Talking with loved ones about how you plan to distribute your possessions and assets after you’re gone is an easy topic to put off. Many people believe it’s a matter best kept between themselves and their professional advisors. Sharing your decisions with the people they affect, however, can provide peace of mind now and avoid misunderstandings later. Here are some tips to get you started.

Choosing Whom to Involve
Consider family who need to be—or think they need to be—in the loop. Your spouse, children, parents, siblings and even in-laws may have emotional connections to your financial decisions. Only you can decide whom to include when you communicate your estate planning choices.

How to Approach The Encounter
Decide if you want a trusted advocate with you. Would you feel more comfortable and communicate more effectively if a third party, such as your attorney or financial advisor, were present to objectively support what you say?

Schedule your discussion around an occasion that celebrates your life and your family, when it’s natural for you to talk about life’s milestones and what’s important to you.

Begin by openly sharing what you intend to accomplish through the financial decisions you’ve made. Common gift planning objectives include:
- preserving your wealth;
- eliminating excessive taxes;
- passing wealth to the next generation; and
- continuing philanthropic support after you are gone.

Recap by explaining how philanthropy meets your charitable and financial goals. You may find a circle of loved ones who support the important life decisions you have made.

Contact us at (800) 272-2586 or (701) 224-5697 to learn more about the benefits of gift planning and how you can support Bismarck State College Foundation.

Issues to Discuss

Your Will or Trust:
Note the bequests you have made; where important papers can be found; and the names of your executor, trustee and attorney.

Durable Power of Attorney:
This document allows a person you choose today to manage your financial responsibilities if you should later become incapacitated.

Health Care Proxy:
This document names someone to make health care decisions on your behalf in the event you become incapacitated.
Create a Lasting Legacy
Steps to Building a Better Endowment

An endowment is a forever gift—a fund you establish in which the principal is invested and all or part of the earnings are used to help the programs and goals you want to support. Because the principal isn’t typically spent, endowments are intended to essentially last forever.

If you want to establish a gift that will support our organization forever, take these four steps to make sure your intentions are carried out exactly as you wish.

1. **Put your wishes in writing.** If you are creating an endowment through your will or living trust and you want the endowment to be a permanent fund, in most cases, you must explicitly state this. If you are establishing an endowment during your lifetime, we will work with you to create an agreement that outlines how you want your gift used.

2. **Determine the amount needed.** If you are creating an endowment today, we can inform you of the minimum amount required to establish a named fund. If you intend to create your endowment through your estate, however, we recommend that you specify a minimum amount in your will or living trust and include a provision directing your executor to distribute more funds if needed to meet future circumstances.

3. **Include safety language.** Nationwide, millions of dollars directed to permanent endowments sit idle in bank accounts because the funds are no longer needed. This is why we encourage you to include a statement that allows our board of directors to redistribute the funds to another area if the original use is no longer necessary. We can provide you with language to ensure that your name still remains associated with the gift, regardless of its final use.

4. **Lean on us for help.** We respect the personal nature of these decisions and have experience with the sensitive issues involved. We would be glad to consult with you to help ensure that your wishes are satisfied.

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**Make Tax-Free Gifts From Your IRA!**

Dec. 31 is swiftly approaching, which doesn’t give you a lot of time to take advantage of this renewed tax-effective gift option. Congress extended the law that allows individuals 70½ or older to make tax-free gifts today using funds transferred directly from their IRAs to qualified charitable organizations like ours. You can transfer any amount up to $100,000, but only through the end of 2011.

**Learn More About Your Benefits**
To learn more or to make a gift, contact us. We look forward to hearing from you.
CASE STUDY: How to Turn Your Annual Gift Into a Forever Gift

The Challenge: Each year, for many years, Jerry has written a $1,000 check to our organization.* Jerry receives immense satisfaction from making the donation, and we look forward to his generosity. But Jerry is getting older, and he thinks about what will happen after he dies to the programs made possible through his generosity.

The Solution: Jerry’s financial advisor suggests that Jerry consider creating an endowment, a type of gift that would allow his generosity to continue forever. To establish an endowment, Jerry makes a lump $25,000 donation, which we invest. We only use a portion of the endowment each year to fund the program of Jerry’s choice. The remainder is reinvested, which allows it to grow and support annual payouts indefinitely. This generous arrangement replaces Jerry’s $1,000 annual gift, assuming 4 percent ($1,000) is used by the fund yearly.

The Benefits: Jerry earns a $25,000 income tax charitable deduction on his taxes this year. The donation also reduces the size of his taxable estate at death. We receive the benefit of Jerry’s generosity forever.

*While this story is hypothetical, the premise is completely plausible.

Are You Ready to Make an Endowment Gift?

An endowment may be the right choice for you if:
• You are a regular supporter of our organization and want to make sure your support continues after your lifetime.
• You want to honor your family name, or someone special to you, through a gift to our organization.
• You have a favorite program you want to support far into the future.

Change a Life Now, Change a Life Forever

Make the most significant gift of your lifetime—a gift that lasts forever. Learn more in our FREE guide, The Best Present for Anyone on Your List. Simply return the enclosed reply card and we’ll send you a copy.

Return the enclosed reply card today to receive your complimentary copy.

The information in this publication is not intended as legal advice. For legal advice, please consult an attorney. Figures cited in examples are for hypothetical purposes only and are subject to change. References to estate and income taxes include federal taxes only. State income/estate taxes or state law may impact your results.
Everyone Has a Story. What’s Yours?
Celebrate Your Relationship With Us

Many of our most ardent supporters trace their inspiration for giving to a very personal connection to us. We hope you’ll consider sharing your story and supporting our work in response to the positive impact we’ve made on you.

If you would like to share your story, please call or email us. With your permission, your story will also be used to encourage others to support our charitable mission that touches peoples’ lives.

If you would like to give back to our organization, we are extremely grateful for your generosity. The ways to give are varied:

- Your gift can be large or small, outright or deferred.
- It can be cash, securities or other property.
- It can be done now or after your lifetime through your will or trust.
- You can fund a particular program or activity, or contact us to explore the many ways to recognize your special association with our organization.
- You can mark a milestone, or commemorate a particular date or event involving us that made a noteworthy impact on you.
- Your gift can be made in honor of an inspiring person whom you have always wanted to honor or thank.

With all these choices, it’s important to find the gift that best fulfills your goals. Give us a call to learn more about how you can celebrate your relationship with us.

**Consider how different your life would have been if not for our organization.**

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**Action List**
Planning Measures You Can Take Today

1. **Return the reply card** to receive the FREE guide *The Best Present for Anyone on Your List.*

2. **Talk to your loved ones** about your estate planning decisions, so you can ensure that they are taken care of in the future.

3. **For more information** about remembering us in your estate plans, please contact us today.

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BSC Foundation publishes *Financial Connections* as a service to our alumni and friends. Our goal is to provide timely suggestions that may assist you in your tax and financial planning. The information contained in *Financial Connections* is based on recent court decisions, rulings, federal tax laws and regulations now in effect. To determine how this information applies to your financial plans, you should consult your financial, legal and tax advisors. Gifts to BSC Foundation are tax-deductible.

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