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- Please send me a complimentary copy of *A Guide to Planning Your Will in 2018: What You Need to Do Before You See Your Attorney.*
- I have included the university in my estate plan.
- I am considering including the university in my estate plan. Please contact me to discuss options.
- I would like more information on the following types of gifts:
 - Real estate
 - Securities
 - Gift annuities
 - Other _____
 - Gifts from an estate
 - Pooled income funds
 - Charitable trusts

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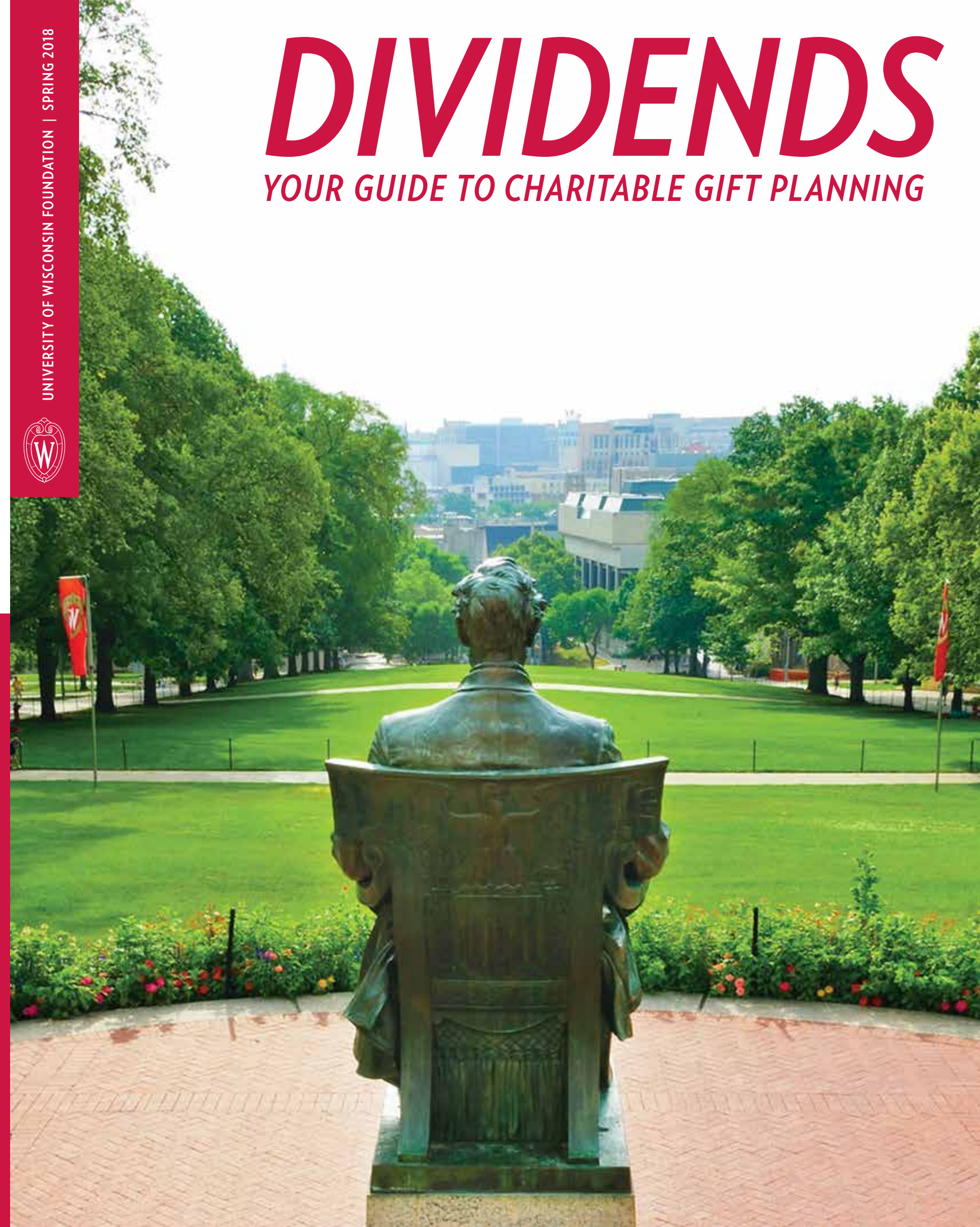
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YOUR GUIDE TO CHARITABLE GIFT PLANNING



LEAVE A LASTING LEGACY. JOIN THE WISCONSIN LEGACY SOCIETY TODAY!

