

# Gift Strategies

Harvard University Planned Giving News

SPRING 2013



## Experts Reflect on Personal Aspects of Philanthropic and Estate Planning



CAMERON CASEY JD '03



ROB SHAPIRO AB '72, JD '78

**Anne McClintock**, executive director of Harvard's University Planned Giving office, recently sat down with estate planning experts Rob Shapiro AB '72, JD '78 and Cameron Casey JD '03, partners at Ropes & Gray LLP in Boston, to discuss the very personal process of charitable and estate planning.

**AM: What advice do you have for people as they start the estate planning process?**

**RS & CC:** First and foremost, it is important for individuals to be clear about what they want to accomplish. Form follows function. What are your passions? What do you want to empower others to do? After refining your goals, look at what techniques may be available to help you accomplish them.

**AM: How can individuals balance planning for family and for charitable institutions and causes they care about?**

**RS & CC:** Most of our clients start with planning for their families, which can raise big philosophical questions. Do parents want to make an unlimited provision of wealth for their children? Or is there a limit to the kind of lifestyle they want to provide? These are difficult questions, and it can take time to arrive at answers that are right for each family.

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## Radcliffe Alumna's Lifelong Passion Inspires Annuity



CONSTANCE COUNTS AB '62, CAS '81, EdD '87

**For Constance "Connee" Counts AB '62, CAS '81, EdD '87**, giving to Harvard is an extension of her life's work. A graduate of both Radcliffe and the Harvard Graduate School of Education (HGSE), Counts set up a charitable gift annuity with Harvard in 2012. Part of her gift will help fund the University's Center on the Developing Child, which generates, translates, and applies knowledge in the service of improving life outcomes for children in the United States and throughout the world.

"By making a planned gift to Harvard and the center," Counts explained, "I can support an institution that means a lot to me and a project that truly connects with my value system and the work I continue to do. It is a win-win for me."

Counts became interested in the work of center director Jack P. Shonkoff, the Julius B. Richmond FAMRI (Flight Attendant Medical Research Institute) Professor of Child Health and Development at the Harvard School of Public Health and HGSE, and professor of pediatrics at Harvard Medical School and Boston Children's Hospital. Among Shonkoff's many accomplishments is bringing research on the effects of toxic stress on low-income children to bear on policy and practice. "I am committing my retirement to this line of work, and I will continue to support Dr. Shonkoff's team if I can," said Counts.

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ABOVE: STUDENTS WELCOME WARM WEATHER OUTSIDE WIDENER LIBRARY.

PHOTO: JUSTIN IDE/HARVARD UNIVERSITY

# Experts Reflect on Personal Aspects of Philanthropic and Estate Planning

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Whether this question of balancing family and philanthropy comes up at the outset of a planning relationship or during a planning review, it is important to emphasize that achieving balance is absolutely possible. A total pool of assets does not have to be solely allocated to a family estate, nor does it have to be solely allocated to a donor-advised fund or charitable foundation. Every family and individual scenario is unique, so it is vital to explore the different nuances within each family. There is no “either/or” answer.

## **AM: How can families approach estate planning with philanthropy in mind?**

**RS & CC:** The decision to create a philanthropic trust is often sparked by philosophical conversations within the family itself, and it varies from family to family. Perhaps charitable giving is a family tradition, or the family has a shared history with a college or university.

When a trust benefits an institution like Harvard, it can be helpful to start with a strong sense of what the gift ought to accomplish. What is it about the University that ignites your passion? Once you have focused on the core details, it will be easier to discuss specifics—an emerging course of study within a specific field, what a particular program might need to best continue its mission, or perhaps unrestricted support for the president to allocate from year to year. Then you can look at your assets and explore ways to utilize them.

## **AM: Is there a key element to remember when discussing planned giving?**

**RS & CC:** Flexibility. Philanthropic advising is an ongoing conversation for all parties involved, one that will evolve as the client’s goals are identified and realized over time. One area where an advisor can be invaluable is helping the individual or family explore different options that might be available to them as both gift and investment vehicles. It can be exciting for families to realize that general philanthropic goals can be realized through a variety of tactics.

