



THE ECHO SOCIETY

Established in 2003 by 27 alumni and friends of the university, the Echo Society recognizes those who include Science & Arts in their will or in a planned gift. As a result, significant funding will be added to scholarship and program support benefiting Science & Arts students through bequests made by founding members of the Echo Society.

The Echo Society is built upon a powerful image and a great tradition. The name speaks to how people can extend the influence of their lives through an estate gift in the same way that an echo continues to resound long after the speaker is silent. But it also refers to a tradition dating back to the years after Nash Library was built. Singing on the steps of the Administration Building, students discovered an echo coming back to them from the Nash Library. Since that time, singing on those steps and listening for the echo has become a cherished moment for alumni celebrating the annual fall homecoming. It is a powerful image that is also a great tradition.

Unlike a physical echo that fades over time, the influence left by members of the Echo Society does not diminish through the years. It continues to resonate in the lives of students for countless generations. In addition, the impact of the Echo Society is not limited to the library or single aspect of the school but multiplies its effect over every facet of this great college. It is an echo of lasting proportions that can be heard reminding the present and the future of its dependence on the past.

Including the college in your will or trust may be easier than you think. And in doing so you may be able to give a much larger gift and have a much bigger impact on student success and the college, than you can during your lifetime.

GIFT PLANNING

How to Give

Charitable Bequest

A charitable bequest is one of the easiest and most flexible ways that you can leave a gift to the University of Science & Arts of Oklahoma Foundation that will make a lasting impact.

Benefits of a bequest

- Receive an estate tax charitable deduction
- Potentially reduce the burden of taxes on your family
- Leave a lasting legacy to charity

How a bequest works

A bequest is one of the easiest gifts to make. With the help of an attorney, you can include language in your will or trust specifying a gift to be made to family, friends or the USAO Foundation as part of your estate plan.

- A bequest may be made in several ways
- Percentage bequest - make a gift of a percentage of your estate
- Specific bequest - make a gift of a specific dollar amount or a specific asset
- Residual bequest - make a gift from the balance or residue of your estate

Charitable Remainder Trust

A charitable remainder trust (CRT) is an irrevocable trust that generates a potential income stream for you, as the donor to the CRT, or other beneficiaries, with the remainder of the donated assets going to your favorite charity or charities.

How a charitable remainder trust works.

A charitable remainder trust is a “split interest” giving vehicle that allows you to make contributions to the trust and be eligible for a partial tax deduction, based on the CRT’s assets that will pass to charitable beneficiaries. You can name yourself or someone else to receive a potential income stream for a term of years, no more than 20, or for the life of one or more non-charitable beneficiaries, and then name one or more charities to receive the remainder of the donated assets.

There are two main types of charitable remainder trusts:

- Charitable remainder annuity trusts (CRATs) distribute a fixed annuity amount each year, and additional contributions are not allowed.
- Charitable remainder unitrusts (CRUTs) distribute a fixed percentage based on the balance of the trust assets (revalued annually), and additional contributions can be made.

Contributions to CRATs and CRUTs are an irrevocable transfer of cash or property, and both are required to distribute a portion of income or principal, to either the donor or another beneficiary. At the end of the specified lifetime or term for the income interest, the remaining trust assets are distributed to one or more charitable remainder beneficiaries.

1. Make a partially tax-deductible donation

Donate cash, stocks or non-publicly traded assets such as real estate, private business interests and private company stock and become eligible to take a partial tax deduction. The partial income tax deduction is based on the type of trust, the term of the trust, the projected income payments, and IRS interest rates that assume a certain rate of growth of trust assets.

2. You or your chosen beneficiaries receive an income stream

Based on how you set up the trust, you or your stated beneficiaries can receive income annually, semi-annually, quarterly or monthly. Per the IRS, the annual annuity must be at least 5% but no more than 50% of the trust's assets.

3. After the specified timespan or the death of the last income beneficiary, the remaining CRT assets are distributed to the designated charitable beneficiaries.

When the CRT terminates, the remaining CRT assets are distributed to the charitable beneficiary, which can be public charities or private foundations. Depending on how the CRT is established, the trustee may have the power to change the CRT's charitable beneficiary during the lifetime of the trust.

Key Benefits

- **Preserve the value of highly appreciated assets:** For those with significantly long-term appreciated assets, including non-income-producing property, a CRT allows you to contribute that property to the trust and when the trust sells it is exempt from tax. By donating the assets in-kind to the CRT, you'll preserve the full fair market value of the assets rather than reduce it by large capital gains taxes, allowing more money for the income and charitable beneficiaries.
- **Income tax deductions:** With a CRT, you have the potential to take a partial income tax charitable deduction when you fund the trust, which is based on a calculation on the remainder distribution to the charitable beneficiary.
- **Tax exempt:** The CRT's investment income is exempt from tax. This makes the CRT a good option for asset diversification. You may consider donating low-basis assets to the trust so that when sold, no income tax is generated to you, and you eliminate the capital gains tax on the sale of the asset. However, the named income beneficiary will pay income tax on the income stream received.

