

# BLENDED GIFTS

Are you already making annual gifts but seeking to enhance your impact at Georgia? Have you ever considered combining a current gift with a planned gift to achieve your philanthropic goals? A blended gift can allow you to see the impact of giving today while continuing to support the university's mission well into the future.



## What is a blended gift?

A “blended gift” occurs when you combine two or more gift types to increase your philanthropic impact, maximize your personal tax benefits, preserve wealth for you and your family and further the university's mission. By blending multiple gift types, you can make an impact far greater than ever imagined.

## How does this work?

You combine 2 or more gift types to achieve your charitable intentions at the University of Georgia. Below are several gift vehicles available to you.

### UGA IMMEDIATE GIFT OPTIONS

Cash
Securities
Real Estate
Charitable Lead Trust
IRA Rollover

### UGA DEFERRED GIFT OPTIONS

Bequest/Trust
Retirement Assets
Life Insurance
Charitable Gift Annuity (CGA)
Charitable Remainder Trust (CRT)



## BLENDED GIFT EXAMPLES:

### Patrick's Story:

Patrick wanted to support scholarships at a significant level – \$250,000. However, he was only capable of giving \$50,000 this year. After some consideration, Patrick decided to give \$50,000 cash outright and included a provision in his will directing \$200,000 to the University of Georgia Foundation at his death. Since the outright gift of \$50,000 meets the required minimum for a named endowed scholarship, Patrick is able to create the “Patrick Knowles Endowed Scholarship” to provide need-based support to incoming freshman immediately. The scholarship's impact will grow significantly when the estate gift is realized.

### Dr. Powell's Story:

Dr. Powell, a retired professor, was interested in creating a distinguished professorship to honor her life's work and love for her time at Georgia. The endowed minimum for a distinguished professorship is \$500,000. Utilizing the IRA Charitable Rollover option over the next three years, Dr. Powell transferred a total of \$250,000, the amount required to create a professorship. Dr. Powell also funded a charitable gift annuity (CGA) with \$600,000. The payout rate for a CGA is based on mortality tables and an assumed investment return with a target of 50% of the initial funding amount available at the end of the annuity contract to be used in accordance with donor intentions. Dr. Powell's three Charitable IRA Rollover gifts, totaling \$250,000, combined with the \$300,000 CGA residual (assuming 50% is in fact available) will fully fund the distinguished professorship at her death. Since the CGA residual is not guaranteed (and less than 50% may be available to fund donor intentions when contract terminates), Dr. Powell is continuing to monitor the CGA. In the event the CGA balance dips below \$300,000, she will make additional cash gifts to ensure that the endowment minimum is satisfied.

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## OTHER OPTIONS TO CONSIDER:

Below are a few common blended gift strategies that are available to help you fulfil your charitable intent at UGA. If you want to explore any of these or any other options that may be available, please contact the Office of Gift and Estate Planning and a member of our team will be happy to discuss the various options with you.

CHARITABLE GOAL	CURRENT GIFT	DEFERRED GIFT
\$100,000 to create newly endowed scholarship	Five-year pledge of \$25,000 (\$5,000 to be paid per year over 5-year period)	\$75,000 IRA beneficiary designation
\$250,000 to name an endowed program support fund while also desiring to see gift's impact immediately	\$10,000 annual gift to "University of Georgia Foundation" to mimic the 4% current spending allocation of an endowment since donor wants to see benefit of support during life	"University of Georgia Foundation" designated primary beneficiary of 100% of a life insurance policy with a death benefit of \$250,000 to create an endowed fund
At least \$500,000 to create distinguished professorship	\$100,000 cash	Bequest whereby net sale proceeds from sale of home will be distributed to the "University of Georgia Foundation" at death and potentially exceed \$500,000 endowment minimum since home is currently valued at \$500,000
\$1.1m to create a new fund to support study abroad or other experiential learning opportunities	\$100,000 in securities transferred to the "University of Georgia Foundation" to create endowment	Provision in revocable living trust designating the "University of Georgia Foundation" beneficiary of 50% of the residual estate which has an estimated current value of \$2m
\$2.5m to create a distinguished chair	IRA Rollover Gifts of \$100,000 annually for 5 years to establish a distinguished professorship	\$2m bequest enhances the distinguished professorship to a distinguished chair

This document is not intended as legal or tax advice. Please seek the advice of competent counsel to determine applicability of the above to your own personal circumstances.

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