



## Ways of Giving to Saint Mary's School



## Gift Planning: A very personal, very meaningful way to support Saint Mary's School

Since 1842, Saint Mary's School has been the recipient of generous, private support. Indeed, in times of growth and times of challenge, the love and admiration alumnae and friends have demonstrated through their gifts in support of Saint Mary's have provided generational continuity for this great institution. Many of the School's most meaningful gifts have been, and will continue to be, received through thoughtfully structured gifts, often referred to as planned gifts.

Whether received now or some time in the future, gift planning allows donors to align their personal financial goals with their desire to make an impact at Saint Mary's. The contemplative nature of gift planning allows donors to create efficient, smart strategies that maximize a gift's impact. As you consider ways to support Saint Mary's, I hope the following brief overview of gift planning options is helpful.

While our needs are great, the affection and dedication that alumnae and friends have for Saint Mary's is greater still. Help from generous hearts, coupled with thoughtful planning, ensures Saint Mary's will continue to advance opportunities for girls forever. I welcome the chance to speak with you by phone or to meet with you in person to discuss the impact your legacy will make at Saint Mary's.

Sincerely,

*Brandon Wright*

T. Brandon Wright  
Director of Gift Planning

For more information, please contact Brandon Wright, director of gift planning, at 919.424.4111 or at [bwright@sms.edu](mailto:bwright@sms.edu).



IRS Circular 230 Notice: You are advised to seek your own legal and tax advice in connection with charitable gift planning matters. Saint Mary's School does not provide legal, financial or tax advice. This communication, including any attachments, is not intended or written to be used, and cannot be used, for the purpose of avoiding tax-related penalties.

## Opening Doors to Her Future

### Saint Mary's financial priorities are:

- Growing our endowment and increasing scholarship support;
- Renovating Pittman Auditorium and building a new central academic hub; and
- Eliminating our debt.





## Outright Gifts

Depending on a donor's financial situation and philanthropic goals, an outright gift could be the best option for the donor and for Saint Mary's.

Outright gifts provide immediate funds to Saint Mary's, allowing donors to know the impact of their philanthropy during their lifetime. Outright gifts can be made using cash or assets such as securities or real estate.

Real estate can include a primary residence, vacation property, vacant land, farmland, or commercial property.

Gifting an appreciated asset to Saint Mary's allows a donor to avoid paying capital gain taxes that would have been incurred had the donor sold the asset outright. This means 100 percent of the asset's value is maintained, increasing the gift's impact at the School.

For donors who itemize, outright gifts provide a charitable income tax deduction in the calendar year a gift is made. In the event a donor's outright gifts exceed their adjusted gross income limits for charitable deductions in the year the gift was initially made, the donor can deduct the excess in each of the next five years until the deductible amount is fully utilized.



## Charitable IRA Rollovers

Using Qualified Charitable Distributions from an Individual Retirement Account (IRA) is an excellent option for supporting Saint Mary's School now.

If you are 70½ years old or older, this tax-savvy strategy allows you to transfer up to \$100,000 annually from your IRA directly to Saint Mary's. Qualified Charitable Distributions count toward your IRA's annual Required Minimum Distributions (RMD), and you pay no federal income tax on distributions transferred to Saint Mary's.

Qualified Charitable Distributions can be used to fulfill multi-year pledges.

Sample letters to facilitate a Qualified Charitable Distribution from your IRA's plan administrator can be found on pages 15 and 16.

## Charitable Lead Trust

A charitable lead trust (CLT) is an irrevocable trust that provides for charitable and noncharitable beneficiaries. As the charitable beneficiary of a CLT, Saint Mary's receives either a fixed dollar amount each year charitable lead annuity trust (CLAT) or a fixed percentage of the value of the trust each year charitable lead unitrust (CLUT). At the end of the trust term, the trust property reverts to the person who created the trust or is transferred to other non-charitable beneficiaries such as family members.

In addition to providing support to Saint Mary's now, charitable lead trusts are often used for family wealth succession and estate tax planning purposes.



“My parents taught me the importance of giving back through my time, talents, and gifts to my church and schools. In addition to my gifts each year to Saint Mary’s Annual Fund, I wanted to create an estate plan that would benefit Saint Mary’s after I am gone. . . I believe in the chance for young women to excel academically, socially, and spiritually in an all-girls environment. We must continue to empower women to have the confidence to reach their full potential; it’s absolutely essential.”