What assets may be donated to a CRT?

You can use the following types of assets to fund a charitable remainder trust.

- Cash
- Publicly traded securities
- Some types of closely held stock (Note that CRTs cannot hold S-Corp stock)
- Real estate
- Certain other complex assets

IRA Rollover

You may be looking for a way to make a big difference to help further our mission. If you are 70½ or older you may also be interested in a way to lower the income and taxes from your IRA withdrawals. An IRA Rollover is a way you can help continue our work and benefit this year.

Benefits of an IRA Rollover

- Avoid taxes on transfers of up to \$100,000 from your IRA to our organization
- May satisfy your required minimum distribution (RMD) for the year
- Reduce your taxable income, even if you do not itemize deductions
- Make a gift that is not subject to the deduction limits on charitable gifts
- Help further the work and mission of our organization

How an IRA Rollover gift works

- Contact your IRA plan administrator to make a gift from your IRA to us
- Your IRA funds will be directly transferred to our organization to help continue our important work
- Please note that IRA Rollover gifts do not qualify for a charitable deduction
- Please contact us if you wish for your gift to be used for a specific purpose

Gifts from your IRA

If you are 70½ or older, you can use your IRA to fulfill your charitable goals. We will acknowledge your generous gifts as a qualified charitable distribution, which may satisfy your RMD, if applicable.

Beneficiary Designation Gifts

Donating part or all of your unused retirement assets, such as your IRA, 401(k), 403(b), pension or other tax-deferred plan, is an excellent way to make a gift to the USAO Foundation.

If you are like most people, you probably will not use all of your retirement assets during your lifetime. You can make a gift of your unused retirement assets to help further our mission.

Benefits of gifts of retirement assets

- Simplify your planning
- Support the causes that you care about
- Continue to use your account as long as you need to
- Heirs can instead receive tax-advantaged assets from the estate
- Receive potential estate tax savings from an estate tax deduction

How a beneficiary designation gift works

1. To make your gift, contact the person who helps you with your retirement account or insurance policy.
2. Ask them to send you a new beneficiary designation form.
3. Complete the form, naming the University of Science & Arts of Oklahoma Foundation, sign it and mail it back to your financial institution.
4. Provide a copy of the form to the USAO Foundation and contact us to discuss the way in which you would like your gift to benefit USAO.
5. When you pass away, your retirement account or insurance policy will be paid or transferred to the USAO Foundation, consistent with the beneficiary designation.

How to make a gift of retirement assets

To leave your retirement assets to the USAO Foundation, you will need to complete a beneficiary designation form provided by your retirement plan custodian. If you designate the USAO Foundation as beneficiary, we will benefit from the full value of your gift because your retirement assets will not be taxed at your death. Your estate will benefit from an estate tax charitable deduction for the gift.

Future gifts from your retirement assets

Did you know that 40%-60% of your retirement assets may be taxed if you leave them to your heirs at your death? Another option is to leave your heirs assets that receive a step up in basis, such as real estate and stock, and give the retirement assets to the USAO Foundation. As a charity, we are not taxed upon receiving an IRA or other retirement plan assets.

Important considerations for your future

If you are interested in making a gift but are also concerned about your future needs, keep in mind that beneficiary designation gifts are among the most flexible of all charitable gifts. Even after you complete the beneficiary designation form,

you can take distributions or withdrawals from your retirement account. You can also change your mind at any time in the future for any reason, including if you have a loved one who needs your financial help.

If you have already designated us as a beneficiary, please let us know. We would like to recognize you and your family for your gift.

Additional Information

Flexibility – Most beneficiary designation forms are very flexible. You can name the USAO Foundation as a "full" or "partial" beneficiary of your retirement account or life insurance policy. You can also name the USAO Foundation as a "primary" or "contingent" beneficiary.

Family Considerations – Beneficiary designation gifts allow you to provide for family and support the causes that matter most to you. With a designation form you could, for example, name your spouse as the "primary" beneficiary and each of your children and the USAO Foundation as "partial contingent" beneficiaries. With this arrangement, if your spouse survives you, he or she would receive the account. If not, the account or policy would be paid out to your children and the USAO Foundation in whatever shares (or percentages) that you chose on the designation form.

What To Give

Gifts of Stocks and Bonds

Donating appreciated securities, including stocks or bonds, is an easy and potentially tax-efficient way for you to make a gift to our organization.

Benefits of gifts of stocks and bonds

- Avoid paying capital gains tax on the sale of appreciated stock
- Receive a charitable income tax deduction
- Further our mission today

How to make a gift of stocks and bonds

By electronic transfer - Please contact us for instructions on how you can transfer stock or bonds from your brokerage or investment account to the USAO Foundation.

By certified mail - If you hold securities in certificate form, you will need to mail two envelopes separately to complete your gift. In the first envelope, place the unsigned stock certificate(s). In the other envelope, include a signed stock power for each certificate. You may obtain this power from your broker or bank. Please remember to use certified mail.

