



visions IN PERSONAL PLANNING

You can support the Zeta Beta Tau Foundation with a gift that leaves your options open.

- Bequests
- Life Insurance beneficiary
- Other beneficiary designations

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Simple and Meaningful Ways to Make a Difference

Planning for Today and Tomorrow

Every day at the Zeta Beta Tau Foundation, we strive to improve our Fraternity and the lives of our undergraduate and alumni brothers through our work. We also have the important task of setting goals and developing programs and resources that we can provide in the future.

Our supporters do the same thing—they donate time and money on a regular basis so we can meet our present needs. But donors can also set up gifts to be completed sometime in the future in order to leave a legacy.

In this issue of *Visions*, we point out some planned gifts that are simple to complete. You can put a gift in place today that will have a real impact on our future, and this can be done without

any present-day cost to you. After seeing the difference your regular support makes year in and year out, you can imagine what legacy your future gift will create.

After reading *Visions*, please call or e-mail me, or send in the enclosed reply card for our informative brochure, *Revocable Gifts—A Comfortable Commitment*. This complimentary resource provides even more information about these forward-looking ways to give. And, if you wish to discuss a gift idea with the Zeta Beta Tau Foundation, please let me know.

Cordially, Fraternally and Sincerely,
Faron A. Lewitt

ZETA BETA TAU
FOUNDATION

Simple Steps Today Make a Lasting Difference



OPTION: A Charitable Bequest

Everyone is familiar with the idea of giving to a charity by a bequest included in a will. Of course, you understand the benefit of having a will in place to properly distribute your estate. Adding a charitable bequest serves to meet your philanthropic goals.

There are several different ways to state your bequest and the best way depends on your particular planning approach. A popular form of bequest is the percentage bequest, which is the gift of a percentage of the value of your estate (after all the taxes and costs have been paid). By naming our organization in a will by a percentage bequest, you can be sure that your charitable gift will be in the right proportion—as the value of your estate increases, so does your eventual gift.

For example, Rebecca and Vincent recently met with their attorney to update their wills. They decided to change their wills now that their children are fully grown and fully employed. The attorney went over the necessary questions, including whether they wanted to leave anything to charity. Rebecca and Vincent had discussed this very idea last month—they wanted to include us in their estate plans because of the shared connection with our organization. And they wanted to be sure to continue their life-long support of our programs. They asked the attorney to leave a percentage bequest of 10% to us.

OPTION: Life Insurance

Life insurance is an important planning tool because it provides security against the loss of income at an unfortunate time. The benefits from a life insurance policy can assure that your family has the financial wherewithal to continue living their lives and meeting their needs if you cannot provide for them. But as your planning needs change, so can the purpose of the life insurance. It may be possible to include a charity as a beneficiary for your life insurance policy.

For example, Richard purchased a life insurance policy fifteen years ago to assure his children could go to any college they wanted—even if something were to happen to him. Last spring, his youngest child finished graduate school and began teaching at a local college.

When meeting with his financial planner, Richard mentioned that he would still like to keep his three children as the beneficiaries of the life insurance policy, but that he would like to add our organization as a fourth beneficiary to share equally with the children. Because the immediate need for the life insurance policy has passed, Richard could expand the future impact of the life insurance policy proceeds.



OPTION: A Beneficiary Designation

A very simple way to make a planned gift that is sure to leave a legacy is to list our organization as a beneficiary on a retirement account, pension or bank account. These types of accounts usually have a “payable on death” designation, meaning that you choose the person to receive the remaining funds upon your death. The bank, employer or brokerage house typically requires the account holder to list one or more beneficiaries. You may also, upon request, modify or amend these designations. Listing our organization as a beneficiary for these accounts is an efficient and effective way to give.

Generally, when designating a beneficiary, the account holder chooses a primary beneficiary (or beneficiaries), then secondary (also known as “contingent”) beneficiaries. The primary beneficiary is the person or persons first in line to receive what is in the account or due on the account. Secondary or contingent beneficiaries are persons who are set to receive those funds in the event that the primary beneficiaries turn down the funds or cannot receive the funds.

