

# THE Bishop William White REPORT



## The Episcopal Academy

Office of Planned Giving  
 1785 Bishop White Drive | Newtown Square, PA 19073  
 484-424-1780 Tel | 484-424-1790 Fax  
 www.episcopalacademy.org



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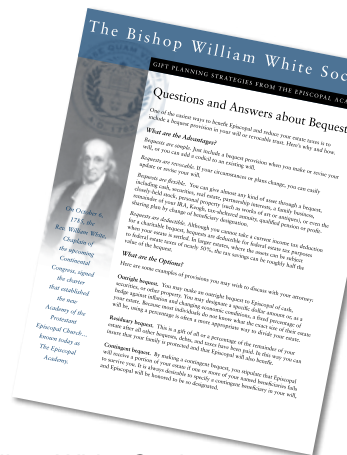
## Your Will and Episcopal

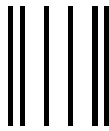
Bequests, or gifts made through your will or revocable trust, are Episcopal's most popular planned gift, in part because they deliver a significant benefit to the school without affecting your lifetime financial circumstances or cash flow. Most Americans build wealth by saving and investing over a lifetime, and some prefer to retain control over their assets. Gifts that you may be reluctant to make today may become feasible through your will.

Bequests are for everyone, and making a gift by will is easy. Bequests can be made in the form of a specific gift of cash or property, or a percentage of the remainder of an estate or trust. Yet another option is a contingent bequest, in which you stipulate that Episcopal will receive a portion of your estate if one or more of your named beneficiaries fails to survive you. For more information, please return the reply card on page 7.

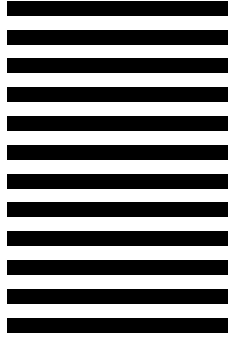
The Bishop William White Society is largely comprised of generous living individuals who have included, or plan to include, the school in their estate plans.

A plan to leave a legacy can be rewarding beyond words. Bequests provide you with an enduring legacy that reflects on you, your family, and its name. They mark your place in the history of The Episcopal Academy.





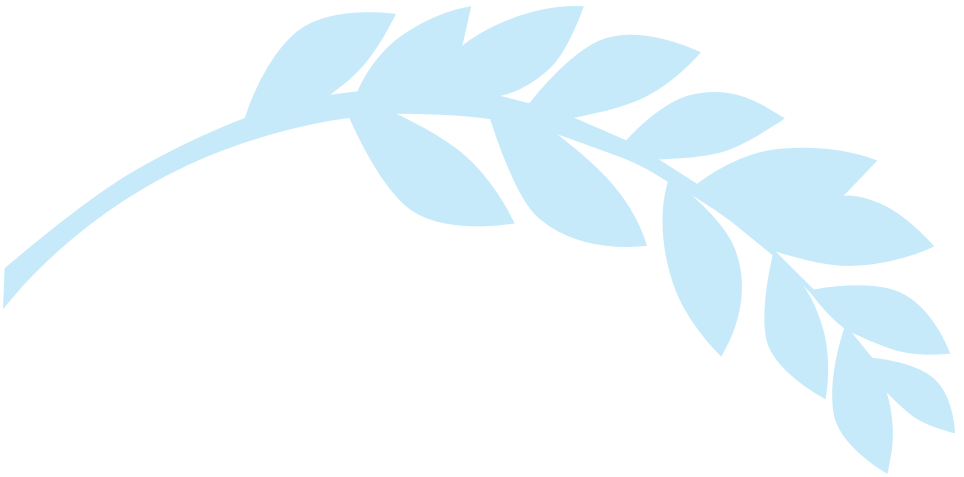
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“ If life’s first act is about growing up, coming of age, learning the lessons that shape you, and the second is about acquiring things, getting ahead, building a career, shouldn’t the third be about doing something, leaving something, creating something that makes life better for somebody else?”

—Bill Gates, as quoted in *The New York Times*

Dear Alumni and Friends,

Welcome to the third issue of *The Bishop William White Report*. This issue focuses on the power of gifts made by will. Gifts from estates have long played an important role in building Episcopal's financial strength, and never has the need been greater than it is today. EA boasts the finest facilities; dedicated faculty who take a personal interest in each child; and a mind-body-spirit mission that is arguably second to none. Yet Episcopal's per pupil endowment is among the lowest of any independent day school in our region. You who have included the school in your estate plans, or are considering doing so, are critical to ensuring Episcopal's continued excellence.

