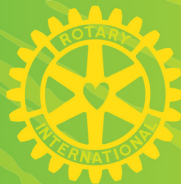


PLANNED GIVING

Honor your life
or a loved one by
Endowing a Scholarship



Rotary Club
of Menlo Park
FOUNDATION

ROTARY CLUB OF MENLO PARK FOUNDATION PLANNED GIVING

For over 20 years, the ROTARY CLUB OF MENLO PARK FOUNDATION (RCMPF) has offered need-based scholarships. We have a rigorous review process and give about \$150,000 in scholarship (mainly 4-year colleges) to around 15 students annually. In addition, we dedicate about \$50,000 to local charities.

We currently have 60 active scholarships. We help alleviate the financial hardship of low-income families for meeting the high cost of college education. We also recognize that first generation college students (most of our students) are deprived of the guidance of family members who have gone to college before them. Therefore, our program also provides a dedicated Rotary Club volunteer to mentor every student. Through our worldwide Rotary connections, we assist the students in starting their careers. As part of the scholarship/mentoring program we also hold enrichment events for the students. Because all the selection, support and administrative services are provided by Rotary volunteers, we incur virtually zero support cost. All donated monies directly benefit our scholarships.

We all have the ability to positively impact the lives of future generations through expanding our scholarship programs for first-generation college students and our other local charity programs. Through a variety of planned investments vehicles, you can leave a legacy for better education of upcoming youth.

Create an Endowment – Leave a Legacy

Honor your life or a loved one by Endowing a Scholarship. An Endowment is a perpetual gift to need-based college students by providing a payment annually toward their tuition and college expenses.

Endowments

The entire amount of your gift remains Intact in perpetuity:

- Income from the endowment annually benefits the scholarship program
- An endowment can be named in your honor or for a loved one

Endowments add prestige and help:

- Create stability and sustain financial integrity
- Expand our scholarship program

Named Awards are given to honor donors, or their designee, who have donated or pledged to make gifts to the Foundation of \$100,000 or more. The Board of Directors may honor any individual with a Named Award by naming a scholarship grant after that individual.

This scholarship legacy ensures that young members of our local community will have the educational expertise to ensure their leadership in this world.

Bequests

One of the easiest ways to leave a Legacy is simply to name the foundation as a Beneficiary of your will, living trust, IRA, retirement plan, or life insurance policy.

Beneficiary Designations

Wills and Living Trusts

Wills and living trusts are used to distribute property and protect your loved ones after your passing. They also provide an easy and affordable way to help meet the critical needs of the community.

Everyone should have an up-to-date will or living trust, carefully thought through, and drafted by a lawyer. It is an investment of time that will reward you with peace of mind.

With a will or living trust you can:

- Provide for family and loved ones
- Distribute assets as you wish
- Choose an executor or trustee
- Nominate a guardian for dependents

You can also use a will or living trust to:

- Maintain control and flexibility
- Create a permanent endowment
- Honor someone with a memorial gift

Retirement Accounts and Plans

One of the easiest and most tax-efficient ways to make a legacy gift is simply to designate RCMPF as a beneficiary of your retirement plan (or IRA).

Usually, funds in your retirement plan have never been subject to income tax. Therefore, your heirs will have to pay income-tax on all withdrawals. But gifts to charitable organization are income-tax free. Using your retirement funds (IRAs) to make your charitable gifts and using other assets for your heirs can be a smart estate and tax plan.

Administrators of retirement plans use a standard form to change your beneficiary. This is true for an IRA, 401(k), or 403(b) plans. Please contact your bank, broker, or plan administrator to obtain the right form.

If you have an employer sponsored retirement plan, please contact your Human Resource Department for the proper forms.

With a gift from your retirement plan you can:

- Save taxes
- Support our scholarship or charity programs



IRA Charitable Distribution

If you are age 72 or over and have an IRA, you can support our scholarship program while avoiding taxes on the annual Required Minimum Distribution (RMD). The IRS allows you give up to \$100,000 annually from your IRA to the charities of your choice and have that gift (called a qualified charitable distribution (QCD) also count as your RMD.

This is a way of satisfying the RMD requirement while avoiding taxes on the withdrawal. Your full donation amount is put to use by RCMPF and your taxable RMD is reduced by the amount of your donation. Points to consider:

- Recent changes to tax law mean fewer taxpayers will be able to itemize charitable deductions. Thus, a QCD makes great sense for the charitably-minded.
- The tax-free transfer from your IRA must come directly from the IRA custodian to the charity, not to you and then to the charity.
- You must be age 70 ½ or older before the date of the transfer; although the age for RMDs has been changed to 72. Other retirement accounts, such as a 401(k) are not eligible for a QCD; however, you can name the RCMPF as a beneficiary of these accounts.
- You will want to start the process well before the end of the year to avoid steep penalties for failing to meet your RMD by December 31.
- Let us know about the donations through your IRA to ensure your gift is acknowledged as an IRA qualified charitable distribution (QCD).

Life Insurance

If you no longer need a life insurance policy to provide for a child's education or to support a spouse, consider this:

You can leave a lasting legacy by simply designating the RCMPF as a beneficiary of the proceeds. Or, you can donate the policy itself and receive an income-tax deduction this year.

Insurance companies use a standard form to change a beneficiary or transfer ownership of a policy

Please contact your agent or broker to obtain the proper form.

With a gift of life insurance, you can:

- Maintain control and flexibility and/or
- Create a permanent endowment

More information

To learn more about making a planned gift to the RCMPF contact the treasurer of the Foundation (treasurer@MenloParkRotary.org.)

The Foundation is recognized by the Internal Revenue Services as being exempt from income tax under code 501(3)(c) and any donation if fully tax-deductible. Its tax identification code is 94-2723876.



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