Create your legacy.
**Mission:**

United Way Services of Geauga County unites people and resources to improve lives.

**Our Vision:**

United Way Services of Geauga County is the organization recognized for collaborating with others to address community needs and provide support for local agencies.

United Way Services of Geauga County is the premier volunteer organization in the county. It continuously motivates the community to increase its investments of time, talent and resources in order to improve the quality of life of others.

United Way Services of Geauga County works with area providers to increase the organized capacity of Geauga County residents to care for themselves and one another.

United Way Services of Geauga County is acknowledged within the community as the leading organization in each of these areas.
There are many ways for you to contribute to our community’s future through a gift to United Way. The best one for you will depend on your personal and financial situation.

To perpetuate or “endow” your annual United Way gift, you would designate a gift, either outright or deferred, of at least 20 times your annual gift. For example, if you wish to perpetuate a $25,000 annual gift, you would make a gift of at least $500,000. If this is a current gift, the principal of the gift would be held in United Way’s Endowment Fund. You could also hold the principal of this gift in your private foundation or an institution of your choosing. The income generated each year from this gift would perpetuate your annual gift. If it is a deferred gift, it would come into effect at your passing.

There are a number of financial vehicles to consider. You should consult with your financial planner and/or attorney on gifts of this nature. These gifts offer the potential for income and capital gains tax savings or deductions that may reduce estate taxes. In addition, some employers match employee gifts which can further lower your cost.

**Outright gift of cash or long-term appreciated stock.** You contribute cash or transfer appreciated stock to United Way.

**Designating United Way the beneficiary of a retirement account.** This gift is simple to make and very beneficial from a tax viewpoint. It is a tax-efficient asset to contribute because United Way does not pay taxes on amounts received. The same funds would be subject to income tax and, in some cases, estate taxes if left to heirs. You would work with your account administrator to designate United Way as a beneficiary of your retirement account.

**Designating United Way in your will or trust (making a bequest).** This is a very popular giving technique. You can designate a specific amount or a percentage of your estate to United Way.

**Making United Way the beneficiary of life insurance, either an existing or new policy.** You would designate United Way as the beneficiary of the life insurance policy. You can modify an existing policy or take out a new one. To receive an income tax deduction, you should be sure that United Way is the beneficiary and owner of the policy so that the value of the policy you contribute or future premiums you make are tax deductible. Life insurance is a particularly good option for donors in their 40s and 50s since premiums are lower.

**Creating a “split interest gift” such as a charitable gift annuity, charitable remainder trust and charitable lead trust.** These gifts can provide income to you (and your spouse) and also benefit United Way.
A BEQUEST PROVISION CAN EASILY BE INCORPORATED INTO A NEW WILL OR TRUST OR ADDED TO AN EXISTING WILL OR TRUST.

A gift through your estate plan allows you to:

- Care for your loved ones and be generous to your community through United Way as well.
- Maintain control of your assets during your lifetime.
- Change your mind if your circumstances change.

The following illustrates the type of language that can be included in a will:

Bequest for a gift of cash or a specific amount or asset

“I give the sum of $_____ (or gift of ___ shares of ABC stock) to United Way Services of Geauga County.

Bequest of a percent of your estate

“I give ____% of the residue of my estate to United Way Services of Geauga County.”

Bequest of the remainder of your estate

“I give the residue of my estate, after other beneficiaries have been satisfied, to United Way Services of Geauga County.”

When your attorney is preparing your will or estate plan, please use the full legal name – United Way Services of Geauga County.

EXAMPLE

Joe and Anna have been faithful donors. They believe it is important to support United Way’s mission in the community. They wanted to perpetuate their annual gift and also leave a generous legacy to their children.

Since Joe and Anna already have a will, they need to ask their attorney to prepare a “codicil” (amendment) stating their desire to make a bequest to United Way Services of Geauga County.

Who generally uses this approach to perpetuate their annual gift?

All adults should have an estate plan and wills or living trusts are the most common ways to plan. The decision to perpetuate your gift is a very good time to initiate your planning or review your existing plans.