## **AM: What are some of the most useful vehicles that are both gifts and investments?**

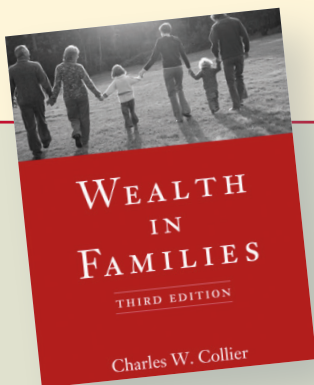
**RS & CC:** Many individuals find the charitable remainder trust and gift annuity to be effective ways of providing income for themselves and others, while at the same time ensuring a future gift for Harvard. The ability to have these vehicles invested with the Harvard endowment makes them especially attractive.

For those interested in passing wealth to heirs in the future, the charitable lead trust is particularly powerful now, given low interest rates. By allowing the trust to make annual gifts to Harvard for a set period of time, the assets, including any appreciation, transfer to children or grandchildren at little or no tax cost. This can result in significant savings.

## **AM: You are both generous supporters of Harvard. What inspires each of you to give?**

**CC:** Harvard is a fabulous institution doing wonderful things in many areas. I consider my Harvard legal education the best investment I ever made, and maybe ever will make. As a donor with a professional connection to the University [through Ropes & Gray], I now have the great pleasure to be exposed to many different ideas, people, and donors. It’s a terrific opportunity and one I feel fortunate to have.

**RS:** I’m always happiest when I’m able to sense energy, talent, and trajectory “on the ground level.” Through my continuing relationship with Harvard, I see firsthand how the University brings together young people with high levels of energy and excitement, and encourages them to interact together and with excellent faculty and advisors. It is truly unlike any educational institution I’ve ever encountered. ❖



For more information on estate planning considerations, we recommend ***Wealth in Families*** by Charles W. Collier, Harvard’s former senior philanthropic advisor.

To obtain a copy, visit [alumni.harvard.edu/give/planned-giving](http://alumni.harvard.edu/give/planned-giving), or contact Harvard’s University Planned Giving office at **800-446-1277** or [pgo@harvard.edu](mailto:pgo@harvard.edu).

## Radcliffe Alumna's Lifelong Passion Inspires Annuity

*Continued from cover*

"We are most appreciative of the investment—and the statement of faith—that Connee is making in our work and our shared vision for improving the lives of the most vulnerable children," said Shonkoff. "With our increasing focus on achieving breakthrough outcomes for children by building the capacities of the adults who care for them, the alignment of our mission with her life's work continues to grow."

With the annuity providing tax-advantaged income, Counts's strategy also works well for her in another way. "It supports my other passion: international travel!" she said with a laugh. She has traveled to Morocco, Cuba, and South Africa, and she will soon travel to Croatia with a group of fellow Radcliffe alumnae.

Although the added income is a nice bonus, Counts's true motivation for giving to Harvard is her desire to support the important work the University advances. "If it weren't for the University, entities like the Center on the Developing Child would not exist," she said.

Her passion for improving the lives of young children led Counts to spend much of her working life as a faculty member at Lesley University, teaching child and adolescent psychology to aspiring educators. She currently serves on the board of The Urban College of Boston, which trains teachers in the Boston Head Start program, promoting the school readiness of young children from low-income families. Counts's focus on helping others was partially inspired by her involvement with the Phillips Brooks House Association, a community-based nonprofit public service organization run by Harvard students. "My experiences with Phillips Brooks House influenced me and my future career to be socially involved and give back," Counts said. "My experiences there helped to strengthen values that have been important to me all my life. As a grandmother of four grandchildren, I am even more committed to seeing all children have the opportunity for a good start in life." ❖



JASON JONES/HU

HGSE STUDENTS DISCUSS CHILD DEVELOPMENT.

**"I can support an institution that means a lot to me and a project that truly connects with my value system...It is a win-win for me."**

—CONSTANCE COUNTS

## Take Advantage of the Tax-Free IRA Rollover

Transfer up to \$100,000 from your IRA to Harvard and meet your required minimum distribution and avoid income tax.

Recently extended federal legislation enables you to make a gift from your IRA to Harvard and exclude the transferred amount from your taxable income. This opportunity is available through December 2013.

