

# STRATEGIST



## CHARITABLE AND FINANCIAL PLANNING GUIDE

Spring 2014

### The Glesner's gifts to Virginia Tech . . .

- . . . add a reliable income stream for their retirement
- . . . are important to their retirement and estate plans
- . . . reflect their shared values and strong relationship with Virginia Tech
- . . . will continue to have an impact for generations.

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**"We made plans to take care of 'us' forever – as long as we live – and then help Tech succeed." Jeff Glesner '65**

### Staying Happy, Staying Hokie | Jeff and Sara Glesner by Judith Davis

**"Stay happy and stay Hokie,"** is more than Jeff Glesner's cheerful email signature. It is very nearly a brief history of his and his wife Sara's life together. From their unplanned first meeting to a well-planned retirement, the Glesners have enjoyed a special relationship with Virginia Tech – one that has combined giving, receiving, and creating a meaningful legacy. The couple's charitable gifts to the university even help fund the retirement they enjoy today.

Jeff, from Hagerstown, Md., and Sara, from Big Stone Gap, Va., met by chance in 1964. "We met at a party on Southgate Drive," says Sara. "I was a junior at Radford, which was the state teachers' college. It was the women's division of VPI. And Jeff was a senior at Tech."

Jeff was first drawn to Blacksburg by the university's strong architecture program. He later focused on building construction, graduating with that degree in 1965. He considers the Corps of Cadets important to that achievement. "The Corps was a lot of discipline," he says. "I have to credit that kind of atmosphere for getting me through college."

Sara received her degree in physical science the next year and entered the teaching profession from which she retired in 2004. Jeff became a construction engineer, first in the Navy and then as a civilian. His career

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**“The scholarships I have received have given me time to focus on things in my major.”**

*– Justeen Olinger*

## **BELZ LEGACY | A LASTING GIFT OF TIME**

Ever wish there were more hours in your day? So do busy students like Justeen Olinger. Bound for an electrical engineering degree, her work includes research that one day may make it possible for a cellphone to recharge itself simply by being carried around – an innovation that could save time for millions.

Responsible for paying for her own education, Justeen says scholarship assistance allows her to study instead of diverting those hours to part-time jobs. “People say that time is money,” she says, “but I say that money is time. The scholarships I have received have given me time to focus on things in my major that I couldn’t have [pursued] otherwise.”

Justeen is a recipient of the Robert A. Belz endowed scholarship, created with a gift from Bob Belz (industrial engineering ’38), who left his estate to Virginia Tech.

Belz was a civil service retiree with many interests. He was a bachelor described by those who knew him as “... a good neighbor and friend, a very private individual, an avid reader, world traveler, [and a] naturalist.” In addition to cash, his estate gift included securities and real estate as well as coin and stamp collections.

Because it is endowed, the Belz scholarship will continue to help students like Justeen, generation after generation – providing financial support that can be a gift of time and freedom to take full advantage of educational opportunities at Virginia Tech.

### **Sample bequest language**

I leave \_\_\_ percent (\_\_\_%) of the remainder of my estate to the Virginia Tech Foundation Inc., Blacksburg, VA, for the support of Virginia Polytechnic Institute and State University. This bequest shall be used for the (named scholarship, professorship, unrestricted gift, etc.)” See <http://bit.ly/vtgpqb> for more bequest language.

### **You give to Virginia Tech because**

**VIRGINIA TECH “... gave me a terrific education that prepared me for a career.”**

**I HOPE MY GIFT “... will make it easier for someone else.”**

Galer’s future gift will fund the F. Fulton Galer Graduate Fellowship in Accounting.



F. Fulton Galer, MACCT 1983

## **Help us honor your generosity.**

If you have remembered Virginia Tech in your will, revocable trust, retirement plan, or other estate plan, please let us know so we can ...

... better understand, confidentially record, and one day follow your wishes.

... thank you today and, if you wish, welcome you as a member of the Legacy Society.

**Office of Gift Planning**

Phone: 1-800-533-1144 or 540-231-2813 | Email: [giftplanning@vt.edu](mailto:giftplanning@vt.edu)



## Appreciated Assets Tax Advantages Boost Giving Power

A gift of securities or real estate that has increased in value, and which you have owned for a year or more, can be one of the most cost-effective ways you can support Virginia Tech.

Transferring such appreciated assets directly to the Virginia Tech Foundation as a charitable gift offers important tax advantages that boost the power of your generosity:

- You receive an immediate charitable income tax deduction, typically for the current fair market value – no matter what you originally paid.
- Your gift will bypass the capital gains tax you would normally owe.
- Your gift can have more impact at a lower net cost than an equal gift of cash.

### Cash Gift or Stock Gift?

Dave owns stock worth \$15,000 that he purchased for \$5,000 over a year ago. If he sells the stock, he will owe capital gains taxes on his \$10,000 gain. But if he donates the stock, he can bypass the capital gains tax. And he can claim a full \$15,000 charitable income tax deduction. By donating stock instead of cash, Dave enjoys \$6,950 tax savings. So at a net cost of \$8,050, he makes a \$15,000 gift, with a \$15,000 impact at Virginia Tech.