By including us in your estate plan, you qualify for membership.

- Receive a certificate of membership.
- Receive a special Wisconsin Legacy Society picture frame.
- Receive special invitations to UW-Madison alumni events.

CONTACT THE OFFICE OF GIFT PLANNING

To learn how you can join the growing community of alumni and friends who have created a legacy for the future of our great university, call **608-263-4545** or visit supportuw.org/legacy

The University of Wisconsin Foundation engages those who care about the university; provides opportunities to enhance its teaching, research, and outreach programs; and guarantees ethical stewardship of the gifts received.

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DONOR PROFILE: TERRY HYNES MA'71, PHD'75

ON THE UW CAMPUS, TERRY HYNES LEARNED TO LEAD. NOW SHE WANTS TO GIVE LEADERSHIP OPPORTUNITIES TO FUTURE BADGERS.



Terry Hynes

Over the course of five years of graduate study, Terry Hynes learned a lot at UW–Madison, but three lessons stand out. The faculty, she said, embodied principles that make great leaders:

- excellence as scholars
- empathy as teachers
- compassion as human beings

Hynes credits her time at the UW for launching her life in academic leadership — a path that took her to California, Nebraska, and Florida, working as a professor and administrator. As she reached the end of her career, she found that she felt a debt to UW–Madison and to the teachers and colleagues who put her on the path to success.

“After I retired and focused on how much of my lucky life I owe to UW–Madison,” she says, “I began to explore concretely how I could give back, even though I am not a wealthy prospect by today’s standards.”

Hynes found the UW almost by accident. She was an undergraduate studying English and intellectual history in Massachusetts, when a professor called her attention to Wisconsin. The teacher “brightened every time Madison came up in conversation,” Hynes says, and she decided it would be a good choice for grad school. “I may have been hoping that, if I worked hard enough as a student, some of the UW faculty’s brilliance would rub off on me.”

Hynes arrived in the summer of 1970, after Madison was shaken by the Sterling Hall bombing that had killed a researcher. She began her grad program in English, earning a master’s degree, before entering a doctoral program in journalism and mass communications. Professors Bud Nelson, MaryAnn Yodelis-Smith, Doug Jones, Wilmott “Rags” Ragsdale, Dave Clark, and Walter Rideout helped to guide her education, but so did her fellow graduate students, with whom she discussed major issues of the day, including the expanding Watergate scandal — which was not only of political interest, but professional as well, as it highlighted the role of investigative journalism in the national conversation.

“It was an inspiring time to be in the J-School,” Hynes says. “One of my cohort of grad students, Carolyn Stewart Dyer [MA’73, PhD’78], worked for several years on a newspaper before returning to school for graduate study. Each day she came into the Vilas Hall office several of us shared ... with a newspaper in her hand. If she had a

scowl on her face, I knew she had a major insight into the emerging Watergate revelations. All of us would jump into the conversation from there.”

Hynes’s professors and colleagues inspired her to pursue a career in academia. Beginning at California State University at Fullerton, she took positions of increasing importance at the University of Florida and the University of Nebraska–Omaha, moving from professor to department chair, dean, assistant vice president, and retiring from UNO as senior vice chancellor for academic and student affairs.

“As a result of my education at UW–Madison,” she says, “I wanted to live my life in a way that would make at least some small difference — for the better — in this world. University teaching and administration provided me a lifetime of opportunities to do just that.”

“I wanted to find a meaningful way to say thank you to UW–Madison and, by implication, the long line of administrators, faculty, staff, and other students to whom I am grateful for the wonderful learning experiences I had as a student”

– Terry Hynes MA’71, PhD’75

Though she never attained a great fortune, Hynes feels that she’s lived a truly fortunate life, and so she wants to give back to the university that launched her career.

“I wanted to find a meaningful way to say thank you to UW–Madison and, by

implication, the long line of administrators, faculty, staff, and other students to whom I am grateful for the wonderful learning experiences I had as a student,” Hynes says.

Hynes first designated a portion of her estate to UW–Madison, and then made the intention concrete by adding an annuity.