Information and calculations are for illustration purposes only and should not be considered legal, accounting or other professional advice. Your actual benefits may vary depending on the nature and timing of the gift and your particular circumstances.
HOW TO PERPETUATE YOUR UNITED WAY LEADERSHIP GIFT

OUTRIGHT GIFTS OF CASH OR STOCK

You make an outright gift of cash or securities that, when invested in United Way’s endowment fund, generates sufficient income to perpetuate your annual gift. If you donate appreciated securities held long-term, you would transfer them directly to United Way so that they pass directly and are not subject to capital gains tax. This will magnify the size of the gift. You will be able to deduct the value of the stock on the date of the gift.

EXAMPLE OF A DONATED GIFT OF LONG-TERM APPRECIATED STOCK

Mary and Bob Smith are both highly paid professionals and received large bonuses at the end of the year. They also have a significant portfolio of highly appreciated stock they purchased many years ago. Mary and Bob strongly believe in supporting their community through United Way. They decide to contribute stock they purchased for $50,000 that is now worth $200,000 to perpetuate their annual gift. Because this stock is being transferred to United Way, they avoid capital gains tax. They also will receive a significant income tax deduction.

<table>
<thead>
<tr>
<th>Giving Stock vs. Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift in Stock</td>
</tr>
<tr>
<td>Size of your gift</td>
</tr>
<tr>
<td>Income tax savings</td>
</tr>
<tr>
<td>Capital gains tax savings</td>
</tr>
<tr>
<td>After tax cost to you for this gift</td>
</tr>
</tbody>
</table>

| Gift in Cash                           |
| Size of your gift                      | $200,000 |
| Income tax savings                     | $70,000  |
| Capital gains tax savings              | None     |
| After tax cost to you for this gift    | $130,000 |

Who generally uses this approach to perpetuate their annual gift?

Individuals with significant long-term appreciated stock assets often make outright gifts of stock to provide an immediate gift to United Way, avoid capital gains tax and receive an income tax deduction.

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A charitable gift annuity allows a donor to make a significant gift to United Way but also derive an annual annuity payment during their lifetime. A charitable gift annuity is a simple contract between the donor and United Way in which the donor transfers an asset to United Way in exchange for a fixed, guaranteed annual annuity for life or for the joint lives of the donor and the donor’s spouse. Annuity payout rates for gift annuities are based on the age of the annuitant(s) when the payments begin — the older the annuitant(s), the higher the payout rate. At the death of the annuitant(s), the payments cease and any balance goes to United Way to perpetuate the annual gift. Charitable gift annuities are irrevocable gifts.

Because of the uncertainty of knowing what will actually remain from your initial gift, it is recommended that you consider either a minimum gift annuity of 30 times your gift or a contingent bequest provision in your estate plan to make up any shortfall that may exist if you outlive your life expectancy.

**EXAMPLE OF A CHARITABLE GIFT ANNUITY**

Sarah Davis contributed to United Way for many years through a workplace campaign. She is now a Loyal Contributor and Leadership donor eager to perpetuate her annual gift. After learning about a charitable gift annuity from United Way and discussing it with her advisers, Sarah decided that a charitable gift annuity was best for her.

Sarah, age 72, had appreciated stock worth $300,000 that was producing a 3 percent dividend of $9,000. She didn’t want to sell the stock and pay the capital gains tax but she was looking for a higher return. Sarah also wanted to perpetuate her gift and saw the charitable gift annuity as the solution. She contributed the stock to United Way in exchange for a gift annuity paying 5.9 percent or $17,700 a year. In addition, a portion of her annuity payments are tax free until she reaches her life expectancy, and thereafter her payments are taxable. She also received a $124,680 income tax deduction for making this gift. At her death before attaining her life expectancy, the residuum will benefit the community through United Way.

Who generally uses this approach to perpetuate their annual gift?

Charitable gift annuities are generally used by donors who are over age 60 who want to benefit from a relatively high annuity stream (vs CDs or low dividend stock) and also make a gift to United Way and receive the income tax deduction. Their gift of appreciated stock will not be reduced in size because no immediate capital gains tax is paid.

