

BUILDING FOR THE FUTURE

GIFT PLANNING OPPORTUNITIES AT THE UNIVERSITY OF CHICAGO | FALL 2014



Life decisions:
it's never too
early to plan
your estate

MAKE YOUR MARK | PLAN A GIFT | LEAVE A LEGACY

Never too early

PERSONAL EXPERIENCES PROMPTED IRMA WIRAWAN TO MAKE ESTATE PLANS



“Helping Chicago Harris give out more fellowships or help students in any other way—that would make me happy.”

At 37 years old, **Irma Wirawan**, MPP’03, has drawn up a will and made estate arrangements, which include a bequest to the University of Chicago Harris School of Public Policy. She was always told that when you get a “real job” with benefits and retirement, you do estate planning. “I thought that was the responsible thing to do,” says Wirawan.

Yet it was hard to recognize when that moment had come. A senior financial analyst at NORC, a social science research organization affiliated with UChicago, she works with project directors to manage budgets for large-scale surveys and research grants. She also works on business development proposals. Wirawan had the career and adult responsibilities, and she was at a stage when financial advisers recommend estate planning. But like many people, it took a family scare and a tragedy to motivate her to finally visit a law firm.

Born in Jakarta, Indonesia, Wirawan moved to the United States to attend college at the University of Michigan, eventually becoming a permanent resident while her parents remained in Indonesia. While she was away, her father was diagnosed with cancer. Thanks to early detection, his prognosis was optimistic and treatment successful, but, Wirawan says, “I think it scared him enough to put his wishes in writing.” She flew home to help her parents make arrangements.

In America, when someone dies and leaves no will, the estate goes into probate. With her parents (and next of kin) living overseas, Wirawan knew the process would be exceedingly difficult. Between her father’s illness, her growing concern about legal bureaucracy, and then the unexpected early death of her cousin-in-law, she was ready to make her plans official.

Wirawan gives to UChicago annually to help meet the University’s immediate needs. But she wanted to make a more substantial gift and had noticed local nonprofits like the Lyric Opera promoting the benefits of making a bequest. She also spotted advertisements for estate planning in the *University of Chicago Magazine* and decided to designate Chicago Harris as a partial beneficiary.

“I would like more people to have the opportunity to do public service and give back to the community,” says Wirawan. “I was lucky enough not to incur student debt, but the situation is different these days. So helping Chicago Harris give out more fellowships or help students in any other way—that would make me happy.”

Life is filled with difficult decisions. Estate planning turned out to be one of the easier ones, says Wirawan, and she’s glad to have one less thing to worry about.

Living legacy

ETHICAL WILLS MAKE A POPULAR RESURGENCE

A legal will distributes the valuables you've collected over the course of your life. But what happens to your values? What becomes of the intangible collections of your life?

A Jewish tradition, ethical wills—also called legacy letters—pass on those values to future generations. Historically, these documents contained blessings, personal and religious beliefs, and burial instructions. Modern ethical wills contain personal values and beliefs too, but also cultural values, messages of love, life lessons, and requests for or offerings of forgiveness.

Over the past decade, ethical wills “have started to have a presence in the estate planning, elder law, and charitable planning professionals community,” says Denise Chan Gans, senior director of UChicago’s Office of Gift Planning.

In 2004, when ethical wills were gaining in popularity, Barry Baines, a hospice and palliative-care physician and author of *Ethical Wills: Putting Your Values on Paper*, spoke about the trend on NPR’s *Talk of the Nation*. He attributed the rise in interest partly to demographics. The baby boomers had reached middle age, a pivotal stage of reflection. The 9/11 terrorist attacks reinforced life’s unpredictability. And two days before his 2009 presidential inauguration, Barack Obama published a legacy letter to his daughters, further raising ethical wills into the social consciousness.

While traditionally shared after death, legacy letters are increasingly read while the writer is still alive, says Baines, whose company, Celebrations for Life, offers help writing ethical wills. People reaching turning points—engaged couples, expect-

ing or new parents, divorcing partners, empty nesters—decide to share such letters with family and friends.

In practical terms, ethical wills round out end-of-life arrangements along with legal wills and living wills. “Preparing a legal document such as a will or trust focuses primarily on transfer of assets and tax consequences,” says Gans. “There is no room for expressing values.” An ethical will provides the opportunity to explain the motivations behind a legal will or estate bequest.

