



It's your world.

# REMEMBERING WOFFORD

A newsletter about gift planning | Winter 2018

## THE POWER OF FINANCIAL PLANNING IN 2018

When it comes to setting yourself up for financial success, planning is key. With 2018 upon us, now is the perfect time to create a plan and set goals for budgeting, retirement and charitable giving. It's never too early or too late to begin taking steps toward your personal definition of financial success. I would love to help you get started!

Inside this issue you'll find financial tips and advice that are relevant to your stage of life, whether you're a young adult new to the working world, in your 40s or 50s navigating new financial priorities, or quickly approaching retirement age.

I hope that this information will equip you to make smart, confident financial decisions in the new year. When you consider your financial and philanthropic goals for 2018, think about how Wofford fits into the picture.

As always, please contact me if you have questions about gift planning or achieving your charitable giving goals through support of Wofford.



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THE  
*Benjamin Wofford*  
SOCIETY

## FINANCIAL PLANNING TIPS

# FOR RETIREES AND SOON-TO-BE RETIREES

### 1. BEGIN PLANNING YOUR “SECOND ACT” IN RETIREMENT

There is no right or wrong age for retirement. Explore what will work for you by defining your lifestyle and prioritize your needs and wants so that you can have a successful, fulfilling retirement. Transition from work at your own pace. Working part-time can be a great option, as can pursuing a new professional passion or side project. A new challenge also may be rewarding and often won't feel like work; and continuing to earn income also protects your assets.

### 2. EVALUATE YOUR LIFE INSURANCE NEEDS



*At this point, policies that were once intended to cover your mortgage or college expenses for children may not be necessary. You may want to consider gifting that policy to Wofford so that you are recognized as a member of the Benjamin Wofford Society in your lifetime.*

### 3. CONSIDER REDIRECTING YOUR RETIREMENT ASSETS



*If you have other sources of income and have reached the age of 70 and a half, you may want to consider using your required minimum distribution from your IRA to make a charitable gift in order to avoid additional income tax. You can also name a charity (such as Wofford) as the beneficiary of the remainder of your IRA upon your death. Retirement assets are some of the most heavily taxed assets in an estate when left to heirs (other than a spouse). You can avoid all taxes on your hard-earned income by gifting the remainder to a charitable organization instead.*

### 4. WORK WITH PROFESSIONALS TO CREATE A COMPLETE ESTATE PLAN

Estimates say that 50 to 70 percent of American adults do not have a will. Many people falsely believe that it is necessary to create a will only if you are wealthy. The truth is that everyone can benefit from having their affairs in order and planning for the unexpected. Consider these tips as you plan your estate:

- Consider creating a trust for your children or grandchildren that allows a gradual distribution of assets, rather than a lump sum.



*Including a charitable bequest in your will is an easy way to leave a legacy for a cause that is important to you — for example, Wofford. Contact Lisa De Freitas in the Office of Gift Planning for ways in which you can do this, as well as sample wording to take to your attorney.*

*A charitable lead trust protects assets from estate taxes and provides annual support for a charity for a term of years before passing to your heirs tax free.*



*A charitable remainder trust is a great way to provide support for your spouse or dependents, as well as leave a legacy at Wofford.*

*Talk to any beneficiaries to let them know what to expect in your estate and what you have designated for charities. Contact the charities in order to document the designation of your gift and allow the charity to recognize your generosity.*



### 5. BE SMART WHEN SAVING FOR YOUR GRANDCHILD'S EDUCATION

A 529 plan can provide some significant advantages for children and/or grandchildren, even beyond educational purposes. A 529 plan is not considered part of your taxable estate, and earnings may be used for qualified education expenses, such as tuition, fees, books and room and board, as well as computer technology or equipment.

## 6. CONSIDER GIFTING HIGHLY APPRECIATED ASSETS FOR TAX SAVINGS

*If you're considering a significant charitable contribution this year, gifting long-held, highly appreciated assets is the most effective means of tax savings. See below for some examples of such assets:*

- *When gifting highly appreciated stocks, you avoid capital gains taxes on the stock, and you are eligible to receive an income tax charitable deduction for the full fair market value of the stock at the time of the gift.*
- *Commercial property is another asset that may be gifted. This also saves on capital gains and allows for an income tax deduction for the fair market value of the property.*
- *A retained life estate allows a person to deed their personal residence or farm to a charitable organization while continuing to live in (or on) it for life. This type of gift may yield income, gift and estate tax savings.*



## 7. CONSIDER ESTABLISHING A CHARITABLE GIFT ANNUITY

*Charitable gift annuities are a simple contract between a donor and a charity, such as Wofford. This vehicle provides numerous tax savings and regular income, which is partially tax-free.*



## 8. GET YOUR KEY FINANCIAL DOCUMENTS IN ORDER

Put all your important documents in a secure place, such as a safe, and inform someone you trust about their location. Be sure to include your personal identification information, such as your birth certificate, social security card and marriage certificate. Also include a list of your banking and investment accounts (and any online usernames and passwords), insurance information and your original will, power of attorney and healthcare directive. Other documents to keep in mind are your car registration and title as well as home lease or purchase documents.

# REMEMBER WOFFORD



## IMPACT STORY:

# ELENA HELMERS-WEGMAN '19

The Charles E. Daniel Endowed Scholarship Fund is the reason that Elena Helmers-Wegman '19 is a student at Wofford. Homozel Mickel Daniel established the Charles E. Daniel Endowed Scholarship Fund in the 1970s at Wofford in memory of her husband, who died in 1964. Mrs. Daniel added \$2.5 million to this fund through a bequest in her will. In total, she bequeathed over \$13 million to Wofford and more than \$55 million to charitable organizations across the state of South Carolina. Charles E. Daniel Scholars are among some of the nation's finest students, chosen based upon academic merit, character and leadership.

To Helmers-Wegman, her scholarship, which is funded by a planned gift, represents a legacy that she is proud to uphold. "I have been given such a gift, and I am determined to honor the Daniel family by doing everything I can to leave my mark on Wofford and to graduate as a changed, challenged, well-rounded individual who is prepared to take on the world," she says.

Helmers-Wegman is double majoring in biology and English and is eager to find intersections between the two as she advances in her academic career. She's also an active leader in Greek life, co-founder of the Gender Equality Committee, a member of the Honor Council, a Wofford Ambassador, an Orientation Staff leader and a small-group leader in the Purple Scarf Society (a professional development group for Wofford women). Helmers-Wegman spent her fall semester in the IES Abroad Writers Program in Dublin, Ireland, exploring her voice, honing her craft and finding inspiration in the city of writers such as Oscar Wilde and James Joyce.



Planned gifts are a crucial source of support for Wofford College. Documenting your bequest by providing details such as the amount and designation of the gift authorizes it to count toward fundraising goals, provides you with recognition in the Benjamin Wofford Society and assists the college's long-term planning efforts. Keep in mind that documentation does not make your gift binding or irrevocable — you may revise your estate plan if your circumstances or priorities change.

Become a member of the Benjamin Wofford Society today. Fill out and return the enclosed response card or visit [wofford.edu/supportwofford/giftplanning](http://wofford.edu/supportwofford/giftplanning).