A bequest is a work in progress, taking shape as you define what you want your personal legacy to be. Discussing your charitable intentions with us can lead to a much better result than going it alone—and will ensure your gift is used as you wish. Would you like to help bring Episcopal's endowment in line with other independent schools? Would you like to endow your support of annual giving beyond your lifetime? (At a 5% payout rate, a \$20,000 bequest will generate \$1,000 each year in perpetuity for the annual fund.) Would you like to create a fund to carry on your family name?

Perhaps the biggest obstacle is getting started. With this issue of *The Bishop William White Report* we hope to provide useful information, inspiration, and an invitation to conversation as you begin to shape your legacy. Please call for a personal tour of our splendid new campus, witness students and teachers in action, and stop by Sherrerd Alumni House for a cup of coffee. You are always welcome!

Sincerely,  
Carolyn Jaeger, *Director of Planned Giving*

## Planned Gifts Boost Ever Episcopal

Sixty-six planned gifts contributed vital support to the Ever Episcopal Capital Campaign. Figures are as of October 15, 2008.

Realized Gifts	Number	Value
Bequests	5	\$ 2,281,627
Charitable gift annuities	3	\$ 47,213
IRA charitable rollovers	20	\$ 794,952
Life insurance policies	4	\$ 100,704
Pooled income fund	1	\$ 11,863
Outstanding Gifts	Number	Face Value
Irrevocable bequest agreements	10	\$ 8,620,000
Charitable gift annuities	22	\$ 885,989
Charitable remainder trusts	1	\$ 625,000

*We are indeed grateful for your generous support!*

# Frequent Questions, Sound Strategies

*“I plan to make a provision for Episcopal in my will. What language should I use?”*

Timely question! The following example for an unrestricted bequest includes the school’s legal name as of August 1, 2008.

Example:

“I give the sum of \$ \_\_\_\_ ;  
(or) all the rest, residue and  
remainder of my estate; (or)  
\_\_\_\_ % of my residuary  
estate to The Episcopal  
Academy, Newtown Square,  
Pennsylvania, to be used for  
its general purposes.”

For additional examples, please use the reply card on page 7 to request a copy of “Questions and Answers about Bequests”.

*“I have already written my will. Will adding a bequest be complicated or expensive?”*

It is not necessary to rewrite the entire will in order to name an additional beneficiary. A simple codicil, or amendment, can often accomplish the same objective. And today, thanks to electronic word processing, changing the body of a will is often a quick and inexpensive process.

Keep in mind that not all of one’s estate is governed by a will. Life insurance, savings bonds, annuities, and qualified retirement plans are transferred to heirs via a simple beneficiary designation form and do not require the assistance of a lawyer.

- Your IRA or other qualified retirement plan may be the ideal asset to leave to charity. For estates fully subject to the estate tax, up to 75% of the value may be consumed by estate and income taxes before your child or grandchild receives these funds. The sensible alternative: name The Episcopal Academy as the beneficiary of all or a portion of your retirement plan and use other less tax-burdened assets to make gifts to your heirs.

- How much paid up whole life insurance do you own? Do you need that much after your lifetime, or could you give all or a portion to charity via a simple beneficiary designation change?

Example:  
“I hereby bequeath the lesser  
of \$250,000 or \$250,000 less  
the amount in my qualified  
retirement plan.”

*“I’ve already decided to divide my estate equally among my children.”*

Family always comes first, but if you’d also like to include the school in your plans, discuss it with your children. Most children will applaud your decision and enjoy participating in creating a legacy that perpetuates family values and carries on your family name.

Naming Episcopal to receive a percentage of your estate—even a small one—can be tremendously helpful to the school. Instead of giving each of three children 33.33% of your estate, consider giving each one 30% and naming the school as beneficiary of 10%.

*“When do I need to update my estate plan?”*

Review your will every few years to make sure it is still current. You may have new grandchildren, a previously named beneficiary may have died, or perhaps you have moved. If you have indeed moved, laws regarding wills vary from state to state, so you may need a new will.

