



The ACU  
Foundation

# LEGACY

Estate Planning Newsletter

## Know Your Beneficiaries

How would you have a beneficiary you don't know?

If you are a donor to ACU, you are blessing people you have never met. Maybe, never will. So, who are these folks? I so wish you could read all their letters, sit and talk with them about their stories, their university experience, and their hopes and dreams. You are a part of that – all of that!

This issue of *Legacy* introduces three such beneficiaries: Josh Brandon, freshman from Mesquite, Texas; Mic Biesboer, a graduate student and minister from Stephenville, Texas; and Garpue Lieway, a social worker from Liberia. Each has a story, an ACU experience and God-given hopes and dreams.

While more than 90 percent of ACU's students receive some form of direct financial assistance from grants, loans, and scholarships, please remember that 100 percent are beneficiaries of your gifts to the Exceptional Fund, capital campaigns and endowments. It is beyond imagination to envision the impact of your gifts multiplied through the talent and dedication of nearly 5,000 young people whose lives are forever changed by an opportunity you provided.

These are your beneficiaries.



**Josh Brandon** is recipient of the Susan Scott Endowed Scholarship. Brandon is a first-generation university student who found ACU in his search for a Christ-centered college environment. Active in music and student government activities in high school, he has found ACU to be "a great place to experience life independently, and to grow and develop friendships in a Christ-centered environment." Brandon loves the support and accountability he has received from faculty, friends and staff. His career plans are focused on helping middle and secondary school students through community organizations or youth ministry.



**Mic Biesboer** is a graduate student with a wife and two young children, and is engaged in full-time ministry. A recipient of scholarship support from the Crutcher and Vickie Scott Foundation, he has gained new appreciation for the significance of philanthropy. "It is encouraging that each of you will directly be a part of my family's formation and our career in ministry," he says. "There is an awesome responsibility and humility in realizing that my work is rooted in countless people and their openness to give. Thank you for embodying selflessness, committing to Christ's community and giving to my family. I pray these traits will characterize my ministry for years to come."



**Garpue Lieway** is a citizen of Liberia, a nation in Africa now emerging from a 14-year civil war. Nearing completion of a master's degree in social work in May 2011, Lieway hopes to pursue a Ph.D. in international development to enhance national reconstruction and development in Liberia and Africa. He has combined work opportunities with great personal frugality and a scholarship from the Crutcher and Vickie Scott Foundation to complete his degree free of debt. He asks for friends of ACU "to join us (he and his wife) and lift our plans before God. We want clear directions and a plan from God so that we can pursue it for God's glory and bring relief and blessings to God's suffering people and to our own new family."



## A Window of Opportunity

### IRA Charitable Rollovers (2011)

The “2010 Act,” passed by Congress late in the day of Dec. 16, 2010, extends the exclusion from gross income for qualified charitable IRA rollovers made prior to 2012. Many donors have used this opportunity since its inception in 2006 to optimize gifts to charity, reduce IRA balances without taxation, and to meet their Required Minimum Distribution.

Several guidelines exist to take advantage of this unique circumstance:

- Donors must be age 70-1/2 or older.
- Transfers up to \$100,000 are allowable.
- Transfers must be direct from the IRA custodian to the qualified charity.
- 2011 transfers count against the Required Minimum Distribution for this year.
- Transfers are excluded from taxable income and do not qualify for a charitable deduction. They are tax neutral.

## “What difference does it make – to you?”

We share stories in *Legacy* which let you know the difference you make – to students, professors, to the future of ACU.

We would love to hear what your gifts mean to you. How does it make you feel? Why do you give?

We have a limited number of books to offer in appreciation for sharing your story with us. Please submit your story with a request for a copy of *The Ultimate Gift* or *Give to Live*. Identities will be considered confidential unless we seek and receive your permission to share your story and/or name.

