

# Crimson & Gold



## Gift Planning Ideas for Bridgewater College Alumni and Friends

### A Time for Giving

Timing has always played a pivotal role throughout the life and career of Paul Vames '63. "My time at Bridgewater College and my years working in education were invaluable. They are where I learned the importance of self-discipline, hard work and perseverance," Vames said.

Vames was the son of Greek immigrants. His father bravely served in World War I and then became an American citizen, bringing his mother to America a few years later. His parents eventually settled in Staunton, where they owned and operated a candy shop and later a restaurant.

When Vames was 11, his father unexpectedly passed away, leaving his mother, who spoke little English, to raise four children and operate a demanding business. "We had a strong family and a supportive community," shared Vames. "Dinners were often eaten at neighbors' houses—wherever we were playing at the time. My mother worked 12 to 14-hour days, seven days a week, and all of us worked in the restaurant."

"My mother had two rules," he continued. "Go to school every day and church every Sunday." Both Vames and his older brother, Thomas '61, attended Bridgewater. "I never considered anywhere else." The brothers would attend class six days a week and then go to work, carpooling with other day students who worked. Vames fondly recalled playing ping pong between classes in the day student lounge and the friendliness of students and faculty. "You might say 'Good morning' 200 times when you walked across campus!"

After graduation, Vames had a plan to get married, but no plan for a job. One Friday afternoon, he ran into his high school coach and assistant principal, both mentors to Vames. They encouraged him to apply for a teaching job, and, by the next Tuesday, he had a contract and his first career.

Vames was a teacher, assistant principal and then principal of Shelburne Junior High School in Staunton. "We had great kids, a supportive community and a wonderful faculty," Vames said.

After 25 years in education, the time was right for a new chapter in his life, and he began pursuing his "real estate passion" full time as the managing partner of V-K Properties, a commercial and residential real estate

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Paul Vames '63

Some of our alumni and friends have chosen to create a series of gift annuities over time as a way to generate additional retirement income while reducing taxes during their peak earning years. Each additional gift annuity will generally result in a higher payment rate, more income and greater tax savings.



## Giving and Receiving

These days, many alumni and friends are looking for ways to provide support to Bridgewater College while also taking into account their need for additional income.

If you are interested in creating a source of income while fulfilling your charitable goals, a **charitable gift annuity** may be a good option.

For many years, gift annuities have been used as part of retirement planning to help those who are already retired build income. Annuities can also create a future income stream for those who are planning for retirement, while allowing the donor to continue their support of Bridgewater.

Gift annuities can be established to make lifetime payments to one or two people; most choose an annuity that makes payments for their own lifetime. However, you could also establish a gift annuity for a spouse, sibling, parent or other loved one who may benefit from financial support.

### Annuity benefits include:

- Generous payments that remain the same regardless of changes in interest rates or changes in investment markets.
- An immediate income tax deduction in the year the annuity is funded.
- Part of each payment is free of federal income tax for a period of time.

- When your gift annuity is funded with long-term appreciated securities, you will bypass any capital gain associated with the gift portion of your annuity, and any remaining tax may be paid over time.

And, as in gifts made through a will or other estate plans, a gift annuity provides a wonderful, welcome source of future funding for Bridgewater College. You may find that a gift annuity offers a way for you to create a legacy for the benefit of Bridgewater.

### Gift Annuity Payment Rates

<i>Selected Rates for One Person</i>		<i>Selected Rates for Two People of the Same Age</i>	
<b>Age</b>	<b>Rate</b>	<b>Ages</b>	<b>Rate</b>
90+	9.0%	90/90	8.2%
85	7.8	85/85	6.7
80	6.8	80/80	5.7
75	5.8	75/75	5.0
70	5.1	70/70	4.6
65	4.7	65/65	4.2

*For illustrative purposes only. Please ask for current benefits and rates for other ages.*

# Five Advantages of Bridgewater College Gift Annuities\*

**W**ith Bridgewater College gift annuities, you will enjoy a number of welcome tax and financial benefits while you make a special gift to Bridgewater:

- 1.** You will receive regular, fixed payments no matter how long you live and regardless of what occurs in the financial markets. The amount of your payments depends on your age at the time your annuity is funded.  
For example, an 85-year-old receives a higher payment rate than a 75-year-old, and, once established, the payment rate never changes.
- 2.** When you itemize your deductions, you are entitled to an income tax deduction in the year your gift is made—regardless of how long you will be receiving income.
- 3.** You will enjoy income that is partially free of federal income tax for a period of time equal to your life expectancy.
- 4.** You can provide a dependable, lifetime income for your spouse, parent or another loved one along with you (or instead of you), if you wish.



