



THE
GRÉCOURT
SOCIETY

Guide to Gift Planning



THE GRÉCOURT SOCIETY of Smith College

FOUNDED 1994, CELEBRATING 25 YEARS.



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We thank you for your continued support
as we celebrate the impressive milestone
of 25 years of our legacy society.

From the Director



I think I have the best job at Smith. Why? Every day, I get to help alumnae and friends of the college to be more philanthropic than they ever dreamed possible.

I'll never forget the day I sat with Ellen. She dearly wanted to do something special for Smith and help her class's 50th Reunion. She wasn't in a position to make a large outright gift. Once she learned about charitable gift annuities, the lights came on. She actually shed tears when she realized that she could take some highly appreciated stock and donate it to fund an annuity that would provide her income for life, then go to Smith to help future generations of women get a global education - and that the gift would count fully toward her reunion.

Almost anyone can leave this kind of profound legacy at Smith. It's not necessarily about wealth, it's about planning. The gift plans described in these pages do not only help Smith; they also provide financial and tax solutions that can help you and your family.

My team and I in the Office of Gift Planning welcome your questions about how we might partner together to benefit both you and Smith College.

Best regards,

Sam Samuels
Director of Gift Planning



Membership in The Grécourt Society is extended to individuals who have provided for Smith College in their wills or living trusts, designated the college as a beneficiary of a life insurance policy, donor advised fund, or retirement plan, or funded a life income gift for the benefit of Smith College. Each member invests in the future of the college and the world and shares a desire to ensure that their support continues beyond their lifetimes. We thank The Grécourt Society members for their thoughtful and visionary support.

Members of The Grécourt Society receive a pin depicting the Grécourt Gates. It's a wonderful way to show other alumnae and friends how you've taken an important extra step by including Smith in your will or making another type of strategic, planned gift to the college.

Gift Planning Solutions

FROM THE SIMPLE TO THE COMPLEX

We often hear from loyal friends and alumnae who would like to make a gift but are concerned about the effects an immediate gift would have on their financial security or the future needs of their spouses, children, and grandchildren. We also hear from donors who would like to support Smith College and are seeking advice on sophisticated, tax-advantaged ways to do so.

DO YOU...

- wish you could give more but are concerned about your future security?
- wish you could give more but are still saving for retirement?
- need an income tax deduction but aren't sure how best to go about it?
- want to make a gift but want to help your family, too?

Our office is staffed with experienced **gift planners** who can help you and your financial advisors structure the right gift to meet your goals...from the simple to the complex.



Philanthropic and Practical

GIFTS OF HIGHLY APPRECIATED ASSETS

The IRS gives donors who contribute appreciated property, such as securities and real estate, two tax breaks: a charitable deduction and the reduction or avoidance of capital gains taxes on the transfer to Smith College. Similar benefits also apply to gifts of personal property such as artwork, antiques, and other items that help the college advance its mission.

You can thus leverage the impact of your donation to a greater degree than you could with cash—and receive a tax benefit—when you buy low and give high. You make a gift that costs you less than the benefit it delivers.

A number of generous Smith College supporters have funded life-income gifts with real and personal property. In many cases, they were able to give more than they could with cash, avoided immediate capital gains taxes, and are generating retirement income for themselves or providing for loved ones.



Judith Lewis Rameior '67's house was a trim three bedroom in Needham, Massachusetts, almost across the street from Babson College. She lived in it for years, and stayed in it for life. But here's the thing—a few years before her passing, she donated it to Smith College.

"Hearing the story of Julia Child inspired me," Judy said. Child, class of '34, gave her landmark home in Cambridge to Smith and kept the right to live in it. When Judy heard about Julia's example, the idea appealed. "I thought about my

own situation. I don't have children or other relatives who might enjoy the house after I'm gone. It seemed like Smith would make good use of it." So Judy donated her house to Smith while retaining the right to live in it.

In many ways, nothing changed. Judy's two cats watched wildlife from windows and greeted guests. She took the convenient short drive into Boston for Handel and Haydn Society concerts. Her pots and pans still hung from a pegboard in the kitchen—much like Julia Child's.

The difference is that the name on the deed was Smith College. Judy continued to enjoy the house. Now, Smith has sold the house, providing a major boost to education in the future.



