



SERAPHIM *Legacy* SOCIETY NEWSLETTER

Gift Planning News—St. Bonaventure University

SUMMER 2019

“BUILDING A BETTER BONAVENTURE”

One point seven million—that’s the amount of money awarded to St. Bonaventure University students through endowed and annually funded scholarships during the 2018-2019 academic year.

It is a tremendous demonstration of support by alumni and friends like you.

Generous scholarship packages help talented students study at St. Bonaventure and transform their lives. Strong scholarship aid is also one of the many reasons why the university is a top college value in the northern United States.

I’m often asked how an endowment works since most estate gifts received by St. Bonaventure are directed to either the general or a named endowment. Please turn to Page 2 for a series of questions and answers—from how to establish an endowment to how one begins to award financial aid.

This issue also features the legacy of Fr. Thomas Plassmann, O.F.M., the university’s 11th and longest serving president (1920-1949).

Fr. Tom often said he dedicated his presidency to “building a better Bonaventure.”

His good work is continued through your membership in the Seraphim Legacy Society.

Robert F. Keenan, '74

Robert F. Keenan, '74
Associate Director of Planned Giving



DID YOU KNOW?

THERE ARE CURRENTLY **319** (LIVING)
SERAPHIM LEGACY SOCIETY MEMBERS.

Q&A ABOUT ENDOWMENT

What is an endowment? An endowment is an invested pool of money that provides a reliable source of income in perpetuity. With appropriate investment and spending policies, the endowment's purchasing power is preserved. An endowment that funds a scholarship or a program today will produce income to fund the same scholarship or program 20 years from now and beyond.

Why should I create an endowment? An endowment gift can provide assurance that programs or initiatives that are important to you will survive. By creating or adding to an endowment for a designated purpose, you enable and obligate the university to carry out your expressed wishes, so long as it is practical and possible to do so. A restricted endowment ensures support for your priorities. Because an endowment gift is permanently invested, it can also serve as an enduring tribute to a loved one.

What size gift is required to establish an endowment? The current minimum endowment level for a named scholarship is \$50,000. A named endowed professorship requires a minimum gift of \$250,000.

What giving options are there for making an endowment gift? You can give at the endowment level with a one-time gift or with a five-year commitment. Many donors make larger endowment gifts, often through planned giving vehicles, than they dreamed were possible. Endowment gifts are sometimes the donor's last (and largest) gift to the university. Donors can receive great satisfaction from making a significant contribution from assets accumulated over their lifetimes. In the case of deferred planned gifts, the gifts may be the donors' final acts of contributing to the university.

How much support does an endowment provide each year? The amount of investment return available for spending during a fiscal year is determined using a 5% 12 quarter moving market value average calculated on December 31 of the previous year. There are many factors that impact when and how much an endowment will allocate. A general rule of thumb is a fully funded \$50,000

scholarship endowment will allocate \$2,500 after being invested for three full years.

Can I add to an existing endowment? Yes. You, or your friends and family, can add to a named fund by simply identifying the fund as the object of the gift. It makes a handy vehicle for friends and family members, who wish to make meaningful gifts to people who already have enough "stuff."

IN MEMORY OF A FRIAR

**Fr. Thomas Plassmann, O.F.M.
11th President (1920-1949)
1879-1959**



"He's a man! Who's a man? He's a Bonaventure man! Father Tom, Father Tom, Father Tom!"

For Fr. Thomas Plassmann, O.F.M., hearing this version of the Bona clap was a daily occurrence. Born in 1879 in Avenwedde, Germany, Fr. Tom was welcomed by the Franciscans in 1898 and ordained in 1906. By 1910, he had made his way to St. Bonaventure where he would serve both as an educator and, by 1920, as the university's president until 1949.

When he arrived at Bona's, it had not yet been approved for university status by New York state. Determined to change this, Fr. Tom spent his presidency preparing for the switch.

Said Fr. Tom in a 1958 recording sent to alumni, "Once a student of St. Bonaventure, you cannot escape being caught and enthralled by that spirit. And it will leave its mark on you until your dying day. Let us be true to that spirit!"