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HOW TO PERPETUATE YOUR UNITED WAY LEADERSHIP GIFT

SPLIT INTEREST GIFTS

THIS GIFT PROVIDES INCOME TO YOU AND/OR YOUR BENEFICIARIES DURING YOUR LIFETIME (OR THEIRS) AND ALSO BENEFITS YOUR COMMUNITY.

The gift is structured so that the income from the asset is separate from the asset itself. The income benefits one person or group of people and the asset goes to another. The most popular “split interest” gifts are:

Charitable remainder trusts: These gifts involve assets that produce a fixed or variable annuity to the donor and/or spouse over two lifetimes and/or a term of years. The assets then pass to United Way. The donor receives a deduction for the charitable portion of the gift subject to certain limitations.

EXAMPLE: CHARITABLE REMAINDER TRUST

Jill Smith, age 65, contributes stock worth $500,000 to a charitable remainder trust. She purchased the stock many years ago for $125,000. While the stock has appreciated significantly, it is only producing an income of $5,000 to $7,500 a year. By contributing the stock to a charitable remainder trust, Jill receives a tax deduction of $195,000 and avoids immediate capital gains tax of $56,250. Although she can select various payouts, Jill creates a trust that will provide an annual income of $29,500 for the rest of her life. At her death, the assets within the trust will be distributed to United Way.

Charitable lead trusts: These are the reverse of charitable remainder trusts. The owner of the asset designates United Way as the recipient of the annuity from the assets. Then, on his or her death, the assets return to the donor or the beneficiary named by the donor.

Charitable lead trusts are often used to benefit United Way with current income and optimize the value of the assets that will be passed along to the heirs tax-free.

EXAMPLE: CHARITABLE LEAD TRUST

Alice and Robert Jones were able to make a significant tax-free gift to their children, continue their annual gift, and create an endowment fund at United Way…all through the creation of a charitable lead trust. The trust makes annual distributions to United Way for 20 years. A portion of the distribution is used for their annual gift and a portion is placed in an endowment fund that will perpetuate their annual gift when the trust terminates. At the end of 20 years, the children will receive the trust’s assets, that, hopefully, will have appreciated in value, tax-free to the children.
HOW TO PERPETUATE YOUR UNITED WAY LEADERSHIP GIFT

RETIREMENT ACCOUNTS

YOU MAY DESIGNATE UNITED WAY AS A BENEFICIARY OF YOUR RETIREMENT PLAN, INCLUDING ANY 401(K) PLANS AND INDIVIDUAL RETIREMENT ACCOUNTS (IRAs).

When making a choice about which assets to pass along to heirs and which to give to United Way, designating United Way as the beneficiary of a retirement assets might be the most tax-efficient strategy. Income taxes and, in some cases, estate taxes could shrink an heir’s inheritance of a retirement asset by 60 percent or more. Because United Way is a nonprofit organization, no taxes will be paid and your gift will not shrink.

There are other benefits. Designating United Way as the beneficiary of a retirement asset is:

- Simple, often only requiring a change-of-beneficiary form.
- Flexible – if your situation changes, you can change your beneficiary(ies) and the funds are available for your use during your lifetime.

Gifts of this nature should be discussed with your financial adviser to fully understand the planning implications for your own situation. Your retirement plan administrator can provide guidance on your plan’s change-of-beneficiary procedures.

EXAMPLE

Barbara Hammill retired after 40 years as a technology specialist. She had volunteered for many years with United Way and is a long-term Leadership donor. Barbara wants to perpetuate her Leadership gift. She sees naming United Way the beneficiary of her retirement asset as the best way to accomplish her goal, leaving other assets to her heirs. Barbara will continue to receive income from her retirement asset during her lifetime. Ultimately, United Way will receive her gift and Barbara’s impact on the community will continue through her perpetuated (or endowed) gift.

The illustration below compares the tax implications of transferring funds from her IRA to United Way vs. leaving it in her estate.