– Angela Sutton Furniss ’89HS



## Support Saint Mary’s without changing your lifestyle

## Deferred Gifts

A deferred gift is one that will be received by Saint Mary’s at some future time.

Examples of deferred gifts include bequests through a will or trust and gifts directed through financial asset beneficiary designation.

## Bequests

A bequest is naming a recipient, like Saint Mary’s School, in a will or trust. A will or trust ensures that a person’s intentions are clearly expressed and will be followed by an estate administrator.

A trust provides for the distribution of assets without the usual probate administration requirements.

A will or trust is a statement about what matters most in a person’s life. For that reason, Saint Mary’s is grateful to those who have chosen to remember the school in this way.

- Specific bequests are usually a stated dollar amount. Specific bequests can also be a gift of stocks or bonds, real estate, or tangible personal property.
- Residual bequests designate a percentage of the remainder of an estate after specific bequests have been fulfilled.

**Bequests in a will or living trust are revocable, allowing donors to maintain control and use of their assets during their lifetime.**

A bequest may also reduce a donor’s estate tax liability.



## Retirement Accounts

There are many types of retirement plans and accounts, including an Individual Retirement Account (IRA), 401(k), 403(b), SEP, ESOP, etc. Qualified retirement plan assets often account for a large portion of a person's overall net worth and estate.

Qualified retirement plan assets inherited by non-spousal beneficiaries are often one of the most heavily taxed assets in an estate, even if the estate is not large enough to trigger federal estate tax. Since income tax is neither paid on the account's assets when it is earned nor as it appreciates, withdrawals from qualified retirement plans are subject to income tax regardless of who receives the funds.

As a qualified charity, Saint Mary's does not pay income tax on gifts received from retirement plan assets. This means the full value of a large portion of your life's savings will be used as directed by you at Saint Mary's, increasing the gift's impact at the School.

Making this revocable future gift is free and easy to do. Your retirement account's plan administrator or the company that manages the account can help you designate Saint Mary's as a beneficiary on the plan's beneficiary designation form.

A life insurance policy can be used to make a **deferred gift** or a **current gift**



## Life Insurance

Life insurance can offer a method of making a substantial gift to Saint Mary's. There are several ways to use a life insurance policy to support Saint Mary's, including listing the School as a beneficiary of a policy.

If Saint Mary's is named both the sole owner and beneficiary of a paid-up, whole-life insurance policy, donors may receive an immediate charitable deduction for the lesser of the policy's fair market value or the policy's cost basis. In most instances, Saint Mary's will surrender paid-up, whole-life insurance policies so proceeds may be used immediately.

Under certain circumstances, upon being named owner and beneficiary, it may be more advantageous for Saint Mary's to maintain the policy until the death of the insured person. In this situation, additional premiums paid on behalf of Saint Mary's are tax deductible.

Helpful information for updating a beneficiary designation form:

Name: Saint Mary's School

Address: 900 Hillsborough Street  
Raleigh, NC 27603

Employer identification number:  
56-0532314

Relationship: Non-profit organization

Phone number: 919.424.4000



**“As costs have risen, it seems imperative that more financial assistance be available to deserving students,”**  
**- Eve Hargrave Smith ’53HS**

Eve Hargrave Smith ’53HS has chosen to give back to Saint Mary’s in many ways.

To achieve her goal of ensuring other girls have the opportunity to receive the same type of education she received, Eve and her husband, Sherwood, established the Eva Hackney Hargrave Smith Scholarship Endowment. The scholarship is awarded to students who have academic promise and who would not be able to attend Saint Mary’s School without financial assistance. Eve has also included Saint Mary’s in her estate plan. “As costs have risen, it seems imperative that more financial assistance be available to deserving students,” says Eve.

In addition to generous financial support, Eve has remained an active alumna for many years. Eve is currently an honorary member of the Saint Mary’s Forever campaign committee. She has served as a member of the School’s Board of Trustees, Alumnae Council, Strategic Planning Committee and the Gifts, Acquisition and Decorating (GAD) Committee, as honorary chair of the 2009 Auction Gala, and in volunteer leadership roles too numerous to list.