## Generational Planning: Stewarding Your Family

Recent changes in estate tax law have generated new issues, opportunities and challenges for financial and estate planners and their clients. Higher exemption rates (\$5 million for individuals, \$10 million for couples) and a lower estate tax rate (35 percent) have high net worth families considering the transfer of great wealth to heirs tax-free while they are still alive. Simultaneously, the gift tax exemption was also raised (\$5 million for individuals, \$10 million for couples). The same is true for transfers to grandchildren (generation-skipping).

For some families the more interesting question is, “Are the children ready for the money?” Research indicates that 90 percent of very wealthy families come apart financially and relationally by the third generation.

The ACU Foundation’s emphasis on stewardship focuses on what the 10 percent of successful families do, and those principles apply to all families – ranging from modest to extreme wealth. This emphasis also requires frequently revisiting thoughts and decisions about values, families, responsibility, heritage and gratitude. The challenge is to transfer appropriate wealth to the next generation without robbing them of initiative and responsibility.

A helpful tool for all families is “The Elements of Heritage Planning – Sustaining Family Wealth & Unity Across Generations,” a publication of The Heritage Institute and reprinted by The ACU Foundation. If you are interested in a copy for your family, please request it on the enclosed Confidential Reply Memorandum. Notably, the authors end their introduction to the publication with the observation, “sustaining wealth and unity across generations, as it turns out, is less about money than it is about preparation and intentional action.”





## Exceptional Fund, Exceptional Donor



Willa B. Patterson ('34) has been a donor at Abilene Christian University since 1937. Employed as a school teacher, she sent instructions to then-president Dr. Don H. Morris ('24) to have a dollar a month drafted from her account for the Living Memorial Fund. Patterson has never stopped giving.

In addition to being a donor for more than 70 years, she is a proud member of The President's Circle. Moreover, she has used The ACU Foundation to assist with her estate planning and is a member of The Heritage Society.

ACU is a part of Patterson's heritage and will be a part of her legacy. Her parents preceded her as donors at

Abilene Christian and she and her sister grew up knowing they would attend the university. That legacy continues.

Three generations of her immediate family have attended and served ACU: Willa and her late sister, Opal Walls ('31); a daughter, Ann Patterson Little ('63), widow of Dr. John Little, professor emeritus of biology; and a son, Johnny L. Patterson ('62). Her grandchildren include Dr. Ellen Little ('92), medical director of ACU Health Services; Alicia Little ('92) Walls; Jan (Little '94) Cohu; Dr. Andrew Little ('97), ACU assistant professor of business law; Erin Patterson Hughes ('92); and Karin (Patterson '92) Munro.

## ACU Hosts National Heritage Day Webcast

The ACU Foundation partnered with The Heritage Institute (THI) of Portland, Ore., to host the first National Heritage Day webcast, the cornerstone of National Heritage Planning Education Week, Feb. 28 through March 4. ACUF president Dan Garrett joined Certified Wealth Counselors from across the nation to plan the event and ACU was the site of origin for the live webinar broadcast March 3.

The local event was co-sponsored by The ACU Foundation and the Community Foundation of Abilene, and was attended by donors and allied professionals from the estate planning and philanthropic community.

Speaker for the event was Rod Zeeb, co-founder of The Heritage Institute and a key trainer of counselors using The Heritage

Process for the transition of values and valuables from one generation to the next. Zeeb's presentation emphasized the gaps in traditional planning, the characteristics of successful families, and keys to developing those characteristics in your family.

Events involving donors, financial advisors, attorneys and others were conducted in states across the country including Connecticut, Wisconsin, Ohio, Washington, Oregon, Utah, Nevada and Texas. Individuals were able to join the seminar online around the world.

State and local proclamations recognizing National Heritage Planning Education Week and/or National Heritage Planning Day stated in part that:

*Heritage planning can benefit*

*all families regardless of their income, ... the stability, strength and unity of families is the foundation of thriving communities; and ... heritage planning is a positive force for strengthening families, inspiring individuals and supporting non-profit organizations and communities ...*

The ACU Foundation is utilizing The Heritage Process in its work with families to strengthen multi-generational values as a part of Christian stewardship.

