

Giftwise

Financial and Charitable Strategies for Alumni, Parents, and Friends of Williams College

Profiles in Giving: Gay Mayer '64



Gay and Mary Mayer

Gay has continued to build upon a foundation of philanthropy as enduring as his relationship with the college.

Since his first day as a volunteer for the Alumni Fund telethon more than 46 years ago, Gay Mayer's mantra for giving to his alma mater has been "Plan."

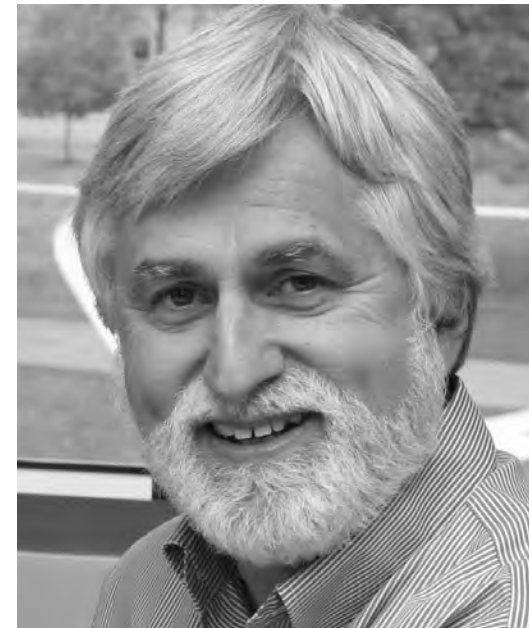
Learning that Williams gift commitments at any point after his 40th Reunion would count toward his upcoming 50th, Gay has continued to build upon a foundation of philanthropy as enduring as his relationship with the college.

As a Williams student Gay formed relationships that became so critical to who he grew into, that volunteering first as an Alumni Fund Associate Agent, then Class Agent, 25th Reunion vice chair, and now Class President all felt like simple payback. Even as CEO of MEM Company and an active community volunteer, he's always made time for Williams.

In planning for his 50th Reunion gift, Gay funded several Williams charitable gift annuities in addition to outright gifts. Each annuity provides lifetime payments with remaining funds to support the Class of 1964's 50th gift purposes. Gay and his wife Mary have also named Williams as a beneficiary in their charitable remainder unitrust, providing further support for both Williams and Mount Holyoke, Mary's alma mater.

"The folks at Williams in the Gift Planning Office have been a great resource," says Gay. "And their best advice has been to make sure we work closely with our own tax attorney and financial advisor early and often!"

Planning has been easier for Gay than trying to make hasty decisions. And thinking long term ensures that future Williams students may find their own lives changed for the better, as was his. For now, Gay is looking forward to seeing his '64 classmates at their reunion when they will have a chance to recommit to their journey: "climb high, climb far, your goal the sky, your aim the star."



Jerry Caprio '72

Long-Term Lessons

As the world continues to recover from the Great Recession, an increasingly common concern—particularly among the 40+ crowd—is "Where should I put my money now so it will still be there in retirement?"

Jerry Caprio '72 has some ideas, and he's a guy whose ideas are worth listening to. Previously director of financial sector policy and research at The World Bank, vice president and head of global economics at JP Morgan, and economist at the Federal Reserve and the IMF, Caprio is now the William Brough Professor of Economics at Williams. His most recent book is *The Guardians of Finance: Making Regulators Work for Us*, and his peers recently named him a "Top Wonk."

"A standard approach to retirement planning is to diversify—but into what? U.S. equities are probably overvalued; emerging markets, particularly the BRICs (Brazil, Russia, India and China), used to be more popular. But as the Fed begins to move to a less generous policy stance, and China slows, the riskiness of emerging markets has become more apparent. What about less exciting, more reliable options—where to put the money you're really counting on in your golden years? Indexed government bonds seemed very safe—until Congress nearly took us over the fiscal cliff..."

"So what makes sense for long term planning? Great colleges and universities are worth a close look for at least some portion of your retirement assets. MIT, for instance, recently issued a 100-year bond. That tells us

that the market trusts MIT quite a bit. Why? Because places like MIT—and Williams—are in it for the long haul. They steward their current assets very, very carefully and I cannot imagine that the issue of whether we pay our debts would ever be considered at MIT or Williams, unlike on Capitol Hill.

