

legacy

Fall 2007

Give First, Then Ask

St. Luke's Health Care Foundation is proud to be celebrating its 30th anniversary in 2007. A host of donors, volunteers, board members and staff have worked very hard to position the Foundation for the success it is experiencing today. Sallie Driscoll is one of those people who has had a tremendous impact on the Foundation.

Driscoll joined St. Luke's Health Care Foundation as vice president of annual giving in 1987. That year—and every year that she worked at the Foundation—she made a gift. Driscoll's philosophy of philanthropy was simple and

straightforward: "Make your gift first, and then ask others." It was never very difficult, she recalls: "I was committed to the mission of the hospital and believed in the programs I was striving to support."

As early as 1975, Driscoll had joined St. Luke's as the residence director for the School of Nursing. When the three-year nursing education program closed in 1987, she transferred her talents to the Foundation and worked to develop support for its annual giving program. In the mid-'90s, Driscoll had moved on to raising major gifts, and by the late '90s she was working with donors to arrange planned gifts. Although



Sallie and James Driscoll

she retired in 2003, Driscoll continues to support St. Luke's and attends the annual luncheon of the Koehler Legacy Society, at which donors who have made planned gifts are updated on hospital and Foundation developments.

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Planning to Make a Better Gift

Giving has many benefits—emotional and tangible. It feels good to invest in others, and there are tax benefits for you. If you are interested in making charitable giving a more important part of your life, a conversation with your attorney or other professional advisor may be appropriate. Your advisor can assist you as you determine the best way to

benefit a charitable organization and your family. Following are some things you should consider as you contemplate making a significant gift.

Do I Have Enough to Maintain My Desired Lifestyle?

Obviously, you do not want to do anything that might jeopardize your ability to maintain the lifestyle that you desire. Before

making any significant gift, you should discuss your goals with your financial advisor and be certain that a significant gift will not negatively affect your ability to continue living in the way you are accustomed. There are many ways to plan a significant gift that will not affect your current lifestyle. In fact, in some cases you may be able to increase your income by making a gift.

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There is a note of pride in Driscoll's voice when she recalls the many ways that St. Luke's makes a difference to the community. St. Luke's services approximately 335,919 people who live and farm in seven counties. One unique service, the Lifeguard helicopter program, transports people who are injured in accidents or are severely ill to the hospital for care. Other outstanding programs such as the chapel, the Koehler Legacy Society, intensive care units, cardiac services, dental health

and the first Child Protection Center in the state of Iowa were and continue to be programs that Driscoll believes in and supports.

Driscoll demonstrates her continuing commitment to the Foundation by making annual gifts. She directs a portion of the gift to support specific programs for which she has special affection and interest. Another portion is designated unrestricted and can be used by the board for the current year's priorities. Because she believes that planned gifts are especially important, Driscoll has made

arrangements for a bequest to St. Luke's. "Planned gifts lay a solid foundation for growth," she says. "They help map the future of any organization."

Today, Driscoll is enjoying the slower pace of life in a small community in northeast Iowa. She does a small amount of volunteer fundraising—enough to generate the kind of good feelings she experienced at St. Luke's. "I met many wonderful people there and was happy knowing that I helped them carry out their wishes," she says. ■

Guide to Giving

How to Make the Most of Your Generosity

Wouldn't it be nice to look at a report to compare charities? Wouldn't you like to know which ones do a better job of spending their money—and raising it—than others?

As a result of more elaborate disclosure requirements from the IRS, the job of searching out a charity's tax information and other vital data is easier than ever before. But assessing a charity is not the same as assessing a commercial enterprise. While the process requires an intelligent, sometimes even skeptical, approach, it also requires a whole lot of heart. Responsible donors should use the following information as a guide to supporting their favorite charities.

Look Beyond the Numbers

Many worthwhile charities begin with few assets beyond vision and faith. Chances are, their

financial reports could never compare to those of well-established institutions. Yet their survival depends on the generous support of people who believe in their missions. Because accounting practices, access to funding and operational environments all vary, it is difficult to compare one charity with another. The bottom line is: Does this organization get the job done? If so, you may decide to value effectiveness over efficiency.

Commit to Regular Donations

Fundraising requires a tremendous amount of time, energy and, ironically, money. Unfortunately, not every worthwhile charity has the resources needed to reach you and ask for your support. Take the time to determine to what extent you can realistically support a charity about which you care. Educate yourself on

how the tax advantages of your generosity might actually increase your capacity to give. (St. Luke's Health Care Foundation can provide you with this free information at no obligation.) Then be proactive; support your favorite charities before they are forced to ask.