To qualify:

- You must be 70 ½ or older
- The transfer must go directly from your IRA to Harvard



JUSTIN IDE/HU



MEMBERS OF THE VAXESS TEAM IN THE HARVARD I-LAB

## Big Ideas

At the Harvard Innovation Lab (i-lab), participants from across the University and the Greater Boston area are cultivating big ideas through team-based and entrepreneurial activities. As a hub of cross-curricular interests, the i-lab hosts workshops, lectures, and classes.

Integral to its mission are several Challenges that take place throughout the year. Created in 2011 in conjunction with the i-lab's founding, the President's Challenge encourages students from across the University to find high-impact solutions to the world's most pressing social problems. Last year's grand prize-winning team, Vaxess Technologies, was founded by students from Harvard Business School, Harvard Law School, and Harvard Kennedy School, as well as a former Harvard chemistry postdoctoral research fellow and two Tufts University professors. Vaxess is actively working to commercialize new technology that uses silk to stabilize vaccines and eliminate the need for refrigeration during transport and delivery.

If you are interested in learning more about the i-lab, please visit [i-lab.harvard.edu](http://i-lab.harvard.edu).

"We wanted income from a trust to provide a measure of comfort in our lives, and we wanted someone to manage it who knows what they are doing. That's Harvard."

—JACK HALPIN



JACK HALPIN

## A Matter of Trust

**Jack Halpin is a longtime donor to universities and colleges.** "I'm a big advocate for higher education," said Halpin, a graduate of Dartmouth College and Stanford Law School. "I believe it should be accessible to everyone, and I want to do my part to help make that happen."

Halpin has done extensive research on world-class institutions and their investment management. "I established a fund at Dartmouth College fifty years ago, so I keep track of how colleges and universities manage charitable trusts," he explained. "I've been watching Harvard and its overall portfolio performance for a long time."

Halpin, a retired judge, said his 20-plus years on the bench contributed to his ongoing research. "I have a lot of experience with banks and trusts."

Through his analysis, Halpin found that Harvard has an impressive and consistent record of generating strong long-term investment returns. So when he and his wife, Joanne, decided to transfer their Lake Champlain vacation home to a charitable trust, Harvard was the obvious choice. The University Planned Giving office offers donors like the Halpins many different options, managed by the Harvard Management Company (HMC).

The Halpins chose to establish a charitable trust with Harvard to add an element of stability to their full retirement portfolio.

Their vacation home was transferred to and sold by the trust. The net proceeds are being invested by Harvard to provide income to the Halpins' family. Ultimately, the trust will become an unrestricted gift to the University.

The benefits of a Harvard trust do not stop there. In addition to lifetime income, the Halpins saved on capital gains and income taxes. And, unlike options found at commercial investment firms, there is no annual management fee assessed against their trust. Further, the Halpins feel they can rest easy with the knowledge that HMC, a premier investment firm, is handling the details.

"We wanted income from a trust to provide a measure of comfort in our lives, and we wanted someone to manage it who knows what they are doing. That's Harvard," Halpin said.

Peace of mind is of particular importance to the Halpins, who have an adult son with special needs. "We worry about someone taking care of his money after we are no longer around to care for him," said Halpin. "We trust the staff at Harvard. They know what they are doing, and they have been very helpful." ❖

## Make a Bequest

It is easy to support Harvard through a bequest—simply include 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's University Planned Giving office at **800-446-1277** or [pgo@harvard.edu](mailto:pgo@harvard.edu) for assistance.

## University Planned Giving Notes

### Harvard University Gift Annuity Rates

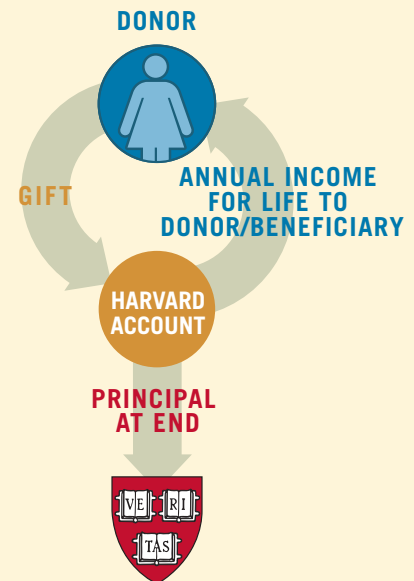
Annuity rates are based on your age or the age(s) of your beneficiary(ies) when quarterly payments begin.

