

Financial planning
ideas for

Our Family our future

Putting the Needs of Others First

The willingness to put the needs of others first, even during a tragedy, can often lead to a rewarding situation. Sue has found this to be true in her own life. She was in her junior year at the University of Oregon when her father passed away. Her mother, Helen, was suddenly a widow raising Sue's 10-year-old brother, Tim. Sue decided the right thing for her to do was take a break from school and move back home.

During this time, Sister Miriam Magdala, a long-time friend of Helen's and the director at The Christie School in Portland, offered Helen a house mother position at the school. Helen found this employment fulfilling and a way to cope with her sorrow.

Sue often accompanied Helen while she was working at The Christie School to spend time with the girls. It was a satisfying way for mother and daughter to invest their time serving others.

The Christie School began as an educational facility in 1859 but evolved into an orphanage for girls who lost their parents. Later, the school started assisting troubled girls and their families; the school merged into Youth Villages Oregon in 2011.

Almost 20 years after her introduction to The Christie School, Sue was pleasantly surprised to be back at the school volunteering through the Junior



Sue's mom, Helen, before she passed away in 1991.

League's puppet shows. She loved seeing the girls "light up" as they watched the shows or handled the puppets themselves. In fact, one of the girls who hadn't spoken since arriving at The Christie School finally found her voice again while engaging with a puppet.

Sue's time and interaction with the children at The Christie School made a big impact on her life. She says, "Christie/Youth Villages has a special place in my heart. The time I spent there when my mother worked there and then my puppet volunteerism were such powerful experiences — I decided to include Christie/Youth Villages in my estate plans."

Sue has raised five children, welcomed 18 grandchildren, and has two great-grandchildren (with one more on the way) and one grand-dog. Her family is such an important part of her life, and the fact that Christie/Youth Villages provides help for families in need really resonates with her. Sue enjoys spending time with her immediate and extended family and loves to share with others her plans to support Christie/Youth Villages after taking care of her family members.

Sue's history with The Christie School, and now Youth Villages, spans many decades and her generosity will help the school's mission continue for many more.

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Assets Your Will Won't Direct

When you think about planning your estate, the first document that probably comes to mind is a will. After all, a will is the most popular estate planning vehicle, whether your estate is large or of more modest means. And while a will can control the distribution of most of your property, it may not determine who receives certain types of assets.

Joint ownership

One example of assets that will bypass a will is **property** that is owned jointly by two or more people. Spouses often own several assets in this way. With joint ownership, when one co-owner dies, the property will automatically pass directly to the surviving co-owner.

Because such property never falls under the terms of a will, it passes to the joint owner free of the delays and expense of probate. Unlike a will, whose directives become public knowledge, joint ownership also provides privacy for the property holders.

Trusts

A **trust** is another popular plan. Assets you place in a trust are managed according to your instructions. When the trust ends, the assets are distributed to heirs or others as you direct in the trust. Like joint ownership, a trust usually avoids the probate process and provides a confidential transfer of assets.

Plans where you name beneficiaries

Another popular way to automatically transfer assets to heirs is through arrangements that allow you to name **beneficiaries**. Examples of such plans include life insurance policies and retirement plan accounts, in which, at the end of your lifetime, funds left in the plan go directly to the beneficiary you designate. Such plans generally allow funds to pass outside of probate, providing a relatively simple transfer of assets.

For more information about including Youth Villages in your plans, return the enclosed card or contact us.



Bill's Place: Dedicated to William and Marjorie Lawler

This year the first youth began their move into Youth Villages' most ambitious expansion in its history. This 148,000-square-foot center caps a multi-year construction project that doubles the number of beds to 144 and will allow about 435 youth to be helped annually through our intensive residential services. Bill's Place serves both boys and girls from ages 10-17, some of whom may have complicating or co-occurring medical and mental health conditions.

Bill's Place is named in honor of Bill and Marjorie Lawler, parents of Youth Villages CEO Pat Lawler. From ages 6 to 11, Bill lived in an orphanage, an unpleasant place he grew to despise. Bill's Place was designed and built to be a welcoming space with lots of natural lighting providing a safe, comfortable and fun environment.