Smart and Logical

GIFTS THAT PAY YOU INCOME

Did you know you can make a gift to Smith College that returns income to you? The IRS allows and encourages these creative plans that can stretch your giving ability. Donors who support Smith College through life-income gifts such as charitable gift annuities and charitable remainder unitrusts have found them to be “smart and logical” because these “Gifts that Pay You Income” help you make a substantial gift to the college while providing you with income! And if you fund the gift with highly appreciated assets such as stock or real estate, you reduce and defer capital gains, receive an income tax deduction, and potentially generate more income for you and your loved ones.

These plans have one substantial advantage over investment vehicles you have read about elsewhere: they produce generous gifts to Smith College. So, while you receive income for life or over a set period of time, you can provide for yourself and Smith College.

While charitable gift annuities pay a generous income to the donor, they also provide a wonderful benefit to Smith. Since we invest the principal in our endowment, which has enjoyed historically high returns, the remaining principal that goes to Smith usually ends up being at least as much as the original gift.



Hoon Eng Khoo '73 set foot on an airplane in Panang, Malaysia, to attend Smith College. She had chosen Smith sight unseen based on two things: Smith's small-town setting, and the generosity of her financial aid award.

Now a Ph.D.-educated biochemist on the faculty of the National University of Singapore, Hoon Eng felt the desire to give back to Smith. “I wanted to make a substantial gift,” she said. “But I didn't have enough to give it all in one go.

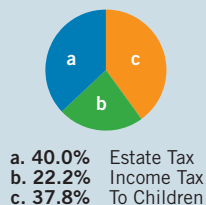
Pledging a series of annuities was a painless way to do it.”

Hoon Eng is funding a series of deferred payment gift annuities, which will provide her with a reliable stream of income for life starting at a future date of her choosing.

While hundreds of Smithies have funded CGAs, Hoon Eng is among the first non-U.S. citizens to have done so. As a resident outside of America, she gets a special benefit from this gift. The income she receives will be in U.S. dollars, which she will use to visit her son in America. Her annuities will help her stay in touch with her own family now, and will help women of all nations afford a Smith education in the future.

ONE SIMPLE WAY TO JOIN GRÉCOURT

Many Grécourt Society members have named Smith as a beneficiary of an IRA or other retirement plan. This requires no lawyers and can save significant taxes. For example:



Janet leaves her \$100,000 IRA to her children. After estate and income taxes they may receive as little as \$37,800.



a. 100 % Smith College

Janet instead leaves the IRA to Smith. The college is tax-exempt and receives the entire \$100,000.



Sensible and Significant GIFTS FROM QUALIFIED RETIREMENT PLANS

One of the largest assets in your estate may be your retirement plan, such as a 401(k), IRA, or Keogh. You may be surprised to learn that the IRS will impose income tax on the beneficiary receiving the balance in the account, since these assets were invested pre-tax. If the beneficiary is a surviving spouse, it may be possible to defer the start of payments and the resulting income tax, but ultimately all of the distributions from the retirement plan, whenever they occur and to whomever they are paid, are taxable to the person receiving them.

This tax is in addition to the estate tax that may be imposed on the account. For estates fully subject to the estate tax, the result can be that up to 70% of the value of your retirement plan will be consumed in taxes before your child, relative, or friend receives it.

There is a sensible charitable alternative. You may choose to name the college as the beneficiary of your retirement plan, then use other assets not subject to income tax to make gifts to your heirs. Smith College, as a qualified 501(c)(3) organization, won't pay income tax on the distribution, and your heirs will receive their share of your estate without the burden of extra taxes.



Not every 32-year-old has her estate plan in place. But Susanna Coit '08 has written a will and also named Smith as the beneficiary of her retirement account.

Susanna came to her career as an archivist through a roundabout route. After pursuing other professions for more than five years, she had a flashback to one of her favorite experiences at Smith:

"I visited the Smith archive during senior week,"

she said. "Nanci Young [Smith College archivist] showed me and my friends the 'disaster file,' which has records of things like fires on campus and missing students. Of course, it came during my last couple of days at Smith, but it planted the seed that archives are a really cool thing to work with."

Now Susanna has her MLS and is loving her job as an archivist at the Perkins School for the Blind. So when it came time to fill in the blank on her IRA beneficiary form, writing "Smith College" was her first thought.

"There are so many things I was able to do at Smith, and afterward because of Smith," Susanna said. "This is a ridiculously easy way to take care of what happens to my IRA and help Smith at once."

Popular and Possible

GIFTS ANYONE CAN MAKE

The most popular planned gifts are the ones we call “Gifts Anyone Can Make.” These are gifts to Smith College that don’t affect your current cash flow, lifestyle, or your family’s security.

