

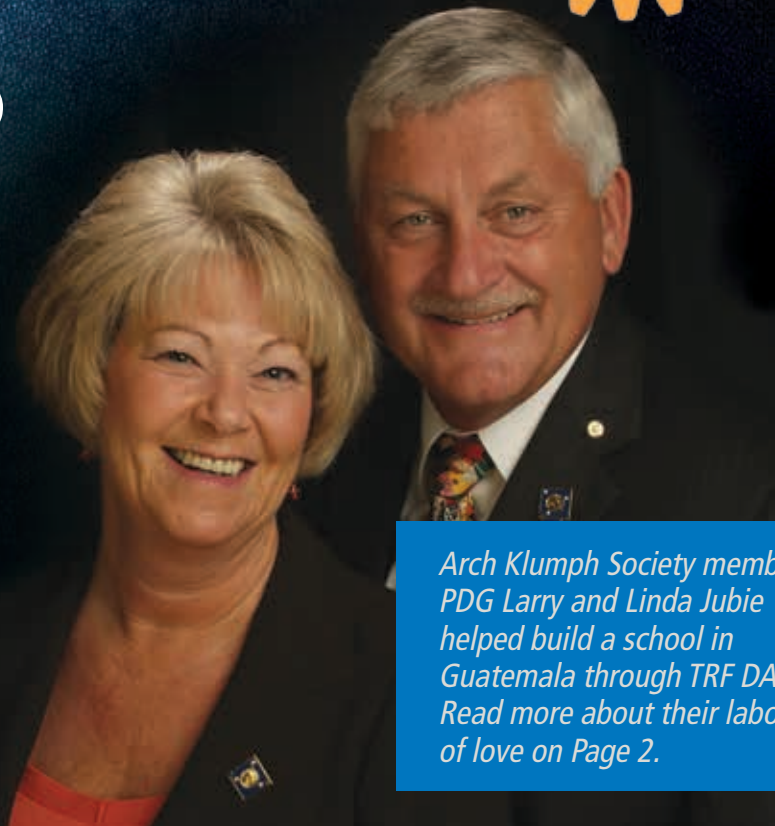
VISIONS

Charitable Estate & Financial Planning Ideas from The Rotary Foundation



ROTARY'S DONOR ADVISED FUND—

**LIKE HAVING YOUR
OWN FOUNDATION,
ONLY BETTER**



Arch Klumph Society members PDG Larry and Linda Jubie helped build a school in Guatemala through TRF DAF. Read more about their labor of love on Page 2.

Rotary makes it easy to support your favorite charities through a single tax-efficient account.* You can set aside funds for later charitable use, maximize your deductions in years they are most helpful and avoid unnecessary capital gains taxes on gifts of appreciated stock. When a project comes along that you want to support, simply recommend a grant. Rotary manages the investments and takes care of all of the details. See why many Rotarians enjoy giving through Rotary's Donor Advised Fund.

*All taxes referenced are U.S. federal taxes. Please check with your tax advisor regarding state tax laws for charitable giving, as they vary from state to state. The Donor Advised Fund is currently structured for a U.S. audience.



Give a Gift. Open an account with an irrevocable, tax-deductible contribution of U.S. \$10,000 or more.

Let it Grow. Advise The Rotary Foundation how you want the account funds invested in professionally managed portfolios.

Make a Difference. Recommend grants to IRS-approved charities of your choice and support the work of The Rotary Foundation through an automatic annual transfer of U.S. \$250 (or 1% for Group Accounts).



Fifteen years ago, PDG Larry Jubie (Rotary Club of Maryville, Washington) took a trip to a remote Mayan village in Guatemala that changed his life.

Larry and his brother PDG Harvey Jubie (Rotary Club of Maryville) traveled to Santa Cruz Barillas for a simple, but worthy service project repairing homes for women who had been widowed by thirty years of civil war. This trip, organized by Hands for Peacemaking Foundation, a U.S.-based charity founded by Rotarian Dr. Leeon Aller, would prove to be the first of many.

While they were there, the group noticed a partially completed structure standing alone in the bush. "It was a school the Guatemalan government had abandoned," Larry said. Before long, Larry and Harvey returned to Barillas to help complete this school. They have returned to Barillas year after year with Hands for Peacemaking, building schools and a factory that now employs ten people. Larry is proud that these projects have always had buy-in from the local community, which he attributes to their success.

Larry and Harvey (shown in the photo above) also share a real dedication to Rotary and its Foundation. They have each served as Governor of District 5050 and they and their wives, Linda and Janet, are members of the Arch Klumph Society. Last year, Larry and Linda opened a Donor Advised Fund account with Rotary to help manage their charitable giving.