Eve’s fondest memories of Saint Mary’s include “friends, Chapel, Evensong, Miss Bason and First East. Saint Mary’s has been a tremendously important and valuable part of my life,” says Eve. “Living in Raleigh close to the school has enabled me to be involved in many activities, including being a parent and seeing two of my daughters (Marlin Smith Dohlman ’77HS and Cameron Smith Callaway ’80HS) develop as boarding students at Saint Mary’s.”

Eve’s support has impacted Saint Mary’s for decades, and her thoughtful planning as a member of the Heritage Society, Saint Mary’s planned giving society, will ensure that the Smith family legacy will live on in perpetuity.



Eve Hargrave Smith ’53HS  
with Tara Elise Richard ’15HS



## **Additional Beneficiary Designation Gifts**

In addition to retirement accounts and life insurance policies, there are other assets whose inheritance is governed by beneficiary designation from a financial institution. These assets include:

- bank accounts and brokerage accounts with a payable on death (POD) provision; and
- donor-advised fund assets (depending on the organization who manages the donor-advised fund) that remain at the time of the original owner’s death.

These revocable future gifts are easy to complete — simply sign or update a beneficiary designation form.



## Charitable Remainder Trust

Saint Mary's can be listed as a beneficiary of a charitable remainder trust (CRT), which pays an annual amount to one or more people for a lifetime or a fixed period of years. A charitable remainder annuity trust (CRAT) offers fixed payments to donors based on initial trust value. A charitable remainder unitrust (CRUT) offers payments to donors that vary based on the performance of the trust's investment portfolio each year. Saint Mary's receives the remaining trust assets at the donor's death or the fixed term ends.



# Saint Mary's School

Founded 1842

“When I think about the impact Saint Mary's has had on my life, making a planned gift isn't all I can do.

***It's the least I can do.***

Whatever I've been able to accomplish as a community volunteer over the past 65 years comes directly from the confidence that a Saint Mary's education gave me.”

– Sally Dalton Robinson '51HS

## Heritage Society

The Heritage Society recognizes those who seek to secure Saint Mary's financial future by including the School in their overall estate plan. Thoughtfully structured planned gifts allow donors to transfer assets to Saint Mary's at the optimal time for the donor.

Saint Mary's recognizes that each donor approaches philanthropy based on a unique set of personal and financial circumstances. Planned gifts provide opportunities to support Saint Mary's in a myriad of ways, both now and in the future.

There is no minimum future gift amount required to be recognized as a Heritage Society member. Notifying the School about your intentions is all that is needed to be recognized as a member. The deferred gift information sheet on page 17, along with the appropriate excerpted passages from a will, trust, or beneficiary designation form, provides the School the relevant information needed to properly record your intentions. It is important that your planned gift makes the impact you desire.



# Instructions and Forms

## Instructions for Stock Transfers

You may make your gift of stock to Saint Mary’s School by transferring securities directly to Saint Mary’s broker at Merrill Lynch.

Contact Joan Bentley at Merrill Lynch at 1.800.937.0634, 919.899.3623, or joan.bentley@ml.com.

- DTC #: 8862
- Account #: 778-04257
- Federal Tax ID #: 56-0532314

Mailing Address  
Merrill Lynch  
4242 Six Forks Road, Suite 1800  
Raleigh, NC 27609

You may also send or deliver to Saint Mary’s School a stock certificate(s) and a signed power of attorney. For security purposes, please do not mail stock certificates and signed power of attorney documents in the same envelope.

To properly credit your gift with the school, please have your broker inform one of the people listed below about your stock gift/transfer:

- Julie Ricciardi, Director of Development, at 919.424.4114 or jricciardi@sms.edu
- Christine Andrade at 919.424.4110 or candrade@sms.edu

## Instructions for Wire Transfers

### Domestic

Beneficiary: Saint Mary’s School  
Telephone: 919.424.4100

Beneficiary Bank: First Citizens Bank & Trust Company  
100 E Tryon Road  
Raleigh, NC 27603

- Routing #: 053100300
- Account #: 000863071082

### International

Beneficiary: Saint Mary’s School  
Telephone: 919.424.4100

Beneficiary Bank: First Citizens Bank & Trust Company  
100 E Tryon Road  
Raleigh, NC 27603

- Routing #: 053100300
- Account #: 000863071082
- Swift Code#: FCBTUS33

The following bequest language can be shared with your estate-planning attorney for review and inclusion of Saint Mary’s in a will or living trust. Saint Mary’s encourages you to seek the assistance of personal, legal, and financial advisors in matters relating to giving. The Office of Gift Planning welcomes the opportunity to partner with you, your estate-planning attorney, and financial advisors to craft a mutually advantageous giving plan.