<table>
<thead>
<tr>
<th></th>
<th>TRANSFER TO UNITED WAY</th>
<th>PASS TO HEIRS THROUGH ESTATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of IRA</td>
<td>$200,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>Estate tax (35%)*</td>
<td>$0</td>
<td>$70,000</td>
</tr>
<tr>
<td>Transfer to Heirs</td>
<td></td>
<td>$130,000</td>
</tr>
<tr>
<td>Income Tax to Heirs (33%)</td>
<td></td>
<td>$42,900</td>
</tr>
<tr>
<td>Total Transfer</td>
<td>$200,000</td>
<td>$87,100</td>
</tr>
<tr>
<td>Total Tax</td>
<td>$0</td>
<td>56%</td>
</tr>
</tbody>
</table>

* Assumes all of the IRA is taxed at the rate of 35%
Who generally uses this approach to perpetuate their annual gift?

Designating United Way as the beneficiary of a retirement plan or an IRA is a great way to maintain the full value of your IRA and not have it reduced by either estate tax or income tax paid by your heirs. It is desirable for people with a significant IRA and/or those who have sufficient other assets to pass along to their heirs.

To designate United Way as the beneficiary of a retirement account, you would work with the retirement account administrator. It is a simple transaction to change the beneficiary.
LIFE INSURANCE OFFERS THE OPPORTUNITY TO SIGNIFICANTLY INCREASE YOUR GIFT WITH LOWER OUT-OF-POCKET COST.

Paid-up policies (where no additional premiums are due): You may contribute an existing policy and name United Way the owner and beneficiary. You may receive a tax deduction for the approximate cash value of the policy.

Policies with premiums left to be paid: You may name United Way the owner and beneficiary of existing policies with premiums remaining to be paid. You may receive an income tax deduction on the approximate cash value of the policy and on future payments you make to keep the policy in force.

Employer insurance: If your employer provides group term life insurance and pays the premiums, you can name United Way a beneficiary of that policy and potentially avoid paying taxes on a portion of this group benefit included in your taxable income.

Other insurance: You can name United Way the full beneficiary, or a percentage beneficiary, of any life insurance policy you own. While there is no income tax deduction for this kind of gift, you have the flexibility to make modifications in the beneficiary designation if circumstances change.

New insurance: You may also purchase a new life insurance policy with United Way being the owner and the beneficiary. Such policies may be paid up over 5 years.

EXAMPLE

Mary and Tom Jones are in their mid-forties. Tom is with a major Fortune 500 company. Mary and Tom have two children. The Joneses have been donors for five years and would like to perpetuate their annual gift but, at this point in their lives, do not have the resources to make a major outright gift. Also, they want to take advantage of Tom’s company’s matching gift program where the company matches dollar-for-dollar their annual United Way gifts.

Life insurance is the ideal financial vehicle for them. Due to their ages, the premiums are very reasonable and allow them to perpetuate their annual gift at a cost significantly lower than an outright gift.

• Tom’s company will match his gift so the out-of-pocket cost for Tom will be half of the total premium.
• Tom will receive an income tax deduction for his portion of the premium.
• Tom will be recognized for a higher current annual Leadership gift with the cost of the life insurance premium added to his annual gift.
• Tom and Mary will not disrupt their current estate plan.
SAMPLE COSTS FOR $200,000 LIFE INSURANCE POLICY FOR MALE 45 YEARS OLD

- Annual life insurance premium*: $5,000
- Company match: - $2,500
- Tom and Mary’s cost: $2,500
- Tom and Mary’s tax deduction: - $875
- Tom and Mary’s out-of-pocket costs: $1,625

* premium for a policy to be paid up within 5 years
** at 35% tax bracket

Who generally uses this approach to perpetuate their annual Leadership gift?

Making a gift of life insurance is a desirable, low-cost way to perpetuate a gift. In fact, it magnifies the amount of the gift you are able to make since your out-of-pocket cost is for the premium which may be tax-deductible. In some cases, a portion of the cost of the premium may be paid by your employer through a matching grant program.

Generally, the creation of new life insurance policies is most popular for Leadership donors who are between the ages of 40 and 60. Gifts of existing life insurance policies are desirable for all donors.

To make a gift of life insurance, you can work with our major gifts or planned giving officer at United Way.