Make Unrestricted Gifts

An "unrestricted" donation is one in which an organization is free to direct the assets to its most pressing need. While you may be tempted to designate a specific use for your funds, it may not be wise to do so without first consulting the charity you wish to benefit. Donations restricted to a specific program or purpose can also restrict the flexibility of the organization's administrators and perhaps fundamentally alter the way in which the agency serves its beneficiaries. ■

Planning to Make a Better Gift

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What Should I Do For My Family?

If you know that you are financially secure, the next question that needs to be answered is ‘what are my current obligations toward my family members and what type of inheritance do I want to leave them?’ If you have minor children or other loved ones who are currently dependent on you for support, you need to be certain that the gift you are planning will not prevent you from continuing to provide for them. If you no longer have any dependents, you should consider how your gift will affect the inheritance that you want to leave for your heirs. By properly structuring the intended gift, you may be able to use it to help achieve your family goals.

Would I Rather Pay Taxes Or Make a Gift?

This may sound like a silly question, but for many people it is a legitimate one. For a person who has accumulated assets, a portion of his or her estate could be needlessly lost to taxes. These could be income taxes or estate taxes. You may not realize that with proper planning and through charitable giving you can control where this “social capital” goes, instead of allowing the government to decide for you. Often, this can be done at little relative cost to your family.

How Can I Make One Of These Gifts?

You need to do some planning with your professional advisor. That is why these types of gifts are often called planned gifts. There are tax and legal ramifications, along with financial considerations, that have to be taken into account when making a significant gift. There are also many different ways to structure your gift to best achieve your objectives. You can make gifts in a charitable trust, by will or of property, just to name a few options. Each of these options has different benefits that should be discussed to determine which is best for you.

Can I Make a Planned Gift To St. Luke’s Health Care Foundation?

Absolutely! The Foundation can even put you in touch with professionals that can assist you as you determine the best way to make your gift.

How Will St. Luke’s Health Care Foundation Use My Planned Gift?

Planned gifts can be used in a variety of ways. Gifts can be directed to support specific programs that are of interest to you, or they can be designated as unrestricted and be used to support areas in the hospital that have the greatest need.

What Should I Discuss With My Advisor When I Decide To Make a Planned Gift?

Consider the following questions. Then let your advisor help you choose the approach that makes the most sense from a tax and a philanthropic perspective.

- What type of tax benefit are you looking for?
- Do you have a particular long-term vision in mind?
- Are you interested in a one-time gift or an ongoing charitable program?
- How do you want to involve your family?
- Do you have highly appreciated securities or unusually high income that you want to avoid paying taxes on this year?

How Do I Learn More About The Options Available?

You can contact Carol Rowland at (319) 369-7717 to learn more about the variety of ways to make a planned gift. You should always consult with your professional advisor before making a significant gift. ■

How to Make a Difference Today

Americans typically increase their charitable giving at year's end. But the truth is that generosity knows no season. Worthy people and organizations need your support throughout the year. Here are some simple and effective ways to make a difference now.

How Do I Help?

1. Give cash. To document a cash gift (i.e., currency) of any amount, you must have a "contemporaneous written acknowledgment from the recipient charitable organization." Make certain you receive one. A check provides sufficient documentation only for gifts by check if they are less than \$250.

2. Give stock or other property. If the property has depreciated in value, sell it and deduct the loss as allowed by law. Then donate the cash received from its sale. That way you have another deduction.

If it has appreciated in value, do not sell it. Give it to the charitable organization. Then the organization will sell it and you

will avoid the capital gains tax you would have owed. Your gift will be deductible at its full fair market value if you have held it for more than a year.

3. Give "ordinary income property." This includes short-term capital gain assets; inventory, copyrights or artistic property you created; and certain types of stock that do not generate capital gains tax treatment.

Your deduction for gifts of ordinary income property will be limited to the lower of fair market value or your cost basis.

4. Sell an appreciated asset for less than its current value to your favorite charitable organization ("bargain sale gift"). The difference between the fair market value of the property and what you receive in the sale is considered the gift—and the charitable deduction.

5. To receive the greatest tax advantage, give to "qualified charitable organizations." If in doubt, ask to see a Letter of Determination from the IRS. ■



Do you want to leave a legacy for your family, friends and St. Luke's Health Care Foundation?

For more information on how to make a planned gift, call Carol Rowland at St. Luke's Health Care Foundation at (319) 369-7717.

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ST. LUKE'S
HEALTH CARE
FOUNDATION

855 A Ave. N.E.
Suite 105

Cedar Rapids, IA 52402
(319) 369-7717

rowlandcd@crstlukes.com
www.stlukescr.org/foundation