Caring in Difficult Times

Several provisions included in the *CARES (Coronavirus Aid, Relief, and Economic Security) Act* provide income tax incentives to donors assisting charities during the coronavirus pandemic. Among these:

- An above-the-line deduction of up to \$300 is available for cash gifts to public charities, providing tax savings for those who give but don't otherwise itemize on their income taxes. The deduction reduces adjusted gross income (AGI).
- The usual limit on deductions for cash gifts is suspended for 2020. Taxpayers are able to deduct up to 100% of AGI for cash gifts to public charities this year. In general, donors may claim deductions for cash gifts up to 60% of AGI and for gifts of appreciated property up to 30%. Excess deductions may be carried over for up to five additional years.
- Many taxpayers will receive rebate checks from the IRS of up to \$1,200 for individuals and \$2,400 for married couples, with an additional \$500 for each child. Rebates begin phasing out for those with AGI in excess of threshold amounts, generally based on their 2018 income tax return. Some donors may find it satisfying to make a gift of their rebate amount to a charity, such as Youth Villages.
- For 2020, required minimum distributions from IRAs are suspended. Those age 70½ and older may still make qualified charitable distributions (QCDs) of up to \$100,000 annually to Youth Villages, even though no distributions are required this year. QCDs are made with money that has never been—and never will be—subject to income tax.

For more information or if we can assist with the charitable aspects of your plans, please contact us.



Terry and Dave Durocher

Now is the Right Time for Charitable Giving

By: Dave Durocher

Last year, my wife and I elected to open a Charitable Giving Fund, also referred to as a Donor Advised Fund, and we are excited about how easy it is to support our favorite charities. We funded the new account by transferring appreciated investment assets from an after-tax account, avoiding capital gains taxes and applying the entire appreciated amount as a Schedule A tax deduction, which significantly lowered our taxable income.

One of our favorite not-for-profit charities is Youth Villages. The organization is engaged in our local community and is dedicated to helping emotionally and behaviorally troubled children and their families. We feel that many problems in our local community and society stem from children struggling in family situations. State and federal programs that support this need are helping, but in the end, there simply are not enough public resources to have a meaningful impact.

Youth Villages and many other charities need our support. Because Youth Villages operates on a fiscal year that ends in June, donations early in the year are important. With a fully funded Charitable Giving Account, we were able to contribute in January rather than waiting to give at the end of the calendar year.

Now is the right time for charitable giving! I encourage you to develop your plan to make a difference today.

Sisters Find a New Home Together

Jada and Jamaya Pope, teen sisters, entered state custody due to neglect and homelessness. They were each placed in several foster homes before Jada was finally placed with Laquita Carpenter in 2018. Ms. Carpenter's daughter was Jada's mentor. When Ms. Carpenter became Jada's foster parent, she did not know that eventually not only would she adopt Jada, but her sister Jamaya as well.

When they started discussing adoption, Jada was thrilled, but she wanted her sister to be adopted, too. After bringing Jamaya into her home as a foster child and getting to know her, Ms. Carpenter agreed to adopt both sisters last year. Under Ms. Carpenter's guidance, both girls have improved tremendously and have worked hard to do well academically.



Jada and Jamaya with Laquita Carpenter

Because of the COVID-19 social distancing rules, they were worried that the scheduled adoption would be delayed, but with the help of their attorney and the judge, the adoption was finalized on April 7.

Bequest Language

If you are considering a bequest to Youth Villages, here is some suggested wording to take to your attorney:

“After fulfilling all other specific provisions, I give, devise and bequeath ____% of the remainder [or \$____] of my estate to Youth Villages, a charitable corporation [Tax ID #58-1716970] currently having offices at 3320 Brother Blvd., Memphis, Tennessee.”


The force for families

For planned giving information, please contact:

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www.youthvillages.org/plannedgiving



Youth Villages is a holder of the BBB Wise Giving Alliance National Charity Seal.



Youth Villages is a Platinum-Level GuideStar Exchange participant, demonstrating its commitment to transparency.