The great advantage of including a charity as a beneficiary (whether primary or secondary) is that there is no set obligation. Your eventual gift depends entirely upon whether you want to keep our organization as a listed beneficiary and is subject to whether you use the intended asset. If you need to use the money in the account, the money is available regardless of any beneficiary designation. The future gift is entirely within your control.

For example, Amber (age 67) owns an Individual Retirement Account (IRA) worth \$85,000 that she inherited from her husband. Years ago, she named her two children as the beneficiaries. However, both her son and daughter are financially secure, and the estate plan she drew up last fall divides most of her investment portfolio and her real estate between her friends and family. This IRA could almost be considered an “extra.”

Amber decides to change the beneficiary designation on the IRA to divide the monies equally among three charities where she regularly volunteers. If she needs the money from the IRA, she can take withdrawals—in fact, she will need to, in order to comply with the required minimum distributions from a tax-deferred account once she reaches age 70½. But, whatever remains in the account will ultimately go to help the charitable organizations most important to her.

ANOTHER OPTION: A Revocable Living Trust

A revocable living trust is a financial planning tool that many employ to manage their living expenses. The grantor funds the trust with assets and selects a trustee to manage its assets and distribution of its income and principal. The grantor has a choice when drafting or amending the trust to name the beneficiaries that receive the assets of the trust at the death of the grantor. Like a charitable bequest, the grantor can designate a charity as a beneficiary.



EXACTLY WHAT IS AN ENDOWMENT?

An endowment is a fund maintained by a charity that is set aside for a special purpose. The idea is that income generated by the endowed fund will support a favorite cause or project for years to come. The gift is, in a sense, self-renewing and can even create opportunities for others to join in promoting a meaningful legacy.

Here is how it works:

- The endowment is established at a charity.
- The tax-deductible gifts from generous donors are directed to the endowment.
- The money in the endowment is invested and part of the income created from the investments provides the specified support.
- As more gifts are made to the endowment, the income coming out the fund can grow.

An endowment can be a continuing source of funding for the programs and services you want to encourage. It is possible for certain endowments to continue year after year and generation after generation!



LOOKING FORWARD TO NEXT TAX SEASON?

After April 15th, most Americans are inclined to forget about income taxes for a while. But, keeping in mind a few personal planning tips can make next year's tax-filing efforts less demanding.

- Be sure to keep contemporaneous records.
- Think about grouping expenses that you can itemize as deductions in a single year.
- Consider offsetting additional income with a deduction from charitable gifts.
- If you are an IRA owner age 70½ or older, consider how an IRA charitable rollover might fit in with your overall planning.

IMPORTANCE OF INFORMING US OF YOUR GIFT

If you have taken steps to include the Zeta Beta Tau Foundation in your will, or to designate the Foundation as a beneficiary for any purpose, please let us know. We would appreciate the opportunity to thank you. And, if you like, we can discuss how you want your gift to be used. It is important to us to know the intentions of those who have opened their hearts to our organization. We are grateful for your thoughtfulness.

OUR LEGAL NAME: It is important that our official legal name should be used in all wills, deeds or other written documents that evidence a gift or bequest: Zeta Beta Tau Foundation, Inc. Our institution is incorporated under the not-for-profit corporation laws of the State of Indiana. The IRS has approved our foundation as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Security Today, a Legacy Tomorrow

A gift made through a will or by designating the Zeta Beta Tau Foundation as a beneficiary is rewarding to both you and us. It is a way to be secure in your own situation today, and look forward to leaving a legacy in the future.

If you are interested in learning more about these unique gift options, please send for a free copy of *Revocable Gifts—A Comfortable Commitment*. This brochure is a timely source of information for you and your financial advisors to consult. Just return the enclosed card for your copy, or call or e-mail us directly with any questions you have. We appreciate the opportunity to be of service.

ZETA BETATAU FOUNDATION

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