"With all this in mind, a Williams Charitable Gift Annuity is worth consideration as a reliable, stable income source that also supports the college. You receive guaranteed payments for life, and portions of those payments are typically tax-free. You also receive a one-time federal income tax charitable deduction at the time you set up the annuity, and if you fund it with appreciated securities you avoid having to pay capital gains tax all at once.

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Join The Ephraim Williams Society

The Ephraim Williams Society recognizes those who have demonstrated their commitment to Williams' future by establishing planned gifts or including Williams as a charitable recipient of their estates.

The society's name honors the college's founder in the hopes that alumni, parents, and friends will perpetuate Ephraim Williams' legacy by supporting Williams through their estate plans.

If you have already included Williams in your estate plans, but are not yet a member of The Ephraim Williams Society, please let us know so that we may welcome you! If you're preparing your estate plan and would like to discuss how to include Williams, simply contact us.

Long-Term Lessons *continued from page one*

"Of course, I'm not a financial advisor. And I agree with my friends in the Gift Planning Office that you should always consult your own financial advisor before making big decisions

about your personal assets. But I'm also an alumnus who's privileged to teach at Williams, and I see the great results of sustained, long-term investment by our alumni. What a payoff: doing good for Williams and doing pretty well for yourself, too!"

The Charitable IRA Rollover is Not Available in 2014 ... At Least Not Yet

IRA qualified charitable distribution legislation expired on December 31, 2013. Until then the Pension Protection Act of 2006 allowed you to distribute up to \$100,000 per tax year from your IRAs directly to qualified charities. As long as you were age 70 ½ at the time of the transfer, these outright gifts counted toward your required minimum distribution ("RMD"), and were not included as taxable income. The Act was extended piecemeal through 2013, and hundreds of Williams alumni, parents, and friends used their IRAs to give almost \$10 million in outright gifts to the college.

We hope that Congress will one day make permanent this popular way to support Williams and other charities; however, there is currently no legislation that provides for a 2014 charitable IRA rollover. What does this mean for the tax savvy donor? You may elect to wait until later this year to see if the charitable IRA rollover is once again extended. You may choose to act now. Even without the act in place, you can still request that your IRA administrator transfer funds directly from your account to Williams. While your gift will be taxable as a regular withdrawal, it can also count toward all or a portion of your RMD—and you will be eligible to take a federal income tax charitable deduction for the entire amount of your gift. And should Congress reinstate the IRA charitable rollover retroactively for 2014, you will have the choice of which tax strategy to employ!

The information contained in this publication is offered for general informational and educational purposes. We advise you to seek your own legal and tax counsel in connection with gift planning matters.

SAVE THE DATE!

2014 EPHRAIM WILLIAMS SOCIETY BREAKFAST

If you plan to be on campus for Reunion Weekend, join us at the Faculty House at 7:30 a.m. Friday, June 13. The Ephraim Williams Society Breakfast honors alumni and friends who have included Williams in their estate plans or have funded life income gifts to the college. President Adam Falk and President Emeritus Carl Vogt '58 will be there, and everyone is welcome to attend. Please register by May 23 by responding to the Gift Planning Office at 877-374-7526 or cbrigley@williams.edu.

We'll see you here in June!

SCENES FROM RECENT EWS BREAKFASTS



Give and You Shall Receive! Give to Williams and Receive Lifetime Payments

A charitable gift annuity is a way for you to make a gift to Williams while receiving lifetime payments for yourself or others. How does it work? In return for your gift, you receive a tax deduction and guaranteed lifetime payments. When the last of the beneficiaries (two maximum) passes away, the remaining funds are transferred to Williams.

2014 Immediate Payment Charitable Gift Annuity Benefits: \$25,000 cash gift for single beneficiary

Age	Fixed Rate of Annual Payment	Fixed Annual Payments	Charitable Deduction
60	4.4%	\$1,100 (67% tax-free)	\$7,272
70	5.1%	\$1,275 (73% tax-free)	\$10,248
80	6.8%	\$1,700 (78% tax-free)	\$12,551

Minimum gift amount is \$15,000. Consider deferring your payments for a higher annuity rate. Actual benefits may vary depending on the timing of your gift.