



Making a Difference through

Giving

▲ Donors Margo and Tom Wyckoff, both UW alumni, have established an A&S faculty fellowship. “We believe teachers are the key to the future,” says Tom.

Ideal gifts are those that match a donor’s passions and dreams with the College’s greatest aspirations.

Your private gifts to the College of Arts and Sciences make a world of difference for students and faculty whatever the form or amount. This brochure focuses on three specific ways of supporting the College: permanent endowments, annual gifts, and estate or deferred gifts.

Endowment gifts are major investments that create a *permanent* legacy, which can bear the name of the donor or honor another individual chosen by the donor. Most highly valued, endowments provide annual payouts in perpetuity for such purposes as scholarships and professorships. They grow with inflation and increase in value over time.

Annual gifts are spent on current academic needs—they have tangible, immediate impacts that open the doors of opportunity for students and faculty.

Estate planning offers a variety of flexible ways to create a legacy. These donation arrangements create an endowment or other gifts at some future time, and may provide the donor with income for life.

Ideal gifts are those that match a donor’s passions and dreams with the College’s greatest aspirations. Which of these gifts provide the best path for achieving yours? The following sections provide additional information and examples to help you make these important decisions.



Endowed Gift Giving

An endowment is a named permanent fund established for a specific purpose chosen by the donor. The principal of an endowed fund is invested to grow over time while the resulting quarterly distributions it produces are used to support the endowment's designated purpose. Because they continue to provide the College with support in perpetuity, endowments are among the most effective gifts for enhancing the long-term quality of the University of Washington's teaching, research, and student experience.

Faculty Support

The University of Washington seeks support for the creation of endowed chairs and professorships, which provide significant benefits in recruiting and retaining outstanding faculty at the University. These endowed gifts greatly enrich support for the teaching and research activities of distinguished faculty while conferring prestige on the holder.

Chairs and professorships may be used to supplement the base salaries of faculty members. They may also provide professional support for the activities of faculty members appointed to the endowed position, including, but not restricted to, research assistance, travel and program support.

Regental Chairs (\$3,000,000 and above) create a new faculty position and provide program funds in a related area of research or study.

Chairs (\$1,000,000 and above) enhance state salaries or provide funds for research and other professional activities, programs, and opportunities benefiting students. Can create a new faculty position with the amount needed determined by the academic area.

Professorships (\$250,000 and above) enhance state salaries or provide funds for research and other professional activities, and activities benefiting students.

Faculty Fellowships (\$100,000 and above) provide supplemental support for junior faculty by supporting research, curriculum development, artistic performance, or other professional endeavors.

Student Support

Endowed scholarships and fellowships offer donors the opportunity to provide a university education for deserving students, offer students special experiences, and recruit the best students from around the world.

Graduate Student Support

Regental Fellowships (\$500,000 and above) provide full tuition and living expenses for a graduate student.

Presidential Fellowships (\$250,000 and above) provide full tuition and partial living expenses for an in-state graduate student.

Fellowships (\$100,000 and above) provide partial tuition or living expenses for a graduate student.

Undergraduate Student Support

Regental Scholarships (\$250,000 and above) provide full tuition, housing, and other educational opportunities such as involvement in faculty research and study abroad for an in-state or nonresident undergraduate student.

Presidential Scholarships (\$100,000 and above) provide full tuition for an in-state undergraduate student.

Scholarships (\$50,000 and above) provide partial tuition or other educational expenses.

Program Support

The purposes of these funds are broadly defined and may include faculty, student, and program support.

General Endowments (\$25,000 and above). The income provides unrestricted support for a department, program, or the College.

Annual Gift Giving

An outright gift of **\$2,000 or more** for current use helps us provide premier experiences for students, retain talented faculty, and develop innovative programs.

Faculty Support

Term Professorships (\$15,000 or more per year for three or more years) enhance state salaries and provide funds for research and other professional activities, and activities benefiting students.