You can make these gifts by designating Smith College to receive these assets in the future, or by making immediate gifts with assets that are “out of sight and out of mind.”

Using assets to make your gift after they’ve fulfilled their purpose makes it possible to give more than you may have thought possible. Such gifts can be made in the form of a bequest or a retained life estate.

TO NAME SMITH COLLEGE IN YOUR
WILL OR TRUST FOR A SPECIFIC AMOUNT
PLEASE USE THE FOLLOWING
SUGGESTED LANGUAGE:

“I bequeath to THE TRUSTEES OF THE SMITH COLLEGE,
a charitable corporation established by law at Northampton
in the Commonwealth of Massachusetts, the sum
of _____ dollars (or percentage of estate), to be used
for the college’s general purposes.”



As a philosophy major, Elissa (Lisa) Getto '69 had no idea that her education was preparing her for a rich series of careers as an educator, musician and ultimately president of such renowned performing arts centers as Florida's Ruth Eckerd Hall; Stamford, Connecticut's, Palace Theater; and Virginia's Wolf Trap.

At Smith, Lisa participated in all things musical. She sang, accompanied, conducted, and was mentored by the beloved Iva Dee Hiatt, who taught her not only music but also a practical crash course in arts management. “Thinking back

to my career as CEO of performing arts centers, it was all Smith,” Lisa said. “Smith nurtured my intellect and gave me the skills to be flexible.” Now Lisa is giving back by leaving a bequest to the college in her estate. This generous gift will provide merit-based scholarships in perpetuity. As Reunion co-chair for her class's 50th, she was delighted to find that Smith's bequest intention policy allows 50 percent of this bequest to count toward the class's Reunion total.

Lisa spoke of her impressions from a recent trip to campus. “I just feel good about leaving money to Smith,” she said. “It is not the same Smith as when I was there. It is a better Smith. This is one of the most positive, most reaffirming things you can do not only for your institution but also for your own life.”

Is Smith College in Your Plans?

If you've already taken advantage of one of these easy ways to give, and have included Smith College in your will, trust, or other estate plans, please let us know. We can help you determine exactly how you would like your bequest to be used, and we'd also like to invite you to join The Grécourt Society.

Your gift can remain anonymous if you like and you can choose to opt out of any future communication or invitations. The important thing is that if Smith knows your plans, we can better plan for the future. Of course we know that plans change, but it can be extremely helpful to the college to know more about your intentions.

We look forward to speaking with you!

Make it Count!

Bequest intentions from alumnae celebrating their 50th Reunion or greater are eligible to count toward your class's comprehensive Reunion total. An example of how this works - if you have made a bequest of \$10,000 or more through a will, trust, or retirement account, the following portion of your bequest will be counted toward your class's Reunion total:

Reunion	Bequest	Class Credit
50th	\$10,000	\$5,000 (50%)
55th	\$10,000	\$5,500 (55%)
60th	\$10,000	\$6,000 (60%)

and so on.

Thank you, and congratulations on your Reunion year!

Please visit smith.plannedgiving.org or call the Office of Gift Planning at 800-241-2056, Option 4



Ways of Giving

IF YOUR GOAL IS TO

Provide generous support and avoid or reduce capital gains taxes

YOUR BEST OPTION IS

Contribute appreciated securities: Appreciated stock, bonds, or mutual funds held longer than one year

YOUR BENEFITS WILL BE

Buy low and give high — "tax-wise" support that costs you less than the benefit it delivers

Leverage one of the most valuable assets in your portfolio

Give appreciated real estate outright or to fund a life income gift; establish a retained life estate

Reduce or eliminate capital gains taxes, remove a large asset from your taxable estate, potential to retain control of your property

Utilize an overlooked asset to provide substantial support

Donate a paid-up life insurance policy you no longer need or take out a new policy

Increase your ability to support Smith without affecting your lifestyle

Show support without affecting your cash flow or portfolio now

Name Smith College in your will or living trust by designating a specific amount or a share of the residue

Retain control of your assets during your lifetime and receive an estate tax deduction

Avoid double taxation on IRAs or other retirement plans

Name Smith College as a full, partial, or secondary beneficiary of your IRA or other retirement plan, and leave other assets to family

Eliminate income and estate taxes on retirement plan assets and free up other property to pass to your heirs

Receive guaranteed lifetime income, reduce capital gains taxes, and supplement retirement income

Charitable gift annuity: A simple gift contract that provides lifetime payments to one or two persons

Receive an income tax deduction and fixed payments for life (with payments partly tax-free)



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