An ethical will also serves the emotional needs of both writer and recipient by expressing love and wisdom. **John Kotre**, PhD’70, a narrative psychologist and author of several books on “lives, memories, stories, and legacies,” explains that legacies connect generations. Often creating your own legacy begins with the one that was passed on to you. “It might be interesting to start an ethical will by saying, This was the legacy given to me,” says Kotre.

Drafting an ethical will is as much—if not more—about the writer’s well-being, according to Kotre. The act may help the writer accept her mortality. It gives her a platform to speak candidly with loved ones in ways that might not have been previously comfortable. It offers a second chance to make good on promises. And it’s a life review; the writer takes inventory of her beliefs and can then continue to live, or return to, those values.

Legacies, says Kotre, are living things. “You can’t control your legacy.” An ethical will documents an intangible life for posterity: *This is who I am. This is what I’ve learned. This is why I made the choices I made. This is what I wish for you.*



“A legacy is your gift to those who survive you.”

—Denise Chan Gans,
Senior Director,
Office of Gift Planning

Memorialize your story

Every person leaves a legacy of some kind—whether concrete, such as a trust or endowment fund or heirloom handed down—or not—memories, advice, impressions. Your legacy is an important gift to that which survives you—not just immediate family and friends but also the places, spaces, and communities that outlast you.

Although the Office of Gift Planning does not help prepare ethical wills, we are happy to discuss a donor’s philanthropic intentions and provide options for leaving a legacy at the University as part of the ethical will process. The most rewarding part of our jobs is working with generous donors who are thoughtful in their charitable and estate planning. We hear many stories about what has inspired a donor to make a gift or leave a bequest, and how the University changed the course of their lives. An ethical will is a way for donors to memorialize the stories and experiences that we are so privileged to hear.



Contact the Office of Gift Planning at **866.241.9802**.

RELATED GLOSSARY: A FEW GIFT PLANNING TERMS TO KNOW

Bequest A gift of personal property named in a last will and testament. Commonly describes gifts of any type of property made in a will, revocable living trust, or irrevocable trust.

Living Will A document, also known as an “advance directive,” describing medical procedures the writer wants, or doesn’t want, in case of an irreversible coma, terminal illness, or life-threatening injury.

Probate The court process that oversees asset collection and distribution according to a will. It does not apply to assets that pass by beneficiary designation such as IRAs and life insurance.

Refresh

ECON STUDENTS FIND THEIR NICHE IN THE NEWLY NAMED SAIEH HALL

With the transformation of the former Chicago Theological Seminary into a new home for the Department of Economics and the Becker Friedman Institute for Research in Economics, the building is filled with enticing spaces for students, faculty, and visiting scholars. Named for University Trustee **Alvaro Saieh**, AM'76, PhD'80—who made a significant donation to the

1920s building's renovation and adaptive reuse—Saieh Hall for Economics opened its past-meets-present doors this fall.

It's been four years since Ann Beha Architects were chosen to renovate the Gothic-inspired building, but the project really was "20 years in the making," says **Grace Tsiang**, AM'83, PhD'91, codirector of the undergraduate economics program. She and others have spent that long designing

a curriculum that gives economics undergraduates not only "the analytical tools to talk to faculty members" but also hands-on research experience, now supported by the Becker Friedman Institute. With all of economics in close, updated quarters, the vision has been realized.

This summer Tsiang showed off a few of her favorite student-centered spaces in Saieh Hall.



Graduate commons

"This kind of casual meeting and talking space is important," Tsiang says. In the former Taylor Chapel, modern lighting fixtures mix with originals to create a comfortable yet inspiring place to ponder economics theory and practice.



Tiered classrooms

"What we need is classroom space," Tsiang says. The faculty had requests, from technology to "the highest quality blackboard slate." This classroom can video conference with the University's Center in Beijing, for example.



Cloisters

With weatherproof glass, tuckpointing, and preservation work, the cloisters can withstand Chicago winters. Students can buy a coffee from the Starbucks in the lobby and spend warm hours studying amid old brick and stone.

Q+A Give from your IRA

AN ESTATE PLANNING EXPERT EXPLAINS THE CHARITABLE IRA ROLLOVER

The charitable IRA rollover, which allowed taxpayers 70½ or older to make tax-free distributions directly from their IRA to charitable organizations, remained expired this fall but was in a bill headed for the Senate. Although a vote was not expected until after the November elections, vote watchers believed the provision would be reenacted retroactively to January 1, 2014, and extended for 2014 and 2015.

