PARTNERS THROUGH GIVING
Generosity, foresight, financial savvy, and strategic thinking— the essence of a planned gift to Yale.
Partners Through Giving

*A solid financial future—it is a goal that you and Yale share in common.*
*You have been careful about building your assets and providing for your family. You are also committed to the learning and discovery that make Yale great. Can you advance all of these objectives at the same time?*

Yes—*with a planned gift to Yale.*

With a planned giving strategy tailored to your needs, you can put your assets to work for any part of Yale you choose—while you and the University share in the benefits. Benefits such as:

- The chance to leave a meaningful legacy
- A secure income stream for you or a loved one
- Savings on your income and estate taxes
- The peace of mind that comes with Yale’s sound financial management
- The satisfaction of advancing the University’s mission of teaching and research

This booklet introduces the many planned gift options available at Yale. If one of these strategies seems right for you, we invite you to contact us to learn more. We would be happy to provide detailed information to help you—and your professional advisors—plan a gift that can work for you, and for Yale, for years to come.
Build a Lasting Legacy

*By including Yale in your estate plans, you make a lasting contribution that will strengthen the University and, through our faculty and students, touch countless lives.*

**A Bequest to Yale**

Making a bequest to Yale allows you to manage your assets and meet your family’s financial needs during your lifetime. A charitable bequest may provide a tax deduction for your estate and, by supporting future generations of Yale students and faculty, have a profound impact on scholarship, teaching, and research at the University.

There are many ways to include Yale in your estate plan. Each can support an area of the University that interests you and may qualify your estate for an estate tax deduction:

- Make a bequest of cash, securities, or other property
- Designate a specific dollar amount, a particular asset, or a fixed percentage of your estate for Yale
- Leave all or a portion of your residuary estate to Yale after you have provided for your other beneficiaries
- Name Yale as a contingent beneficiary of your estate in the event your other beneficiaries do not survive you

A bequest may be for a percentage of your estate or a specific amount. We suggest that you consider designating a percentage of your estate, ensuring that all the beneficiaries, including charities, receive the proportion you intend, even though your estate may change in value.
Daniel Lao '11

Daniel Lao, a first-generation American from Bridgeport, was given the opportunity to attend Yale with the help of the scholarship fund established by Judge George Saden’s bequest.

“With the financial aid I received, I could fully experience Yale and all it had to offer without the worry of a financial burden on myself and my family.” A member of the Jonathan Edwards community, Dan served as a freshman counselor during his senior year, and also volunteered as a tutor, mentor, and advocate for New Haven elementary school students. A mathematics major, Dan assisted the department as a grader, tutored fellow undergraduates, and developed a keen interest in teaching.

As a recipient of a Math for America Fellowship, he is pursuing a Master of Arts in teaching, which includes a commitment to teach in the New York City public schools. Dan reiterates, “I hope to continue to help young people develop their passions and strive for excellence. I would like everyone to have experiences just as amazing and meaningful as I have had at Yale. None of this would be possible for me without the financial aid I received from Judge Saden’s scholarship fund.”

Judge George A. Saden ’31

In crafting his estate plan, Judge George A. Saden was guided by two principles—his love of learning and his devotion to Yale. In 1999, he created the John S. Saden, Lillian Chavenson Saden and Charlotte Marion Saden Memorial Scholarship Fund to honor his late parents and sister and to provide financial assistance to Yale students, especially those from his hometown of Bridgeport, Connecticut. It was following his death in 2003, however, that the full impact of his generosity to Yale was realized. As the result of an additional significant bequest, the Saden Scholarship Fund currently supports four exceptional Saden Scholars at Yale College. The Judge further honored his family members by providing in his will for the funding of endowed professorships in each of their names. Lastly, reflecting his passion for American and British literature, Judge Saden designated funds from his estate to establish a program to bring visiting scholars from Great Britain to study and teach at Yale. Judge Saden’s legacy is but one example of how bequests to Yale have shaped and supported the University for over 300 years.
Documenting Your Bequest

You may stipulate that your bequest be used for a specific purpose, such as financial aid, facilities renewal, or a particular academic program. Because educational activities and priorities change over time, you may wish to give Yale the flexibility to use the funds where they are most needed. If you are considering a bequest with specific restrictions for its use, you or your legal advisor should discuss your plans with Yale’s Office of Planned Giving to ensure that the University will be able to fulfill your intentions.