For more information on The Heritage Process, a DVD of the Heritage Day presentation, or to receive a copy of the seminal publication for this process, *Beating the Midas Curse*, please contact The ACU Foundation (800-979-1906, [debbie.stewart@acu.edu](mailto:debbie.stewart@acu.edu)).



## What Will It Take for You?

Three or four years ago, my friend (a mature adult with grown children) sat in an audience where we discussed the importance of a Will. She agreed that one was needed, and that was something she and her husband should do.

Recently she was in my office asking for specific information on preparing a Will. She and her husband had been in an automobile accident that could have taken their lives. They escaped injury; but suddenly, the importance of planning was real.

What would give you the incentive to prepare a Will or update your plans? Would serious illness, an accident or the death of someone close? Why not resolve this area of anxiety and uncertainty? Request a copy of our Simple Estate Inventory and our book, Wills, Trusts and Estate Planning and start today to get your plans in order. Then, you can enjoy the freedom of knowing that you are prepared, and your plans can always be changed so long as there is life.

The ACU Foundation staff will be happy to provide information and assistance at your request.

## Pass It On!

Economics dictate that Legacy is mailed to ACU alumni, friends and family who are age 45 and older. However, planning resources are significant and available to adults of all ages.

The ACU Foundation offers resources that may be helpful to the next generation of your family or to friends of all ages, and we invite you to use us for that purpose. Single adults and young families often assume that limited assets diminish the need for good planning. That can be a costly assumption, financially and in terms of mental and emotional stress. Extenuating circumstances can dramatically change one's need for planning; i.e., surprise inheritance, accidental death or disability, wrongful act or liability settlements.

If you know someone who would benefit from this publication, please share their name and address and we will be happy to add them to our mailing list. Their first issue will have a cover letter stating that you suggested that they might enjoy the publication.

Staff members at The ACU Foundation are available to assist anyone seeking to enhance their stewardship and planning. Please give us a call at 800-979-1906.



## Reservations, Please!

We are accustomed to making reservations for a specific time – Arrival, Thursday, May 12; Departure, Sunday, May 15, etc.

What about making a reservation with no end date? ACU will reserve your home for life. Many friends of the university use a Life Estate Reserved transaction to make an ultimate gift to the university, and still enjoy their home.

A few years ago, a former faculty member wanted to create a legacy endowment at ACU. Children in the family had left Abilene or had no use for the family home, so we explored using that property to create an endowed fund. Ultimately, the house was used as one component of a total estate plan to provide for friends, family and charities, including ACU. The house was given to the university with a Life Estate Reserved. The donors retained full use of the house for life and were responsible for taxes, insurance and maintenance. After the second to die, the house was sold to fund the family endowed fund. The details of the transaction were as follows:

### *Donors (ages 87 and 82)*

Home Appraised Value .....	\$165,000
Donors received a Tax Deduction of approximately .....	\$ 85,000
Tax savings (25 percent marginal tax bracket) .....	\$ 21,250

After the second to die, the house was sold for \$190,000 funding a permanent endowment in the family name.

Had circumstances changed, ACU and the donors would have cooperated to achieve the best outcomes for the donors. Options included converting the remaining life reserve to cash for assisted living or other care or gifting the remaining interest to receive another tax deduction and accelerate funding of the endowment. Call The ACU Foundation for more details on the use of a Life Estate Reserved arrangement to maximize your planning.