Saint Mary’s Employer Identification Number (EIN) or Tax Identification Number is 56-0532314.

### For unrestricted gifts:

“I give, devise and bequeath \_\_\_\_\_ percent (\_\_\_\_\_ %) of my residuary estate [or, the specific bequest of \_\_\_\_\_ dollars (\$\_\_\_\_\_), or other personal or real property appropriately described) to Saint Mary’s School, Employer Identification Number (EIN) 56-0532314, a qualified 501(c)(3) charitable organization located in Raleigh, North Carolina, to be used for the unrestricted needs of Saint Mary’s School.”

### For restricted gifts:

“I give, devise and bequeath \_\_\_\_\_ percent (\_\_\_\_\_ %) of my residuary estate [or, the specific bequest of \_\_\_\_\_ dollars (\$\_\_\_\_\_), or other personal or real property appropriately described) to Saint Mary’s School, Employer Identification Number (EIN) 56-0532314, a qualified 501(c)(3) charitable organization located in Raleigh, North Carolina, to establish ‘The \_\_\_\_\_ Fund.’ The Board of Trustees of Saint Mary’s School (the “Board”) shall treat this Fund as part of its endowment, and the income paid out of the Fund shall be used to \_\_\_\_\_ (list purpose here) at Saint Mary’s School.”

If, at some future time, the purpose for which this Fund was created no longer exists, or is no longer necessary, legal, or possible, then at the discretion of the Board, distributions may be used for a substantially similar purpose that is as nearly aligned to my original intent as the Board deems appropriate under the circumstances. If, at the time my bequest proceeds are received they are below the Board’s minimum to establish an endowed fund, then my bequest proceeds should be used at the discretion of the Board to benefit Saint Mary’s School.”

### For gifts accompanied by a memorandum of understanding:

“I give, devise and bequeath \_\_\_\_\_ percent (\_\_\_\_\_ %) of my residuary estate [or, the specific bequest of \_\_\_\_\_ dollars (\$\_\_\_\_\_), or other personal or real property appropriately described) to Saint Mary’s School, Employer Identification Number (EIN) 56-0532314, a qualified 501(c)(3) charitable organization located in Raleigh, North Carolina, to be used in accordance with the terms of the most recent written directive I have signed with the School, and, if none exists, to be used as directed by the Board of Trustees of Saint Mary’s School.

For restricted gifts, please contact the Office of Gift Planning — we want to make sure we can use your gift (at the appropriate time) as you intend.

Simply detach and share with your estate-planning attorney.





Letter to Plan Administrator requesting an IRA Qualified Charitable Distribution

\_\_\_\_\_(insert date here)

\_\_\_\_\_(insert donor name here)

\_\_\_\_\_(insert donor address here)

\_\_\_\_\_(insert donor city, state, zip here)

\_\_\_\_\_(insert name of IRA administrator here)

\_\_\_\_\_(insert address here)

\_\_\_\_\_(insert city, state, zip here)

This letter can serve as your instruction to your IRA plan administrator to direct a Qualified Charitable Distribution to Saint Mary’s. Simply complete and mail to your IRA plan administrator.

Please call Brandon Wright in the Office of Gift Planning to request this letter in downloadable form: 919.424.4111.

Dear Plan Administrator:

Please accept this letter as my instruction to direct a charitable distribution from my Individual Retirement Account (IRA) with \_\_\_\_\_ (list firm name here) to Saint Mary’s School a 509(a)(1) charitable organization, as provided by Sec. 1201 of the Pension Protection Act of 2006 and Sec. 408(d)(8) of the Internal Revenue Code of 1986, as amended, and extended under the Protecting Americans From Tax Hikes Act of 2015. The School’s tax identification number is 56-0532314. I have instructed Saint Mary’s on how to use the proceeds from this Qualified Charitable Distribution under separate letter.

Please issue a check, payable to Saint Mary’s School, in the amount of \$\_\_\_\_\_ (insert amount here) and mail it to:

Saint Mary’s School  
Office of Gift Planning  
900 Hillsborough Street  
Raleigh, NC 27603  
Attn: Brandon Wright

It is my intention that this distribution qualifies for the \_\_\_\_\_ (insert tax year). In your transmittal letter to the School, please include my name and address as the donor for this charitable distribution. Please copy me on your transmittal letter.