Sample bequest language

I give (___________ dollars) or (a specific asset, such as securities, real estate, or other property) or (all) or (______ percent of the rest, residue, and remainder of my estate) to Yale University in New Haven, Connecticut, (for its general purposes) or (for the following purpose: __________________________ ).

While unrestricted gifts allow the University to allocate funds to areas of greatest need, you may designate your bequest for a particular purpose or use by a specific school, program, or activity at Yale. In order to ensure that the evolving educational needs of future generations of students are met, it is advisable to include the following language with restricted gifts:

In the event that at some future time due to changed circumstances, in the judgment of the Yale Corporation, it becomes impractical to apply my bequest to the designated purpose(s), the Yale Corporation shall make such modifications as will appropriately recognize my interests in coordination with University priorities.
Gifts that Secure Income

A life income gift has many benefits: dependable income for you and your family, current and future tax savings, and a means to support Yale. Whether you are planning for retirement, the educational expenses of children or grandchildren, or the care of loved ones, life income gifts are an excellent way to balance many goals.

Charitable Gift Annuities
Charitable gift annuities are one type of life income gift that provide secure, predictable, fixed payments as well as income and capital gains tax savings.

For a minimum gift of $10,000, you may establish a charitable gift annuity with Yale. You contribute cash or marketable securities in exchange for Yale’s promise to pay you and, if you wish, your spouse or another annuitant, a fixed income for life. If you transfer appreciated securities, the payment of capital gains tax may be spread over your life expectancy. The annuity rate is based in part on your age at the time you begin receiving payments. As a donor, you may qualify for an income tax deduction in the year you make your gift. In most cases, you will receive a portion of your annuity payments tax free.

You may choose to delay the start of your annuity payments for some period of time—an attractive option if you wish to provide a secure income stream for your retirement or for a loved one. A deferred payment charitable gift annuity may also allow you to increase the amount of the annuity payments. When you choose a flexible deferred gift annuity, you retain the option to select from a range of payment start dates.
Ellen Frasca Evans ’81

“I consider my charitable gift annuity to be truly a ‘win, win, win’ for my mom, for me, and for Yale.”

Summing up her decision to make her 25th reunion gift in the form of a gift annuity to benefit her mother, Ellen says, “From a fiduciary standpoint, I am confident in Yale’s investment management team. And in terms of my mom, I know my decision to fund a charitable gift annuity will provide stable and reliable income to her for the rest of her life. With the added cushion she receives from her gift annuity payments, I know she feels more financially secure. And while she refused to take money directly from me, she couldn’t say no to a gift to Yale that benefits her as well—a true win-win-win!”

Charles P. Lord ’56

“As my 50th reunion gift, I decided to fund a charitable remainder trust that will pay me income during my retirement years. As trustee, Yale invests the assets and manages the trust at minimal cost. Later, the remaining trust assets will be used to establish an endowed fellowship to support international travel, study, and research for Yale College students.

“Today’s undergraduates will become world leaders in many arenas, and I would like them to develop an understanding and appreciation of other cultures and viewpoints. I applaud the University’s commitment to ensure that every student has the opportunity to study or work abroad during his or her college years, and I am proud to play a part in fulfilling that promise.”
**Charitable Remainder Trusts**

Charitable remainder trusts are gift plans which allow for income for you and your loved ones, individual management of your gift, and increased capacity to support Yale.

If you are considering a significant gift to Yale ($100,000 or more depending on your age), a charitable remainder trust may be a good option. You irrevocably transfer assets, such as cash, marketable securities, or real estate, to a trustee who separately manages and invests them. You, another person, a bank, or Yale may serve as trustee. The trust makes payments to you, you and your spouse, or another person for a fixed dollar amount (annuity trust) or a variable amount (unitrust). Beneficiaries receive income for their lives or for a specified term. At the conclusion of that term, the trustee pays the trust principal to the University. Charitable remainder trusts may provide income, capital gains, and estate tax savings and can be tailored to meet your personal and financial goals.

If Yale serves as trustee, your gift will benefit from expert asset management, with low administrative costs, under the direction of the Yale Investments Office.

**Pooled Income Funds**

Another variety of life income gift, pooled income funds offer a flexible way to diversify your portfolio. Yale’s funds provide a choice of three combinations of investment yield and growth, each with income and capital gains tax savings.