	CASH	STOCK
Fair Market Value	\$15,000	\$15,000
Basis	15,000	5,000
Charitable Deduction	15,000	15,000
Income Tax Savings (33% rate)	4,950	4,950
Capital Gains Taxes avoided (20% rate)	0	2,000
Net Cost of Gift	\$10,050	\$8,050

Illustration shows federal tax savings only. You may receive additional state tax savings.



Payne Hall

**SECURITIES** include stocks, bonds, and mutual funds.

**REAL ESTATE** includes full or partial interest in residential or commercial property, a business, a vacation home, and undeveloped land.

**IMPORTANT:**

If you wish to bypass capital gains tax on an appreciated asset, the asset must be transferred directly to the Virginia Tech Foundation, Inc.

## USING APPRECIATED ASSETS TO CREATE A GIFT THAT PAYS YOU BACK

is a great way to support Virginia Tech.

Life income gifts are designed to pay lifetime income to you and/or someone you name as well as create a future gift for the university.

These gift plans include charitable gift annuities and charitable remainder trusts. There are a range of options to fit donor preferences and goals.



On the New River

Explore the possibilities.  
See how gifts can pay you back.  
Try our online gift calculator.  
<http://bit.ly/vtpgcalc>



**Charitable Giving Solutions**

**Goal: Simplify your estate for your heirs when you make a gift.** Some assets can require costly maintenance or management that may burden heirs. Consider donating real estate, private business interests, or other assets your heirs may not wish to handle.

**Goal: Stay in my home during my lifetime, then donate it to Virginia Tech.** You can donate your house or farm now, continue to live there throughout your lifetime, and enjoy immediate tax benefits when you create a retained life estate.

Erratum: The honorary engineering fraternity named in the Fall 2013 print edition of the Strategist, p.1, should be "Pi Tau Sigma." The corrected issue is online at <http://www.givingto.vt.edu/News/strategist.html>.

**Free Booklet:** To receive your free copy of **Planning for a Secure Retirement: Charitable Options** use the enclosed card or contact us directly.

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eventually brought him back to Blacksburg, where he helped create snow on the university's new Smart Road. He retired in 2005.

The Glesners have helped create more than weather at Virginia Tech. Their volunteer service and financial support have helped invent today's university and will continue to have an impact for generations to come. Their gifts include support for the Department of Building Construction in the College of Architecture and Urban Studies, intercollegiate athletics, the Corps of Cadets, university libraries, and the Center for the Arts at Virginia Tech.

Jeff and Sara's charitable giving to Virginia Tech is also an important part of their retirement and estate planning. "We made plans to take care of 'us' forever – as long as we live," says Jeff. "We did [deferred] gift annuities in anticipation of retirement. It was a tool we found to be very helpful. We get a quarterly check and it's very nice to have those checks coming in."

Charitable gift annuities are created when a donor transfers cash, securities, or other assets to the Virginia Tech Foundation, Inc., in exchange for

receiving payments for life. Afterward, the remainder provides a gift for the university.

Some donors, like the Glesners, decide to defer receiving payments until a later date such as an anticipated retirement date. The deferral results in higher payments to the donor.

The Glesners donated securities to create their gift annuities. "It was a super convenient way to donate some of the less attractive stocks in our portfolio, and we got a deduction," says Jeff. "It was an exceptionally good way to rebalance our portfolio. Diversification is so important when you're planning retirement."

The Glesners have also included Virginia Tech in their estate plans with a bequest reflecting their strong relationship with the university that has been so much a part of their lives. "We have no children," says Sara, "and we decided that Virginia Tech could use those monies."

"One of our goals is to try and make sure Tech succeeds," adds Jeff. "If we've been able to help VT in some way, I'd like to think that would be a good thing."

**"We did [deferred] gift annuities in anticipation of retirement. It was a tool we found to be very helpful."**

## Gifts of Real Estate and Securities

**What happens to real estate gifts?** The Real Estate Office at the Virginia Tech Foundation handles property donations, including real estate. That office determines on a case-by-case basis whether the university can accept each gift.



Most real estate donations, like the waterfront home pictured at left, are made available for sale or lease to the general public. Some are held for use by the university.

The Foundation's real estate office is responsible for selling or leasing donated property for the best possible price in order to fund the donor's gift.

View properties currently offered by the Foundation at [www.vtf.vt.edu/content/real-estate/search](http://www.vtf.vt.edu/content/real-estate/search).

**Who handles gifts of securities?** The Office of Investments and Debt Management (IDM) receives gifts of securities. Transfer instructions are at [www.idm.vt.edu/Making\\_Gifts/index.html](http://www.idm.vt.edu/Making_Gifts/index.html). You can contact IDM by phone at 540-231-2325 or email [IDM@vt.edu](mailto:IDM@vt.edu).

**Where do I begin?** Contact the Office of Gift Planning before you initiate any gift of real estate or securities. We can provide you or your advisor with any needed forms and help ensure your strategy works as you intend. Our contact information is at right.