More on gifts of stocks and bonds

There are special rules for valuing a gift of stock. The value of a charitable gift of stock is determined by taking the mean between the high and low stock price on the date of the gift. Mutual fund shares are valued using the closing price for the fund on the date of the gift.

Gifts of Real Estate

Donating appreciated real estate, such as a home, vacation property, undeveloped land, farmland, ranch or commercial property can make a great gift to our organization.

Benefits of gifts of real estate

- Avoid paying capital gains tax on the sale of the real estate
- Be eligible for a charitable income tax deduction based on the value of the gift
- Leave a lasting legacy to the USAO Foundation

How to make a gift of real estate

Your real property may be given to the USAO Foundation if we are able to accept it after performing due diligence on the property. You may deed part or all of your real property to the USAO Foundation. Your gift will generally be based on the

property's fair market value, which you must establish by obtaining an independent appraisal.

Gifts of Retirement Assets

Designating our organization as a beneficiary of part or all of your unused retirement assets such as a gift from your IRA, 401(k), 403(b), pension or other tax-deferred plan is an excellent way to make a gift to our organization.

Benefits of gifts of retirement assets

- Avoid potential estate tax on retirement assets
- Our organization would not owe income tax on any retirement assets funded on a pre-tax basis

How to make a gift of retirement assets

To leave your retirement assets to the USAO Foundation, you will need to complete a beneficiary designation form provided by your retirement plan custodian. If you designate the USAO Foundation as beneficiary, we will benefit from the full value of your gift because your IRA assets will not be taxed at your death. Your estate may benefit from an estate tax charitable deduction for the gift.

Gifts of Cash

A gift of cash is a simple and easy way for you to make a gift.

Benefits of gifts of cash

- You can make an immediate impact on our mission
- You may be eligible for a charitable income tax deduction

How to make a gift of cash

Online gifts of cash - Your gift will be processed quickly and safely using our secure server.

Mailing a gift of cash - You can send us a check or money order. Please let us know if you want your gift used for a specific purpose by indicating that purpose either in the memo line or in a letter to us.

More on gifts of cash

Did you know that you can mail a check on December 31st and, even if the check is not received and cashed by the University of Science & Arts of Oklahoma Foundation until after the new year, the IRS will allow you to take a deduction in the year the check was postmarked? Keep this in mind for year-end tax planning!

Gifts of Insurance

A gift of your life insurance policy proceeds is an excellent way to make a gift to charity and the simplest way to do this is by designating our organization as beneficiary of the policy. If you have a life insurance policy that has outlasted its original purpose, consider making a gift of your insurance policy. For example, you may have purchased a policy to provide for minor children and they are now financially independent adults.

What are the benefits of making a bequest?

- You leave a lasting legacy to be remembered
- You lessen the burden of taxes on your family
- You may receive estate tax savings

How do I make a bequest?

A bequest is one of the easiest gifts to make. With the help of an advisor, you can include language in your will or trust specifying a gift be made to family, friends or University of Science & Arts of Oklahoma Foundation as part of your estate plan.

Sample Bequest Language

Will

Unrestricted:

I hereby give, devise and bequeath to THE UNIVERSITY OF SCIENCE & ARTS OF OKLAHOMA FOUNDATION, INC., an Oklahoma not-for-profit corporation, [___ percent of the rest, residue and remainder of my estate; OR _____ dollars; OR specific asset].

Restricted:

I hereby give, devise and bequeath to THE UNIVERSITY OF SCIENCE & ARTS OF OKLAHOMA FOUNDATION, INC., an Oklahoma not-for-profit corporation (the "Foundation"), [___ percent of the rest, residue and remainder of my estate; OR _____ dollars; OR specific asset] to support the _____ Fund held by the Foundation. If a restriction on such gift becomes unlawful, impracticable, impossible to achieve or wasteful, or if the release or modification of a gift restriction otherwise furthers the purposes of the gift as reasonably construed by the Foundation, then the Foundation may modify or release such restriction.

Trust

Unrestricted:

Trustees shall distribute to THE UNIVERSITY OF SCIENCE & ARTS OF OKLAHOMA FOUNDATION, INC., an Oklahoma not-for-profit corporation, [___ percent of the rest, residue and remainder of my trust estate; OR _____ dollars; OR specific asset].

Restricted:

Trustees shall distribute to THE UNIVERSITY OF SCIENCE & ARTS OF OKLAHOMA FOUNDATION, INC., an Oklahoma not-for-profit corporation (the "Foundation"), [___ percent of the rest, residue and remainder of my trust estate; OR _____ dollars; OR specific asset] to support the _____ Fund held by the Foundation. If a restriction on such gift becomes unlawful, impracticable, impossible to achieve or wasteful, or if the release or modification of a gift restriction otherwise furthers the purposes of the gift as reasonably construed by the Foundation, then the Foundation may modify or release such restriction.

Caveat:

In virtually every case these provisions must be "tailored" to meet the specific situation of the donor. These are illustrative only; please consult your professional advisor.