"I used to have a DAF with a large financial institution but when it came time to create this one I realized it made sense to fund an account with The Rotary Foundation," he said. "It was so easy to set up and go! I also really like managing my account online."

It did not take long for Larry to identify a new project to support. Larry recommended a grant from his DAF account to Hands for Peacemaking and then he and Harvey helped build their seventeenth and eighteenth schools in Barillas.

Through it all, Larry insists that he has received more than he has given. Helping this community, he said, "is a priceless experience."

GROUP ACCOUNTS FOR CLUBS, DISTRICTS AND OTHERS

Your club, district or other Rotary-affiliated group can open a Donor Advised Fund account. With an initial contribution of \$10,000 and no start-up costs, a DAF account is a convenient and inexpensive alternative to starting a club foundation.

Let Rotary take care of the accounting, reporting and other administrative tasks so that you can focus on what Rotarians do best: changing lives and making a difference.

Name 2 to 4 account holders who will make grant and investment recommendations on behalf of the group. Since group accounts are intended to last indefinitely, you may add or remove account holders as needed.

Each July, the account will make a transfer to Rotary's Annual Fund in the amount of 1% of the value of the account.



Kids in Santa Cruz Barillas, Guatemala celebrate the opening of their new school, built by Rotarians with the help of TRF DAF.

FLEXIBLE INDIVIDUAL AND FAMILY ACCOUNTS

A Donor Advised Fund account offers benefits similar to a family foundation, without the burdens of administering one. You receive the same tax advantages, with no start-up costs, excise taxes or mandatory 5% distributions. In fact, you may deduct a higher percentage of your adjusted gross income.

Let Rotary take care of all of the details. All you have to do is decide how and when to recommend distributions to qualified charities.

Each July, your account will make a \$250 transfer to Rotary's Annual Fund. This transfer and any other grants you recommend to The Rotary Foundation are eligible for appropriate individual recognition.

After your lifetime, half of the amount left in the account (or more, if you choose) will go to Rotary's Endowment. The principal of your endowment gift will be invested and a portion of the returns will be used to provide ongoing support for projects around the world in perpetuity.

The portion of the account that is not transferred to the Endowment can be directed to another qualified charity you recommend. If the account has a balance of \$150,000 or more before the transfer to the Endowment, the account can continue with your children named as your successors on the account.

DISTRICT'S DAF HELPS CLUBS HELP OTHERS

In 2001, after the successful San Antonio Rotary International Convention in San Antonio, Texas, USA, RRFC Jim Berg—District 5840's Host Committee Chair—had an enviable problem: What to do with the net proceeds of \$320,000. The Committee had already donated \$50,000 to Rotary's Avoidable Blindness fund in honor of past RI President Frank Devlyn. After weighing several alternatives, they decided to establish Rotary's first-ever Group Donor Advised Fund account to support worthy projects in the District.

Jim continues to serve as account holder for the District DAF account. He recently reported, "To date we have distributed \$180,000 to charities. All of the grants matched funds by local clubs, so the total impact has been \$360,000."

The District's account has also contributed \$43,500 to Rotary's Annual Fund, while maintaining the original balance of the account. RRFC Berg noted, "We are so thankful for our Rotary Foundation's wise investment strategy."



You may choose to use your account to support Foundation programs like the Rotary Peace Centers, which train tomorrow's leaders in conflict prevention and resolution. Peace Fellow Monica Kinyua (right) and her sister Jane Wanjiru have reduced violence among tribal communities in northern Kenya by fostering friendships between children of different tribes.

GET STARTED!

- **Return the enclosed response card** for a no-obligation packet of information; or
- **Visit www.rotary.org/plannedgiving** to review the Program Circular for a detailed description of Donor Advised Fund accounts, and download an application; or
- **Contact The Rotary Foundation Planned Giving team** at the number listed at right.

When you are ready to open an account, just complete an application and fund the account with a tax-deductible, irrevocable contribution of U.S. \$10,000 or more.

Contributions can be made by check, stock transfer and other approved methods of funding.

FOR MORE INFORMATION

Rotary's Planned Giving team is happy to help you or your advisors explore how the Donor Advised Fund can help you achieve your charitable and tax-planning goals.

The Rotary Foundation

1560 Sherman Ave.

Evanston, IL 60201

Phone: (847) 866-3100

Fax: (847) 556-2178

plannedgiving@rotary.org



Check out our web pages at:

www.rotary.org/plannedgiving

You'll find helpful information on gift and estate planning.