# Learning Life's Lessons at Episcopal



I cannot remember a time when I did not love Episcopal. I remember watching my two brothers, Tom '64 and Graham '70, play for Episcopal when I was just a toddler. I loved the blue and white before I was old enough to wear the sweater, and ultimately I would attend Episcopal from kindergarten through twelfth grade. I learned most of my early lessons about life, friendship, academic excellence, sportsmanship, compassion and faith from my teachers and classmates at EA. I have laughed at Episcopal and felt a deep sense of joy in the midst of accomplishment, companionship and victory. I have also bled at Episcopal, both physically and emotionally. Here I have experienced failure and triumph, justice and mercy, friendships broken and regained, falling hard and learning how to gain the courage to stand again. At Episcopal I have learned about life, and at Episcopal I have watched my children (Jamie '03 and Ted '06) learn many of the same lessons. These lessons have helped make us real: *to be rather than to seem to be*.

Episcopal is the place where I came to believe in God and Jesus for the first time. Ultimately, this led me into the priesthood and then full circle to become the Middle School Chaplain, where I strive to honor both our Christian heritage and the remarkably diverse community that Episcopal has become. Thus as a teacher, I strive to instill in our students the love of God, the love of neighbor, the love of self, and the love of life.

I have been asked why I am choosing to include EA in my will. How could I not? I do not give to Episcopal because it is perfect, for clearly it is not. I give to Episcopal because it is a place that has taught me about life. I give to Episcopal because it is home.

Peace to you and yours,  
The Rev. Albert E. R. Zug '78

# Using Your Will Power to Increase Episcopal's Endowment

Ensuring Episcopal's reputation as one of the finest day schools in America will require not only superb facilities but also an endowment that will enable the school to attract and retain the highest quality faculty, enroll talented students from all economic backgrounds, and contribute meaningful support to the school's budget.

Episcopal's need for a larger endowment is pressing. Among independent day schools in our region, Episcopal has one of the lowest per pupil endowments.

School	Enrollment	Endowment	Endowment per student
William Penn Charter School	924	\$ 55,000,000	\$ 59,524
The Haverford School	970	\$ 42,000,000	\$ 43,299
Germantown Friends	895	\$ 29,498,000	\$ 32,959
The Agnes Irwin School	691	\$ 22,451,023	\$ 32,490
Germantown Academy	1,116	\$ 31,000,000	\$ 27,778
<b>The Episcopal Academy</b>	<b>1,200</b>	<b>\$ 19,803,893</b>	<b>\$ 16,503</b>
Friends Central School	1,001	\$ 16,000,000	\$ 15,984

*Figures as of June 30, 2008.*

And here's where bequests fit in nicely. Studies reveal that up to 70% of endowment gifts come from bequests. An endowment bequest sets in motion a series of events that live long after us. What makes endowment gifts important

is their permanence. Gifts are sought only once and yet they help the school in perpetuity. Episcopal's current endowment draw is 5% each year. It is hoped that through wise investment and stewardship, these gifts will maintain their purchasing power year after year.

Unrestricted bequests are always welcome, or you may want to designate your support for a specific purpose such as financial aid, faculty compensation, or a program especially meaningful to you. This language is typically written into the will or attached as a letter of intent. It is advisable to work with the school on both the designation and the language so as to avoid any potential difficulties for the executor of the will.

## IRA Charitable Rollover Extended!

The historic \$700 billion bailout plan signed by President Bush on October 3 includes a provision that reinstates the IRA Charitable Rollover that expired on 12/31/2007. The new law provides that, in each of the years 2008 and 2009, an owner of a traditional or Roth IRA may instruct the trustee to distribute directly to a public charity up to \$100,000 without the distribution being included in taxable income. The charitable distribution will count toward the IRA owner's mandatory withdrawal amount and may appeal to individuals who want to use IRA assets to make an outright gift or fulfill an outstanding pledge.

For more information, please contact Carolyn Jaeger at 484-424-1780 or [jaeger@episcopalacademy.org](mailto:jaeger@episcopalacademy.org).

# How Can We Assist You?

- Please send me “Questions and Answers about Bequests.”
- Please send me EA’s guide to the 2008-2009 IRA Charitable Rollover.
- I’d like more information about estate and gift planning.
- I’d like to discuss specific needs to which I can direct my support.
- I have a question. Please contact me by
  - Phone; best time to call: \_\_\_\_\_ am / pm
  - E-mail
- I’ve included Episcopal in my estate plans (and haven’t previously notified you).