If you have questions or need to contact me, I can be reached at (\_\_\_\_)\_\_\_\_.\_\_\_\_ (insert phone number here). Thank you for your assistance in this matter.

Sincerely,

Signature \_\_\_\_\_

Letter to Inform Saint Mary’s School about an IRA Qualified Charitable Distribution

\_\_\_\_\_(insert date here)

\_\_\_\_\_(insert donor name here)

\_\_\_\_\_(insert donor addrss here)

\_\_\_\_\_(insert donor city, state, zip here)

Saint Mary’s School  
Office of Gift Planning  
900 Hillsborough Street  
Raleigh, NC 27603  
Attn: Brandon Wright

Dear Brandon:

I have requested a Qualified Charitable Distribution from my Individual Retirement Account (IRA) be made directly to Saint Mary’s School, as provided by Sec. 1201 of the Pension Protection Act of 2006 and Sec. 408(d)(8) of the Internal Revenue Code of 1986, as amended, and extended under the Protecting Americans From Tax Hikes Act of 2015. It is my intention that this distribution qualifies for the \_\_\_\_\_ (insert tax year here).

A check in the amount of \$\_\_\_\_\_ (insert amount here) is being sent to you from my IRA with \_\_\_\_\_ (list firm name here). When received, proceeds from my IRA distribution should be used to \_\_\_\_\_ (list purpose here).

If you have questions or need to contact me, I can be reached at (\_\_\_\_)\_\_\_\_.\_\_\_\_ (insert phone number here). I am pleased to support Saint Mary’s in this way. Thank you for your assistance in this matter.

Sincerely,

Signature \_\_\_\_\_

This letter can serve as your notification to Saint Mary’s that you have requested a Qualified Charitable Distribution from an IRA. Simply complete and mail to Saint Mary’s Office of Gift Planning.

Please call Brandon Wright in the Office of Gift Planning to request this letter in downloadable form: 919.424.4111.

For easy reference, cut here.





A Deferred Gift From

(insert name here)

I am pleased to let you know about a deferred gift to benefit Saint Mary's School! However, it is understood that my intentions are not binding on my estate, and that fluctuations and changes in the market, economy, and life circumstances may impact the ultimate value of my future gift. It is also understood that I may choose to add to, subtract from, or revoke my deferred gift in its entirety, and without obligation to notify the School.

Gift by Will/Living Trust

Specific bequest	\$		and/or		%*
Residual bequest	\$		and/or		%*
Retirement Account	\$		and/or		%*
Charitable Trust	\$		and/or		%*
Life Insurance Policy	\$		and/or		%*
Other (please describe):	\$				

\* If percentage, please estimate the value of your gift on today's date \$

Please attach only the appropriate excerpted passages from a will, trust, or beneficiary designation form.

When proceeds from my future gift are received, they should be used to:

- ☐ Provide unrestricted support to Saint Mary's
- ☐ List use/purpose here: If, at the time my future gift is received, the proceeds are below the minimum to create a new endowed fund or an expendable fund, or if the purpose and objective of my gift are contrary to law, or if unanticipated circumstances occur such that the requested use is unable to be fulfilled, the Board of Trustees shall direct the proceeds to a purpose as closely aligned to my requested use as practicable. (please initial)

Alumnae and friends who have named Saint Mary's in their estate plans are recognized as members of The Heritage Society.

- ☐ Preferred name for The Heritage Society roster:
- ☐ I request that my future gift remain anonymous.

Signature Date Date of Birth

This Deferred Gift Information Sheet, along with the appropriate excepted passage(s) from a will, trust, or beneficiary designation form will allow Saint Mary's to use your gift according to your wishes at the appropriate time. Simply complete and mail to Saint Mary's School, Office of Development, 900 Hillsborough Street, Raleigh, NC 27603.



We change, but Thou art still the same,  
The same good Master, Teacher, Friend;  
We change; but Lord, we bear Thy Name,  
To journey with it to the end. AMEN.

~from the Saint Mary's School hymn





# SAINT MARY'S SCHOOL

900 HILLSBOROUGH STREET, RALEIGH, NORTH CAROLINA 27603-1689

[WWW.SMS.EDU/SUPPORT](http://WWW.SMS.EDU/SUPPORT) • 919.424.4000

