

## LEAVE A LEGACY OF LEARNING

When you leave a legacy of support through a planned gift to the Kalamazoo Valley Community College Foundation, you help make a difference for future generations of students. Planned gifts allow you to combine your charitable giving goals with your estate and financial planning goals. Your gift will be a lasting tribute to our mission to advocate and financially support Kalamazoo Valley Community College students and programs.

### DESCRIPTION OF PLANNED GIVING OPTIONS

Please seek legal counsel when taking advantage of any of the following planned giving options.

#### Wills or Trusts

The Kalamazoo Valley Community College Foundation ("Foundation") can be designated as the beneficiary of a bequest or gift by the terms of the donor's will or by a revocable or irrevocable trust. Sample bequest language for restricted and unrestricted gifts is available to donors and their attorneys to ensure that the bequest is properly designated. The suggested bequest language for the Kalamazoo Valley Community College Foundation is:

"I give Kalamazoo Valley Community College Foundation (\_\_\_\_percent of the residue of my estate) or (the sum of \_\_\_\_\_) to be used by the Foundation (in the area of greatest need) or (for the \_\_\_\_\_ fund.)"

#### Life Insurance

Donors may contribute all or a portion of a new or existing life insurance policy, naming the Foundation as owner and beneficiary. Upon the donor's death, the proceeds will be used by the Foundation to create an endowed fund in the donor's name. The donor continues to make all premium payments which are tax-deductible.

#### Retirement Plan Assets

Retirement plans owned by Donors may be gifted to the Foundation at death. These include Individual Retirement Accounts (IRA), 401(k), 403 (b), and defined contributions plan (annuity plans, such as defined benefit plans, in which retirement benefits are paid out as income and principal does not accumulate, generally cannot be used for charitable gifts). Methods for gifting retirement assets include:

- Naming the Foundation as primary, successor or contingent beneficiary for all or part of the assets upon death of either the retirement asset owner or spouse;
- Creating a testamentary charitable remainder trust with the assets upon death of the asset owner, naming the Foundation as remainder beneficiary and non-charitable heirs as income beneficiaries.

#### Appreciated Stock

Donors can give stock to the Foundation. There are significant advantages to giving stock instead of cash. By directly transferring a gift of appreciated stock, Donors can avoid capital gains taxes while also maximizing their gift's impact.

### Savings Bonds

Donors can use savings bonds no longer paying interest to make a gift:

1. Redeem some of the bonds and donate the proceeds to the Foundation.
2. Include a POD (Pay on Death) or TOD (Transfer on Death) designation to the Foundation.
3. Bequeath savings bonds to the Foundation by using the following statement in a will or trust:
  - o "I give, devise and bequeath to the Kalamazoo Valley Community College Foundation, all of my U.S. government obligations of any and all types, to be used in furtherance of its charitable purposes."

### Donor Advised Funds (DAF)

Donors can establish a Donor Advised Fund (DAF) through the Foundation. DAF's are the fastest-growing giving vehicle in the U.S. because they are one of the easiest and most tax-advantageous ways to give to charity. A DAF is like a charitable investment account for the sole purpose of supporting charitable organizations a donor care about. When a donor contributes cash, securities or other assets to a DAF, they are generally eligible to take an immediate tax deduction. The donor can then name the Foundation as a grantee from the DAF and gift can be given at the donor's request.

### Endowment

Individuals can create an endowed scholarship for Kalamazoo Valley Community College and help make a college education possible for students. Endowed scholarships are a unique form of financial aid, known for being a bit more complex than regular scholarships. These scholarships are created to help fund higher education for many students over a long period of time.

With an endowed scholarship, a donor makes a large initial donation, creating an endowed scholarship fund. When a large amount is donated to an endowment fund, the money isn't given directly to students all at once. Instead, the money is invested. The interest earned on the invested money can then fund scholarships for years to come.

**This information is not intended as tax, legal or financial advice. Please consult your professional advisor.**

For more information contact:

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Annette Chapman, Foundation Officer

[www.kvcc.edu/foundation](http://www.kvcc.edu/foundation)