*ACU Student Ambassadors served as reception hosts and hostesses at the Feb. 19 dinner meeting of The President's Circle and Heritage Society including (from left) Tony Godfrey, Melanie Wheeler and Bonnie Sullivan.*



*Dan Garrett, ACUF president, presenting Rod Zeeb, co-founder of The Heritage Institute, with a proclamation from Mayor Norm Archibald and the City of Abilene proclaiming Feb. 28 - March 4, 2011, as National Heritage Planning Education Week.*



*Dr. Bruce Evans (left), executive vice president of The ACU Foundation, attended the dinner meeting of the The President's Circle and Heritage Society, as did Elizabeth and Buddy Dulin, who are members of both organizations.*



*Alvah Jean and L.D. "Bill" Hilton are charter lifetime members of The President's Circle, and members of the Heritage Society.*



*(Standing, from left) Chris Shim, Asja Leznina, Carson Henley, Dan Lake, Wiepie Rojas, Kevin Washington, Caroline Conwell and Zack Morgan. (Seated, from left) Lily Assaad, Julieanne Mack, Sara Shoultz and Emily Taylor.*

### **Endowed Scholarship Recipients (pictured at left)**

- *Revis D and Earlene D. Tyler Jr. Endowed Biology/Chemistry Scholarship (Bonnie Sullivan)*
- *Kay and Bob Onstead Ministers Progeny Endowed Scholarship (Chris Shim)*
- *Ted and Glenda Fowler Golden Corral Endowed Scholarship (Dan Lake)*
- *Pauline and Ed Snelson Endowed Scholarship (Jonathan Murata)*
- *A. Don Drennan Endowed Business Scholarship (Murata)*
- *Pauline Marshall Endowed Scholarship (Murata)*
- *A.B. Barret Endowed Scholarship (Julieanne Mack, Wiepie Rojas, and Taylor Edwards)*
- *Nick and Helen Nicholson Endowed Football Scholarship (Kevin Washington)*
- *James W. and Clara D. Culp Endowed Scholarship (Melanie Wheeler)*
- *Pat and Joann Sublett Endowed Government Scholarship (Wheeler)*
- *Gary and Nancy Thompson Endowed Scholarship (Wheeler)*
- *Mark Weldon Baker Endowed Scholarship (Zack Morgan)*



# Thoughts on Stewardship

Short-term and long-term perspectives are central to Christian stewardship. What are my priorities on a daily basis? How can I make a difference today? How do I want to be remembered? What difference will my life have made in 100 years? What will they do with my stuff?

In working with friends of ACU over the years, we have been impressed with their views of ownership. They consistently see themselves as stewards rather than owners.

How does one “own” anything – bank account, car, business, stock, home, land, money? Rather, philanthropists (those who practice goodwill to fellowmen) see possession as opportunity to steward (manage) resources for higher purposes. Biblical stories dealing with possessions focus on their use rather than their accumulation.

And so we are inspired by people such as the late Daisy Sewell, who wept when she distributed the last of her inheritance to sustain ACU in its infancy, saying, “I am so glad I had it to give. I believe it will do good after I am gone ...” We thrill at small donors who give

consistently and generously out of limited resources. And we are grateful when persons of great means direct their resources to provide opportunities for future generations. Stewardship and philanthropy are matters of the heart more than net worth.

Regular gifts to the Exceptional Fund (formerly the Annual Fund) share one’s blessings with students preparing for a future of service and leadership, shared-income

arrangements (Charitable Gift Annuities or Charitable Remainder Trusts) meet day-to-day needs of the donor and prepare a blessing for the future, and simple bequests represent ultimate stewardship of the accumulation of a lifetime. Gifts vary greatly in form and magnitude, but all are made with a view to stewarding God’s blessings. They are typically expressed as a part of the fabric of life.

The story is told that Saint Francis of Assisi was hoeing his garden one day. Another monk asked him what he would do if an angel came down from heaven just then, and told him he was to die that night. Francis thought for a moment, and then said, “Finish hoeing my garden.” That is the work of a steward: faithfulness in all things.

ACU Foundation officers are equipped to assist friends of the university in planning to realize personal, family and philanthropic goals. Please call to discuss your stewardship goals. Consultation is free and there are no obligations.

Call The Foundation at 800-979-1906 or visit our website at [www.theacufoundation.org](http://www.theacufoundation.org).

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Dan T. Garrett,  
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