“After that, I kept thinking about how lucky I am to have enough to live relatively comfortably at this stage of life,” she says. “I realized I could give now from my IRA directly to the university and see a leadership fund started with awards made from the fund while I’m living. My experience in Madison enabled me to serve as a leader throughout much of my career, so this leadership fund will receive a major portion of my estate once I’m gone.”

The three gifts constitute Hynes’s personal thank-you note to UW–Madison’s faculty. “During my five years as a UW student, I never had a professor I did not like,” she says. “Each of them was so knowledgeable, ... and most of them made me feel I had something to offer, too.”

THINK YOUR ESTATE IS NOT LARGE ENOUGH FOR PLANNING? THINK AGAIN

YOU STILL NEED A WILL. EVERYONE DOES.

Whether you have a large or small estate, a will is an essential document. A thoughtful and well-planned will is critical to ensuring that your intentions are carried out.

If you don't take the opportunity to express your wishes, your state of residence will do it for you.

Each state has its own laws that govern the disposition of property when someone dies without a valid will. In each case the laws simply represent the state's judgement of how someone with surviving heirs would want his or her assets distributed.

Note: A pour-over trust is an excellent tool for unifying an estate plan. Frequently, a will directs all assets to a trust as a central collecting point. Check with your legal advisor on what is best for you and your circumstances.

THREE PLANNING POINTERS ABOUT WILLS

1. If you are single, it is unlikely that the state's plan is exactly what you would have chosen, given the chance. Certainly, if you want to direct assets to nonrelatives or to charities such as the UW Foundation, those choices will not be fulfilled. State laws provide only for relatives.

This could hold special significance if you are single and have no children. You may want more of your assets to go to dear friends, a favorite niece or nephew, or a valued charitable organization. Without a will, state law may dictate that your assets go to other relatives you did not intend to benefit.

2. If you have children, a will also provides you the opportunity to make extremely important requests about their future should you die while they are minors. You can indicate the person or persons you would want to serve as the guardian of the children and as the person responsible for managing any property passing to the children. While courts may not be absolutely bound by your wishes, they typically place great weight on the expressed wishes of the parents.

3. For the charitably minded. If you are looking for a way to express your generosity, providing for a favorite cause such as the UW Foundation in your will is a great way to address philanthropic objectives. A will ensures that your charitable wishes are in place without locking yourself into an irrevocable commitment.

TWO SIMPLE WAYS TO INCLUDE THE UW FOUNDATION IN YOUR WILL:

- 1 Direct a certain asset or a specific amount to us.**
- 2 Direct a percentage of your estate to us (called a "percentage bequest").**

ADVANTAGES OF THE PERCENTAGE BEQUEST

Making a percentage bequest can avoid unintended consequences in some situations. For example, someone may make a charitable provision for a specific sum — say \$100,000 — at a time when his or her assets are \$500,000, with the balance directed to a spouse. If that person's assets later decreased to \$250,000 at his or her death, the spouse would get less than originally intended — in this case \$150,000 instead of \$400,000.

On the other hand, if the charitable provision had been stated as a percentage — say 20% — the charitable gift would have declined in proportion to the decrease in the value of

the estate. This would leave \$50,000 more for the spouse: \$200,000 as opposed to \$150,000.

Remember that your will should be a dynamic document. You need to review it any time there is a major change in your life circumstances, such as marriage, divorce, birth of a child, or death of a spouse.

SMART RETIREMENT PLANNING: ARE YOU LEAVING MONEY ON THE TABLE?

Although a significant percentage of Americans are eligible to participate in employer-sponsored retirement plans, many fail to seize this opportunity. Often, employers will match employee contributions to the company retirement plan — sometimes in amounts greater than the employee contribution itself. Failing to take advantage of employer matches truly amounts to leaving money on the table.

If your employer sponsors a 401(k) retirement plan and matches employee contributions, you may be sacrificing a 100% return on your retirement savings if you fail to make contributions. If you contribute \$5,000, a one-for-one employer match makes a total of \$10,000 invested for your retirement.

Even without an employer match, contributing to your retirement plan is advisable. With \$5,000 in a currently taxable account that earns 6% and is subject to state and federal income tax, it will grow to just more than \$10,000 in 20 years, whereas \$5,000 in the retirement plan earning 6% total return each year for the next 20 years will grow to more than \$16,000.

