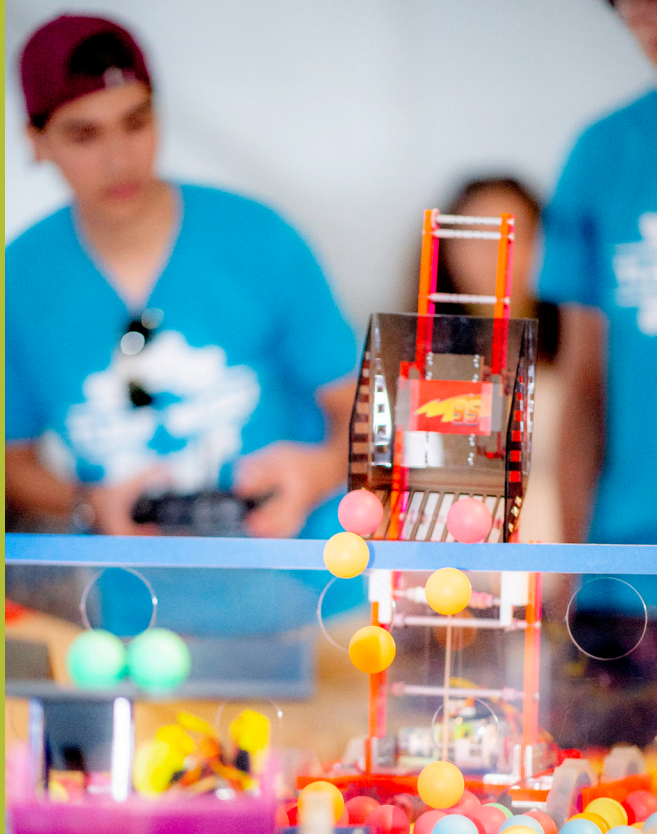
The trust, which can be managed by Harvard or another firm (including, potentially, a donor's own fund), provides annual support to the University for a term of years that you choose. The principal (plus any appreciation) then reverts to you or transfers to your heirs.

We are happy to discuss your philanthropic and financial goals with you and your advisor.

Contact us at 800-446-1277 or pgo@harvard.edu to schedule your private consultation.

APPRECIATED STOCK

Giving appreciated stock held for more than one year is an effective way to support Harvard while receiving tax benefits. In addition to receiving an income tax deduction for the full value of the stock, you can eliminate capital gains taxes that would be due if you were to sell the stock instead of donating it to the University.



CLOCKWISE FROM BOTTOM LEFT: (1) Students relax in Harvard Yard and (2) on the steps of Memorial Church. (3) SEAS students showcase their projects in CS50. (4) In the Science Center Plaza, queues form behind food trucks as a tour stops at the rocks.



TURN YOUR IRA INTO A LIFETIME STREAM OF INCOME FOR CHILDREN

When left to heirs, IRA assets subject the heirs to a meaningful income tax burden and can generate an estate tax liability. Due to a recent change in law, most IRA beneficiaries must now also withdraw the entire balance of the inherited IRA within 10 years, rather than over their lifetime. If you instead designate a charitable remainder trust as the beneficiary of your IRA assets and name your children the lifetime beneficiaries of the trust, you can provide lifetime income for your children and make a charitable gift to Harvard all while minimizing income and estate taxes. To learn more about this opportunity, please contact us.



MAKE AN IMPACT THROUGH A BEQUEST

Prolific authors of children’s books, Mitchell AB ’48 and his wife, Marjorie Sharmat—the creator of the beloved children’s detective series *Nate the Great*, which has been translated into 24 languages—wanted to make a lasting impact with a bequest. Through their gifts to Harvard, they established funds at the Harvard T.H. Chan School of Public Health—creating opportunities for new discoveries in the prevention and treatment of a wide range of health concerns, including, but not limited to, infectious diseases, cancer, and cardiovascular disease, and the study of U.S. traffic deaths and injuries.

You, too, can make a lasting impact by simply 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 (School or Unit)).”

To tailor your bequest, please contact University Planned Giving at 800-446-1277 or pgo@harvard.edu.

HARVARD’S TAX ID NUMBER: 04-2103580

Have Questions? We are here to help.

800-446-1277 or pgo@harvard.edu
alumni.harvard.edu/giving/planned-giving

Have questions? We are here to help.

How to reach Harvard's planned giving professionals

University Planned Giving pgo@harvard.edu alumni.harvard.edu/giving/planned-giving	617-495-4647	Anne McClintock
Business School	617-495-6883	Ellen Harkavy
Faculty of Arts and Sciences	617-496-5060	Tara Goodman
Law School	617-496-9265	Charles Gordy
Medical School	617-384-8507	Kathleen Murphy

Let us help you plan a gift to one or more of these Schools and affiliates

Harvard University President’s Fund	Kennedy School
Harvard College	Law School
Graduate School of Arts and Sciences	Medical School
Business School	Harvard T.H. Chan School of Public Health
School of Dental Medicine	Radcliffe Institute for Advanced Study
Graduate School of Design	Harvard Art Museums
Divinity School	Harvard Museums of Science & Culture
Graduate School of Education	Memorial Church
Harvard John A. Paulson School of Engineering and Applied Sciences	American Repertory Theater
Extension School	Arnold Arboretum



STAFF FEATURE

Amber Young joined Harvard as a development assistant at the end of January 2017. She comes to AA&D from WUMB-FM, the University of Massachusetts Boston's nonprofit, public radio station. At WUMB, Amber was the office coordinator and assistant to the general manager for six years, specializing in FCC and CPB compliance, as well as special events and project coordination. Over the years at Harvard, Amber has worked for multiple departments, eventually landing in University Planned Giving. Amber grew up in Cambridge, and after many travels and adventures finds herself back home at Harvard.

The University Planned Giving team outside of the Science and Engineering Complex.
FRONT (L TO R): Keira Walsh, Teddy Ansty, Kara Morin
BACK (L TO R): John Christel, Molly McGowan, Alasdair Halliday AB ’82, Jane Verrill, Anne McClintock, *Not pictured:* Amber Young

Congratulations to Kara Morin for 20 years on the UPG team. In March 2022, Kara left Harvard University to pursue another opportunity. Thank you for all your valuable work, Kara!





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HARVARD ANNUITY RATES

DONOR MAKES A GIFT TODAY AT CURRENT AGE(S) AND ANNUITY BEGINS IMMEDIATELY AT THIS RATE*...	... OR WAITS 5 YEARS BEFORE ANNUITY BEGINS AT THIS RATE*
60	4.9%	6.6%
60/60	4.4%	5.8%
65	5.4%	7.3%
65/65	4.8%	6.4%
70	6.0%	8.1%
70/70	5.3%	7.2%
75	6.7%	9.4%
75/75	5.9%	7.9%
80	7.7%	10.6%
80/80	6.5%	9.1%

*RATES AS OF APRIL 2022

PHOTOS: JOHN DEPUTY, ELIZA GRINNELL, ROSE LINCOLN, STEPHANIE MITCHELL,
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