Barbara S. Hughes, AB'64, AM'68, partner at Hill, Glowacki, Jaeger & Hughes, who focuses on estate planning and elder law, advises clients to be aware of the potential revival.

What is the charitable IRA rollover?

In 2006 a federal provision allowed individuals to contribute up to \$100,000 from an IRA directly to a qualified charitable organization without incurring federal income tax. The provision was extended several times, only to expire again December 31, 2013.

Who is it for?

The provision is useful for individuals 70½ or older who must take minimum IRA distributions but do not need the additional income, those who wish to make charitable gifts in excess of 50 percent of their adjusted gross income (AGI), nonitemizers, in-

dividuals in states that do not allow charitable deductions, and anyone who has considered using IRA assets to make a gift to the University. The direct rollover reduces income "above the line": the distribution is not included in AGI, preventing that amount from affecting calculations (including the 3.8 percent surtax) based upon AGI.

How is the transfer made?

To ensure a direct transfer, we recommend you contact your plan administrators and follow their procedure to execute an IRA charitable rollover. Usually administrators and custodians need directions early in December to process the request before year-end. The Office of Gift Planning can provide you with a sample letter to send your provider to initiate the rollover gift.

What should donors do now to prepare?

Prepare to take steps as if the provision were in effect. If the rollover provision is revived retroactive for 2014, then the amount distributed from the IRA to the charity should qualify. If the provision is not revived, the IRA distribution would still qualify as an itemizable charitable contribution deduction on the taxpayer's 1040 Schedule A.

IN MEMORIAM

The Office of Gift Planning recognizes the following individuals who made significant contributions to the University through planned gifts. Their legacies of generosity and commitment to academic excellence live on through the programs they supported.

Glenn R. Bamberger

bequeathed a gift of real estate to benefit Chicago Booth.

Robert N. Baumgartner,

AB'35, AM'47, endowed a scholarship fund for students in the Humanities Collegiate Division, named in honor of his high school English teacher who inspired him to attend the University of Chicago.

Ronald H. Coase, a Nobel

laureate and the Clifton R. Musser Professor Emeritus of Economics, left a bequest to benefit the Law School.

Phyllis S. Greene left a

bequest to benefit the University of Chicago Cancer Research Foundation.

Cissy R. Haas, widow of

the late Albert F. Haas, LAB'33, left a bequest to benefit the Oriental Institute, where she and her husband were longtime volunteers and supporters.

Leon J. Quinto left his entire estate to three top universities, including an unrestricted bequest to benefit UChicago.

Clarence S. Siegel, AB'38, left an unrestricted bequest to benefit the University.

Ilza Veith, a former member of the faculty, endowed a lectureship in History of Medicine.

OFFICE OF GIFT PLANNING STAFF

866.241.9802 | giftplan@uchicago.edu

Denise Chan Gans, Senior Director; **David L. Crabb**, JD'63, Senior Philanthropic Advisor; **Heather R. McClean**, LAB'93, Director; **Melanie Huml**, Associate Director; **Courtney L. Kohout**, Associate Director; **Brenda Lee Johnson**, Marketing Manager; **Kristine Panicola**, Marketing Specialist; **Cynthia L. McGee**, Business Administrator

TIP: REVIEW YOUR IRA BENEFICIARY DESIGNATIONS REGULARLY.



THE UNIVERSITY OF
CHICAGO

Office of
Gift Planning

5235 South Harper Court
Chicago, IL 60615

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THE UNIVERSITY OF
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CAMPAIGN
INQUIRY & IMPACT

In October the University announced its most ambitious and comprehensive campaign in its history. The University of Chicago Campaign: Inquiry and Impact will raise \$4.5 billion to support faculty and researchers, practitioners and patients, and students and programs.

Your planned gift can count toward the campaign. Visit campaign.uchicago.edu to learn more.

In this issue

BUILDING FOR THE FUTURE | FALL 2014

Ethical wills More Americans are writing legacy letters to their loved ones.

Econ's new home Modern amenities mix with old spaces in Saieh Hall for Economics.

Bequest for Harris At 37, Irma Wirawan, MPP'03, wants to help future public policy students.