For a minimum initial gift of $10,000, you may contribute to a pooled income fund (which operates like a charitable mutual fund) at Yale. Such a fund combines and invests your gift with the gifts of others and pays an income stream to you, or your designated beneficiaries, for life. Upon the death of the last beneficiary, your share of the fund transfers to Yale for the purpose you have designated.
“Some of my earliest memories are of my grandmother talking about the importance of leaving something tangible behind to help others have better lives. She and my parents were the inspiration for me to make a gift to establish the Eley Family Scholarship.

“Yale was very generous to me, and so I feel a responsibility to assist future generations of students. I remember how confident and grateful I was when I completed my Yale education: thanks to my scholarship, I knew I wouldn’t be burdened by loans.

“Last year, I began to consider a ‘succession plan’ for my family’s scholarship and for my own future. By making additional contributions to the scholarship through deferred gift annuities, I have found a way to continue to contribute to the fund that has a relatively low impact on my overall financial situation. I am able to give back to Yale and look forward to a strong financial future at the same time.

“I consider my annuities a kind of pension from an institution whose stability is unquestionable. I don’t want to be dependent on one source of income in retirement, so my deferred gift annuities offer a way to diversify and add a fixed income component to my portfolio. They will begin to pay me a steady stream of income when I reach my seventies. The tax benefits are valuable to me now, and I’ve created an additional gift annuity for my mother, who was my first investor when I started my own company years ago.

“Yale played a role in my own accomplishments and successes. I am proud of Yale’s commitment to ensure that the University remains accessible to all students, regardless of their financial means, and pleased to make a contribution to that undertaking.”
Yale maintains three such funds—a growth fund, a balanced fund, and a stable fund—so you can choose the combination of investment yield and growth that is right for you. You can contribute cash or marketable securities to a pooled income fund, and receive an income tax deduction in the year you make your gift. After your initial contribution, you can add to the fund in increments of $1,000 or more. If you transfer appreciated securities you have owned for more than one year, you may well increase income without recognizing capital gains.

**Charitable Lead Trusts**

Just as a charitable remainder trust allows you to provide an income stream to yourself or a loved one, a charitable lead trust lets you generate an income stream to Yale—while you preserve the assets for your family. In addition, a charitable lead trust enables you to make a meaningful immediate contribution to Yale, and receive significant current or future tax benefits.

A charitable lead trust, generally established in the amount of $500,000 or more, lets you keep assets in your family, but provides income to Yale for a period of time. You can create this separately invested, irrevocable trust by transferring cash, marketable securities, or income-producing property to a trustee you select. This trustee—a bank, one or more individuals, or a combination of these—manages the property and pays Yale a periodic dollar amount that may be fixed or variable. When the term of the trust is concluded, the trust assets revert to you or to persons you name, such as children or grandchildren. Depending on the terms of the trust, any asset growth that occurs within the trust may be distributed to the trust’s beneficiaries free of gift or estate tax. The financial and tax advantages of a charitable lead trust vary based on the type of trust you establish and your relationship to that trust.
“Education (Chittenden Memorial Window),” 1889–1890
Louis Comfort Tiffany (1848–1933) for Tiffany Glass Company
Location: Linsley-Chittenden Hall
Strategic Use of Your Assets

A gift to Yale is an important personal choice. Support for financial aid, outstanding teaching, the arts, scientific research—whatever your goal—making a meaningful gift can be challenging. It often makes sense to explore your options and look at assets beyond cash and publicly traded securities. You may own property that is valuable on paper, but because it is illiquid or tax burdened, you may never realize its full value. A strategic alternative is to donate that asset—a part of your retirement plan, real estate, an insurance policy, or other personal property—to Yale. In many cases, you can enjoy immediate and future tax savings, and make a larger gift than you thought possible.

Retirement Plans

- Maximize your giving by minimizing taxes
- Build your legacy to Yale

Retirement funds held in IRAs, 401(k)s, or other qualified retirement plans offer a straightforward and tax-efficient way to make a generous gift to Yale. If you have reached the age where you are eligible or required to take distributions from these accounts, and the funds exceed your current income needs, a gift to Yale can help to offset your tax liability, while providing support to the University.

Another option is to name Yale as a beneficiary of your retirement plan. If these assets are left to children, grandchildren, or other heirs, as much as 70% or more of the bequest may be consumed by estate and income taxes. In contrast, Yale will receive 100% of your charitable contribution. You should consult with your financial advisor to understand how this type of giving may benefit you and your family.
Richard H. Pershan ’51, ’56 LL.B.