SAMPLE ILLUSTRATION OF A $200,000 LIFE INSURANCE PREMIUM COST IN EACH OF THE NEXT FIVE YEARS

<table>
<thead>
<tr>
<th>AGE</th>
<th>TYPE</th>
<th>5-YR ANNUAL PREMIUM</th>
<th>INCOME TAX SAVINGS: 33% TAX BRACKET</th>
<th>AFTER TAX ANNUAL COST OF GIFT TO DONOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>Single Life</td>
<td>$4,000</td>
<td>-$1,300</td>
<td>$2,680</td>
</tr>
<tr>
<td></td>
<td>Two Life*</td>
<td>$1,800</td>
<td>-$594</td>
<td>$1,206</td>
</tr>
<tr>
<td>40</td>
<td>Single Life</td>
<td>$6,100</td>
<td>-$2,013</td>
<td>$4,087</td>
</tr>
<tr>
<td></td>
<td>Two Life*</td>
<td>$3,000</td>
<td>-$990</td>
<td>$2,020</td>
</tr>
<tr>
<td>50</td>
<td>Single Life</td>
<td>$8,300</td>
<td>-$2,739</td>
<td>$5,561</td>
</tr>
<tr>
<td></td>
<td>Two Life*</td>
<td>$5,050</td>
<td>-$1,667</td>
<td>$3,384</td>
</tr>
<tr>
<td>60</td>
<td>Single Life</td>
<td>$12,000</td>
<td>-$4,158</td>
<td>$8,442</td>
</tr>
<tr>
<td></td>
<td>Two Life*</td>
<td>$7,600</td>
<td>-$2,508</td>
<td>$5,092</td>
</tr>
<tr>
<td>70</td>
<td>Single Life</td>
<td>$18,800</td>
<td>-$6,024</td>
<td>$12,596</td>
</tr>
<tr>
<td></td>
<td>Two Life*</td>
<td>$11,500</td>
<td>-$3,795</td>
<td>$7,705</td>
</tr>
</tbody>
</table>

* Sample of policies for both husband and wife.
Policies are also available for other amounts. Rates are for illustration purposes only.

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Plan for your future and the future of our community at the same time through United Way Services of Geauga County’s Endowment and Planned Giving Program. Charitable gift annuities and other options make it possible to secure income, as well as tax advantages, while supporting our community’s health and human services for many years to come.

The Endowment and Planned Giving Program lets you map out your financial course in a flexible manner, balancing your financial goals and your family’s needs with your charitable interests. By including United Way in your estate planning, you will enable its important work to continue with the resources it will require to address unforeseen needs in the future.

So what is your plan for the future? Make it one that ensures you and your loved one’s well-being and the long-term vitality of your community through the United Way of Geauga County Endowment and Planned Giving Program.

How do I make a planned gift to United Way? Please contact Jerry Allee at 216-436-2049 or jallee@uws.org who will assist you in making the best decision for your individual plan.
THANK YOU FOR BEING A PART OF OUR COMMUNITY’S FUTURE.

PLANNED GIFT

YOUR GENEROUS BEQUEST WILL IMPROVE LIVES FOR GENERATIONS TO COME.

MY BEQUEST
This is to inform you I/we have included a charitable bequest to United Way Services of Geauga County in our estate plan.

This gift has been designated through a:
☐ Bequest ☐ IRA/Retirement plan beneficiary designation
☐ Charitable remainder trust ☐ Charitable gift annuity
☐ Life insurance policy ☐ Other

The value of this gift falls in the following range:
☐ $1,000 - $10,000 ☐ $50,001 - $100,000 ☐ $500,001 - $1,000,000
☐ $10,001 - $25,000 ☐ $100,001 - $250,000 ☐ $1,000,001 - $5,000,000
☐ $25,001 - $50,000 ☐ $250,001 - $500,000 ☐ $5,000,001 - $10,000,000

Please provide any additional details you wish to share about your gift:


MY INFORMATION
Please Print

Full Name __________________________
Spouse ____________________________
Home Address _______________________
City State Zip _______________________ 
Preferred Phone ☐ Home ☐ Cell ☐ Work
Home Email _________________________
Signature __________________________ Date _______________________

Mail to:
Kimm Leininger, Executive Director, United Way Services of Geauga County,
209 Center Street, Unit H, Chardon, Ohio 44024

United Way keeps your personal information (including email address) confidential and does not share it with a third party.