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	4.6%	6.2%
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%	9.5%

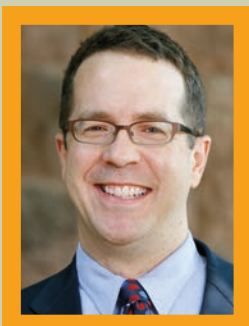
\* Rates shown are current as of April 2013 and incorporate the highest available IRS discount rate.

### 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.



Did you know there is a tax-efficient way to transfer wealth to future generations while funding annual gifts to Harvard in the interim? Please contact Harvard's University Planned Giving office to obtain personalized information at **800-446-1277** or [pgo@harvard.edu](mailto:pgo@harvard.edu).



### Staff Announcement

The University Planned Giving team is pleased to welcome new senior associate director Edward "Ted" Mills JD '93. Ted has 14 years of experience in planned giving fundraising. He spent the earlier portion of his career practicing law in New York, Singapore, and Hong Kong. Ted graduated from the University of Virginia with High Distinction and received his JD from Harvard Law School.

## *A View to the Future*

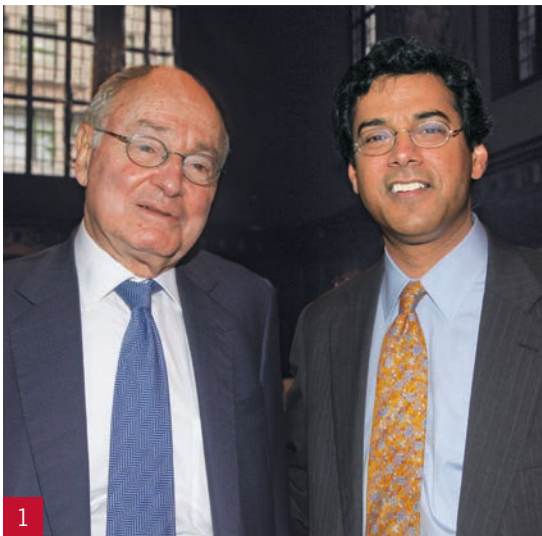
### A Celebratory Luncheon

**NEW YORK CITY, OCTOBER 23, 2012**

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) Managing Director and Head of Public Markets Stephen Blyth, HMC Managing Director of Trusts and Gifts Jennifer Pline, and Atul Gawande MD '94, MPH '99.

**Attendee photos feature:**

1. Richard L. Menschel MBA '59 and Atul Gawande MD '94, MPH '99
2. Gustave M. Hauser LLB '53 and Rita E. Hauser HLS '58
3. Cynthia G. Colin AB '54 and Rita Gail Johnson AB '84, MBA '88
4. Edward B. Dunn AB '58, MBA '62, Barry J. Cohen AB '74, JD '77, MBA '77, Harriet L. Weissman, and Paul M. Weissman AB '52
5. J. Frederick Weintz, Jr. MBA '51 and Edmund A. Hajim MBA '64



# *Family, Finance, and Philanthropy*

## Dinner and Discussion

**WASHINGTON, D.C., DECEMBER 4, 2012**

Held at the Willard InterContinental Hotel in Washington, D.C., the reception was hosted by David P. Greene AB '91, MBA '96 and Gayle Greene AB '91, Michael V. Jennings MBA '68 and Chantal P. Jennings, and Edward J. Mathias MBA '71 and Dale Partoll Mathias AB '73.

### **Attendee photos feature:**

1. Gayle Greene AB '91, Nicholas J. Serenyi AB '91, David P. Greene AB '91, MBA '96, Michael V. Jennings MBA '68, and Chantal P. Jennings
2. Eli A. Cohen AB '00, MBA '04, JD '06 and Caroline M. Devine MPA '85
3. Cheryl Opacinch Gorelick, Margaret G. Brown MPA '82, and Janet Regier MD '81





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### How to Reach Harvard's Planned Giving Professionals

University Planned Giving	617-495-4647	Anne McClintock
Philanthropic Advising	800-446-1277	Alasdair Halliday
Harvard University 124 Mount Auburn Street Cambridge, MA 02138-5795 pgo@harvard.edu alumni.harvard.edu/give/planned-giving	617-495-8130 (fax)	
Business School	617-495-6027	Don Etheridge
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

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

- Harvard University President's Fund
- Harvard College
- Graduate School of Arts and Sciences
- 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