GENEROUS AND CHARITABLY MINDED?

Saving for retirement also presents opportunities to satisfy charitable goals. For instance, naming the UW Foundation as a beneficiary of some or all of the value of a retirement plan is an excellent way to fulfill your charitable objectives. Because we are tax-exempt, we do not pay income tax on this gift. By directing retirement-plan benefits to us and other assets to noncharitable beneficiaries, you eliminate the tax these other beneficiaries would have paid. Contact us to learn more.



STAY IN TOUCH WITH US!

The University of Wisconsin-Madison wants to stay in touch with you. As the primary manager of the university's alumni and friends database, the UW Foundation continually seeks up-to-date contact information. You can update your information online by visiting badgerbridge.com. Updating your information will help us to maintain accurate records, which we share selectively with the Wisconsin Alumni Association® and other campus departments and programs with which you may be involved as a graduate, volunteer, faculty member, or donor.



The look of learning. Photo: Bryce Richter, University Communications

THE TAX CUTS AND JOBS ACT: CHARITABLE STRATEGIES FOR 2018

You are probably wondering how you will be affected by the Tax Cuts and Jobs Act of 2017, which was enacted in late December. It is the most significant tax legislation since the Tax Reform Act of 1986, and it affects businesses, individuals, and, to some extent, gifts to charitable organizations like the University of Wisconsin Foundation.

Some highlights:

- The tax rates for corporations and certain pass-through businesses are significantly reduced.
- Income-tax rates are lower for most individuals.
- The standard deduction nearly doubles to \$12,000 for single filers and \$24,000 for married couples filing jointly.
- The personal exemption is eliminated.
- Some deductions, such as those for state and local taxes and mortgage interest, are limited.
- The federal estate-tax exemption for 2018 increases to \$11.2 million for individuals and \$22.4 million for couples.
- The annual gift-tax exclusion increases from \$14,000 to \$15,000 in 2018.

Except for increasing the deduction ceiling on cash gifts from 50 percent to 60 percent of AGI, the effect on charitable giving is more indirect than direct. The deduction of charitable gifts by itemizers and the gift instruments have been preserved. The income-tax savings from charitable gifts will generally be somewhat smaller because of the lower tax rates

and because a larger number of individuals will not itemize deductions and thus will not realize tax savings from their gifts.

Here are some charitable strategies to consider for this year:

- **Increase your charitable gifts so you can benefit from itemizing your deductions.** If the total of your itemized deductions is going to be close to the new higher standard deduction amount, you might consider giving a little more to charity in 2018 so that your income-tax charitable deduction helps you exceed the standard deduction amount and you can itemize and receive the tax benefits of doing so.
- **Make gifts of appreciated securities.** You can still save capital gains taxes by giving appreciated securities that you have owned for more than a year, a key part of tax law that has not changed.
- **Make retirement-plan gifts.** A simple and smart way to make a charitable gift is through retirement-plan beneficiary designations. While your loved ones are subject to paying income tax on retirement-plan gifts they receive, charities such as ours are not. Thus you can help loved ones save taxes by giving them other assets and making retirement-plan gifts to charity.
- **Make an IRA rollover gift.** Those over the age of 70½ who have not yet taken the required distribution from their IRA might ask their IRA administrator to make a direct tax-free transfer to charity. The ability to make such transfers was not affected by the new law.
- **Make a gift that costs nothing now.** A bequest in your will or trust continues to be a way to make a significant gift that costs you nothing now. There are many ways to design your bequest to best meet your family priorities and charitable objectives.

FOR MORE INFORMATION

Call us at **608-263-4545** to find out how a gift to the UW Foundation will further the university's mission.

Email us at uwf@supportuw.org. We are happy to answer any questions you might have or send you more information.

Visit supportuw.org/gift-planning to learn more.

Or contact:

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Did you know that sharing your estate gift intentions can also count as a gift to the university's campaign? Whether your plan is a gift through a will or trust, or naming the University of Wisconsin Foundation as a beneficiary of a retirement plan or life insurance policy, contact us so that we can celebrate your important future support today!

ALLWAYSFORWARD.ORG

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Photo: Jeff Miller, University Communications

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3. Call 608-263-4545