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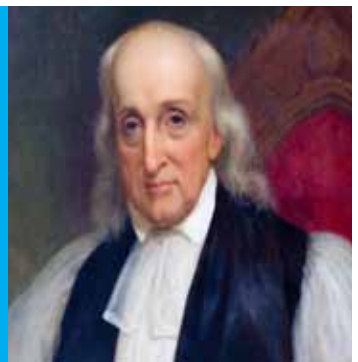
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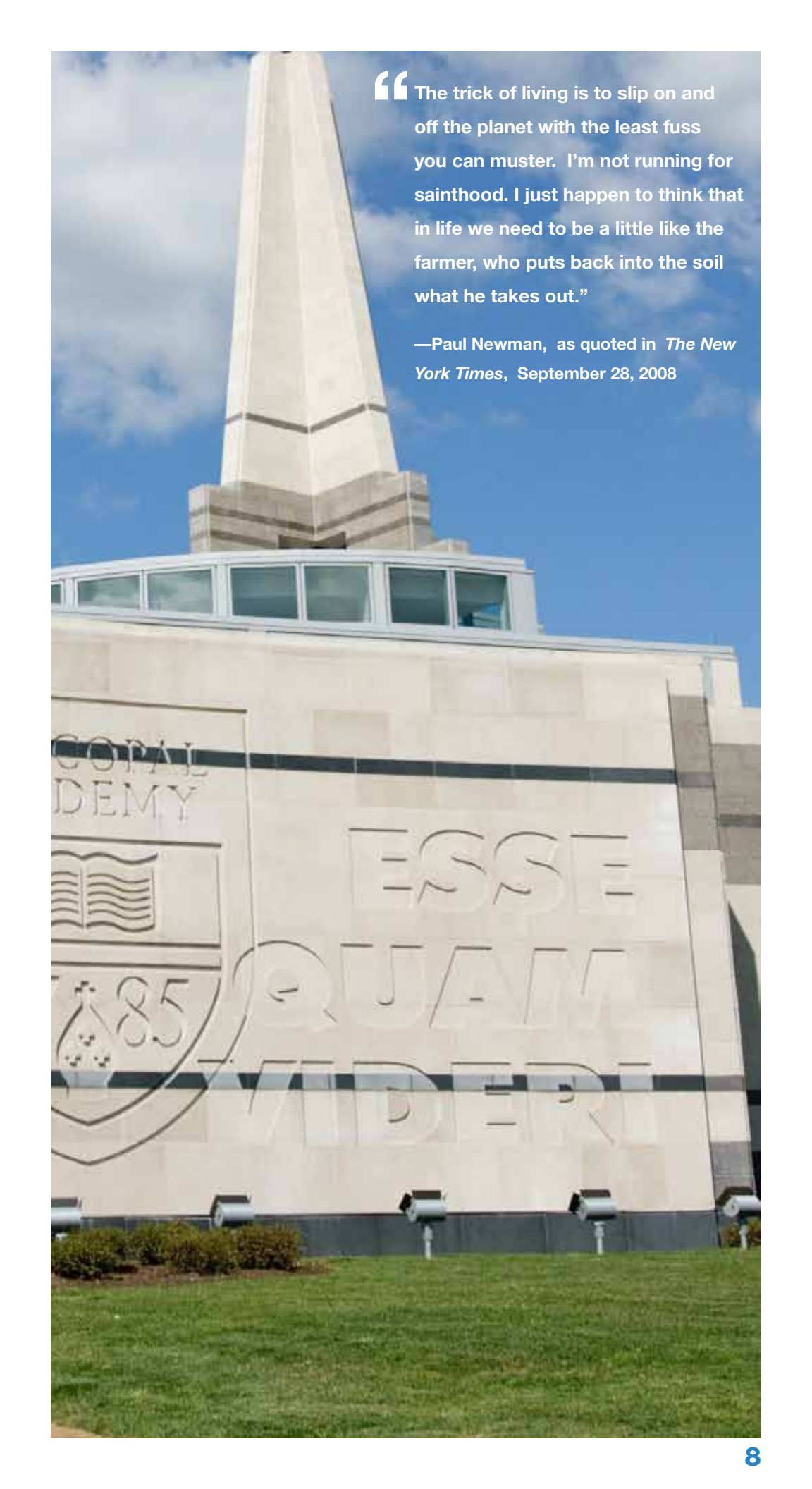
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**Discover smart ways to give—  
visit EA’s planned giving website at  
[www.ea.gift-planning.org/](http://www.ea.gift-planning.org/)**

Bishop William White, Founder, The Episcopal Academy





“ The trick of living is to slip on and off the planet with the least fuss you can muster. I’m not running for sainthood. I just happen to think that in life we need to be a little like the farmer, who puts back into the soil what he takes out.”

—Paul Newman, as quoted in *The New York Times*, September 28, 2008