From an enrollment of 300 students in 1910 to 2,200 students by the end of his tenure, Fr. Tom gave new life to SBU. He added a number of new buildings on campus, including the reconstruction needed after the great fire of 1930. He was here for the integration of women into daily campus life, the establishment of the Bona Venture, campus radio and ROTC, and helped the college cope with two world wars.

You can help Fr. Tom's legacy continue through support of the **Fr. Thomas Plassmann, O.F.M., Memorial Scholarship**.

By Emma Fox, '22

Fox is a freshman computer science major. She hopes to work with artificial intelligence in the future.

WILL, LIVING TRUST OR BOTH?

With so much discussion of the importance of wills and living trusts, you may wonder which document is right for you—or if you really need to have both.

Both wills and revocable living trusts distribute assets you own after your lifetime and offer an opportunity to make known your specific wishes for the division of your estate. In fact, almost any type of legal transfer that can be made with a will can also be arranged through a living trust, including gifts to favorite charitable organizations and institutions.

A will becomes effective only after the passing of the person who made it—and every individual should have his or her own will. A living trust can benefit you while you are still alive, and frequently couples will have a joint trust. Because both wills and trusts are revocable, you can alter their terms as circumstances in your life change.

Many people use the revocable living trust as a supplement to a will. Only a trust can manage assets during your lifetime if you choose or if you are unable to do so for any reason.

Assets in a living trust pass outside the probate process, which can make it easier to transfer ownership of out-of-state property and might help avoid delays and reduce expenses. Another advantage: How your property is distributed and in what amounts does not become public record, thus ensuring your privacy and that of your heirs.

Keep in mind, though, a trust only applies to property that is specifically included in it. If you create a living trust and fail to fund the trust or do not place all your assets in it, and you do not also have a will, any assets not included in the trust will be distributed in the same way as if you left no legal instructions for their distribution.

To avoid this, it is prudent to also have a pour-over will, which transfers any omitted property into the trust.

JOIN THE SERAPHIM LEGACY SOCIETY

The Seraphim Legacy Society honors alumni and friends who preserve and pass on the St. Bonaventure promise through a gift in their long-range estate plans. If you have included St. Bonaventure in your will or other estate plans, we cordially invite you to join the Seraphim Legacy Society so we may recognize your generosity. If you would like to learn more about how to make a legacy gift to St. Bonaventure in your will, trust or other plans, please return the enclosed card or contact Robert Keenan, '74, Associate Director of Planned Giving, at (716) 375-2318.



AN UNEXPECTED SOURCE FOR GIVING

Using retirement funds to create an endowment gift is generally not among most people's plans at the outset. However, retirement plan assets can be a wise source to make such meaningful gifts, both now and in the future.

Giving now

Make Tax-Free Gifts from Your IRA. If you are aged 70½ or older, you can give directly to St. Bonaventure from an IRA completely free of federal income tax (up to \$100,000 per person per year).

Giving directly from your IRA won't increase your adjusted gross income and possibly subject your Social Security income to a higher level of taxation. Additionally, your charitable IRA gift may count toward your Required Minimum Distribution (RMD). So, if you don't need all of your RMD, you can use it now to support Bona's students.

Giving later

Make St. Bonaventure the Beneficiary of a Retirement Plan. When you leave the balance of an IRA, 401(k) or 403(b) to your heirs, they must carefully manage the account to avoid losing its tax-deferred status and potentially triggering large income taxes and possible penalties.

You can simplify matters for your loved ones by directing all or a portion of what remains in



Bona's graduation rates are consistently 20% higher than the national average.

your retirement accounts to your endowment at St. Bonaventure and leaving more tax-favored assets to your heirs. With this strategy, your endowment can continue impacting St. Bonaventure students well into the future.

For more information about making an endowment gift using retirement plan assets, simply return the enclosed card or contact Robert Keenan, '74, Associate Director of Planned Giving, at (716) 375-2318 or rkeenan@sbu.edu.



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