“When I was reviewing my estate plan to include gifts for Yale College and Yale Law School, I had to make a decision: provide for Yale in my will, or leave Yale a portion of my IRA.

“I chose to name Yale a beneficiary of my IRA. By doing so, and by leaving other assets in my will for my heirs, I actually save taxes and am able to leave more resources to my children. I give the same advice to my clients in comparable circumstances.”

Brian W. Lerich ’69

Brian W. Lerich describes his experience donating appreciated real estate to a charitable remainder unitrust:

“In 1997, I became the ‘proud’ owner of a beautiful tract of forestland just outside of the Adirondack Park in New York. The land was remote and beautiful, well-stocked with a mix of softwood and hardwood timber, with good access for forest management and recreational use.

“Ten years later, after retiring from teaching, I evaluated my personal situation and need for income. If I held the land, I would only receive occasional revenue from forestry operations, but due to my low cost basis, I would incur significant capital gains tax by selling it.

“The solution was to establish a “flip” charitable remainder unitrust. I donated the land to the trust, which sold it without any tax liability. Moreover, I was able to claim a partial tax deduction for the value of the land contributed, which I could carry over for several years. Yale agreed to serve as successor trustee, handling administration of the trust and investing the sale proceeds. I receive a regular income based on a percentage of the trust’s annual value for the rest of my life.

“I named the University as a significant irrevocable beneficiary of the trust because I believe Yale lives up to its motto ‘Lux et Veritas.’ Through its excellence in teaching and research, Yale continues to be one of the world’s great and enduring universities.”
Real Estate

• Maximize your giving potential
• Generate tax deductions
• Save on capital gains tax

Making a gift of a primary residence, vacation home, undeveloped land, or other property interests is a strategic way to support Yale. Your donation can put the property’s full value to work to advance Yale’s mission. What’s more, you may receive a charitable deduction equal to the property’s fair market value. In contrast, selling the property—and paying capital gains tax on its appreciated value—allows you to realize only a portion of its worth.

Another way to donate a personal residence is to give Yale a remainder interest. Under this arrangement, you may continue to use and enjoy the property, while you agree to pay the taxes and maintain it. Upon your death, or when you no longer need the property, it will pass to the University. This type of gift has the potential to generate a significant charitable deduction at the time the gift is made.

Real estate may also be used to fund a charitable remainder trust.

Tangible Personal Property

For generations, Yale University’s libraries, museums, and collections have been the fortunate beneficiaries of many generous gifts of personal property. You may wish to give books, archival material, works of art, musical instruments, jewelry, or collections—and receive tax benefits in return.

Life Insurance

If you own a life insurance policy and no longer need its protection, you can name Yale as the beneficiary to receive the face value upon your death, and your estate may receive a charitable deduction.
Privately Held Business Interests
Many alumni and friends hold considerable assets in the form of privately held business interests. You can donate such assets — closely-held or other non-publicly traded stock, interests in limited partnerships, or limited liability companies — as a way to support Yale while earning tax advantages and other financial benefits.

Donor Advised Funds
For a minimum initial contribution of $5,000,000, Yale offers donors the opportunity to participate in a donor advised fund. This type of planned gift enables you to take advantage of Yale's strong Endowment performance, since the funds are managed as part of the Endowment, while at the same time giving you the option to recommend that up to 50% of your gifts to the fund be distributed to other qualified charities. (Please inquire about special consideration for gifts of $25,000,000 or more.)

The Office of Planned Giving can help you and your professional advisors explore the best ways to give your assets and determine which gift plan is right for you.
We invite you to join Yale Legacy Partners, a society of alumni, family, and friends who have included Yale in their estate plans or made other planned gifts to the University. Donors who remember Yale in this manner support the aspirations of talented students and faculty from around the world. Yale Legacy Partners is our way of saying thank you for your foresight and generosity. As a Yale Legacy Partner, you have the option to be acknowledged in member listings. You will also have the opportunity to join your fellow members at special events.

You are eligible for membership in Yale Legacy Partners if you have named Yale as a beneficiary of your will or trust, life income gift, IRA or other retirement plan, life insurance policy, or other planned gift. Information regarding the amount, nature, or designation of your bequest or gift is welcome but not required for membership.