- 5.** You are making a gift to Bridgewater College and our students. A gift annuity enables you to make a gift that might otherwise have come through your estate—while you also enjoy significant benefits today.

## More information

For your own personalized illustration detailing your benefits, return the enclosed card. Or, contact us for more information about how gift annuities can benefit you and Bridgewater College. All requests are confidential and with no obligation.

*\*The minimum amount to fund a Bridgewater College gift annuity is \$10,000.*

## A Time for Giving *continued from Page 1*

development firm. One of his three children, Christopher '92, works with him.

Vames has been a Sunday School teacher since 1968. His faith has guided him throughout his life, and he feels an important part of the Bridgewater experience is the Christian fellowship and community.

One of Vames's passions is giving back, and he is a tireless fundraiser and leader for the YMCA, the Frontier Culture Museum of Virginia, Habitat for Humanity and the Staunton City Library Foundation.

Vames has supported Bridgewater with annual gifts, but it was the timing of information he received about another way to give to the College that caught his attention.

"Years ago, I heard a presentation about the charitable gift annuity and I really liked the idea, but I wasn't in the position to make that type of gift."

Last year, however, the time was right. Vames and Martha, his wife of 53 years, now have two gift annuities with Bridgewater College. "Gift annuities are a triple win—for the school, for the students, and for my wife and myself," said Vames. (Read more about the gift annuity in this issue.)

"Bridgewater has meant so much to me and my family over the years. The school made me a stronger, better person. My hope is that as many young men and women as possible can benefit from the Bridgewater College experience."

# Using Retirement Plan Assets to Make Your Gifts

Retirement plan assets can be a wise source to make your gifts now and in the future.

## Giving Now

**Make Tax-Free Gifts to Bridgewater College from Your IRA.** If you are aged 70½ or older, you can give directly from a traditional or Roth IRA completely free of federal income tax (up to \$100,000 per person per year). Giving directly from your IRA won't increase your adjusted gross income and possibly subject your Social Security income to a higher level of taxation. Additionally, your charitable IRA gift may count towards your required minimum withdrawal.

## Giving Later

**Make Bridgewater College the Beneficiary of a Retirement Plan.** When you leave the balance of an IRA, 401(k) or 403(b) to your heirs, they must carefully manage the account to avoid losing its tax-deferred status and potentially triggering large income taxes and possible penalties. You can simplify matters for your loved ones by directing all or a portion of what remains in your retirement accounts to charities and leaving other more tax-favored assets to your heirs. Designating a charitable beneficiary of a retirement account does not require you to change your will.

For more information about making a gift using retirement plan assets, contact a member of your planned giving team or visit our website at [bridgewater.givingplan.net](http://bridgewater.givingplan.net).



## Considering a Bequest?

With a gift to Bridgewater College through your will or trust, you can provide for the College's future. Here is some sample language to share with your attorney:

*"I give, devise and bequeath to Bridgewater College, a qualified 501(c)(3) charitable organization located at 402 East College Street, Bridgewater, VA 22812, the sum of \$\_\_\_\_\_ [or \_\_\_% of my adjusted gross estate; or all the rest, residue and remainder of my estate] to be used for the benefit of Bridgewater College."*

The purpose of this publication is to provide general gift, estate, and financial planning information. It is not intended as legal, accounting or other professional advice. For assistance in planning charitable gifts with tax and other implications, the services of appropriate advisors should be obtained. Consult an attorney for advice if your plans require revision of a will or other legal document. Tax deductions vary based on applicable federal discount rates, which can change on a monthly basis. Some opportunities may not be available in all states. © Copyright 2017 by Sharpe Group. All Rights Reserved. NWX-17



## Your Planned Giving Team

**Liisa E. Franzen (left)**  
Development Officer  
lfranzen@bridgewater.edu  
(540) 828-5651

**Robert P. Armbruster (center)**  
Development Officer  
rarmbrus@bridgewater.edu  
(540) 828-8002

**Meg Flory Riner (right)**  
Senior Director of Development  
mriner@bridgewater.edu  
(540) 828-5636

**Maureen C. Silva, Ph.D. (seated)**  
VP for Institutional Advancement  
msilva@bridgewater.edu  
(540) 828-5450



### Contact us:

bridgewater.givingplan.net  
Phone: (540) 828-5448  
Fax: (540) 828-5480  
EIN: 54-0506306