Student Support

Term Graduate Fellowships (\$5,000 or more per year) can be used to recruit a new graduate student, partially support a new student, or supplement state or grant funds for a teaching or research assistantship.

Term Undergraduate Scholarships (\$5,000 or more per year) can fully support one student's tuition for an academic year. These will vary over time and by the student's academic major. On average, the estimated cost for an in-state undergraduate student during the 2003-04 academic year is \$12,779, which includes \$5,053 for in-state resident tuition, \$6,726 for room and board, \$900 for books, and \$100 for fees.

Estate Planning

Among the financial benefits you may receive through estate planning are life income for yourself or another person and substantial tax savings. The greatest benefit of a gift to the University lies in knowing that you are supporting work that you passionately care about while preserving opportunities for present and future generations.

Gifts that provide an income stream for your lifetime or period of years

Charitable Gift Annuity is a simple, contractual agreement between one or two donors and the University of Washington. You transfer assets to us in exchange for an annuity for the rest of your life. You are entitled to a current income tax charitable deduction for the gift.

Charitable Remainder Trust allows you to irrevocably transfer money, securities, or other assets to a trust that will then pay you or another beneficiary an income for life or for a period of years. At the death of the surviving beneficiary, the remaining principal in the trust goes to the University. You are entitled to an immediate income tax charitable deduction for the present value of the trust assets at the end of the trust term.

Remainder Interest in a Residence involves deeding your primary or vacation home to the University and receiving a current tax deduction. You (or a person given life use of the home) retain the right to live, rent, or make improvements to the home while maintaining responsibility for maintenance, insurance, and property taxes. After your (or the resident's) death, the University sells the property and applies the proceeds to a purpose you select.

Charitable Lead Trust is a trust through which the University receives an income stream for a term of years or your lifetime, and you or other individuals receive the remainder of the trust property at the end of the term. This is a wonderful way to see your gift make a difference during your lifetime, while still benefiting your family or retaining the right to recover the property later.

Other ways to make planned gifts

Bequests are a way to create a legacy by making a gift in your will to friends, family, and charitable organizations. A bequest is one of the simplest ways to remember those you care about most.

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What to Give

Cash. This is the simplest way to give. Your cash gifts may be deductible up to 50 percent of your adjusted gross income for the taxable year. Any excess is deductible over the next five years.

Securities. The best stocks to donate are those that have increased greatly in value, particularly those producing a low yield. Even if you wish to keep the stock in your portfolio, by gifting it to us and then using cash to buy the same stock through your broker, you will have received the same income tax deduction but will have a new, higher basis in the stock.

Real Estate. If you own property that is fully paid off and has appreciated in value, an outright gift may be the simplest solution. You can deduct the fair market value of your gift, avoid all capital gains taxes and remove that asset from your taxable estate. You can transfer the deed of your home or farm to us now and keep the right to use the property for your lifetime and that of your spouse.

Retirement Plan Assets. Retirement accounts are often exposed to income taxes and estate taxes, at a combined marginal rate that could rise to 75 percent or even higher on large, taxable estates. Yet many of these taxes can be avoided or reduced through a carefully planned charitable gift.

Life Insurance. You can donate a life insurance policy to us or simply name us as the beneficiary. For the gift of a paid-up policy, you will receive an income tax deduction equal to the lesser of the cash value of the policy or the total premiums paid. To qualify for the federal charitable contribution deduction on a gift of an existing policy, you must name us as owner and beneficiary.

Securities: Closely Held Stock. Closely held stock (which is not publicly traded) can also be used as a charitable gift even if you want to maintain a control position in the stock.

Pledges

Individual payment schedules are possible for donors who wish to meet their philanthropic goals for an endowment or annual gift with a pledge. Endowments may be funded with a three to five-year pledge.

Contact Information

If you would like to explore any of the giving opportunities described in this publication—or design a gift that fits your specific charitable or financial needs—please contact:

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