

**Society of American Archivists Foundation  
Board of Directors Meeting  
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Chicago, Illinois**

**Planned Giving**

(Prepared by Carla Summers, Mark Duffy, Brenda Gunn, and Waverly Lowell)

**BACKGROUND / DISCUSSION**

In the 2016-2017 Development Plan, Activity 7 states that planned giving is the next step for SAA members. Often planned gifts are the largest gifts we may receive, but they also take the longest to realize. The goal of Activity 7 is to provide compelling text regarding planned giving for publication on the Foundation website to encourage archivists to leave a legacy beyond the important contributions of their professional work and their individual donations.

Stewardship of planned giving is an ongoing process long before the gift is received. It may also be ongoing after the gift because information about the impact of the estate gift may need to be shared with surviving family members. Because planned gifts can take so many years to materialize, it is critical that any information about the gift and the donor's intention is properly documented and that there is ongoing stewardship from the Board and staff serving as the Foundation's "development staff." Because of the limited capacity of both the Board and the SAA staff, a planned giving program for SAAF should be implemented at the most basic level by providing information on the website.

Our major gift donors are the most likely prospects for a planned gift and 100% participation in planned giving by Board members is expected.<sup>1</sup>

**RECOMMENDATION 1:**

**THAT following review by legal counsel, the SAAF Board adopt the following text for inclusion on the Foundation website:**

**PLANNED GIVING**

***Plan to give to the archival profession***

Membership in SAA plays a large part in the joy of being an archivist: colleagues, meetings, courses, activism, and watching new generations of professionals join our

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<sup>1</sup> Per staff conversation with the primary writer, it is recommended that this stipulation be struck from this document and the 2016-2017 Development Plan.

ranks. With a bequest you can continue to support the archival profession as it faces the future.

Bequests to the Society of American Archivists Foundation by members and friends are critical sources of dependable support. Through an estate plan, donors can support all aspects of the archival mission. A bequest can have a direct impact on future excellence while offering practical advantages: charitable gifts are 100% deductible from a taxable estate.

A bequest may be large or small, restricted or unrestricted. Unrestricted funds are donations that are available to use for any purpose. An unrestricted gift provides the greatest flexibility to use funds where they are needed most. For example, because there were unrestricted funds available, the Foundation was able to provide Mosaic Scholarships even when, in 2015, the balance of that specific fund was very low. Since SAAF made the Scholarship a focus of its fundraising, the balance has been restored. Unrestricted funds allowed us to bridge that gap.

Donors may also support the profession with restricted funds that can sustain the donor's interest in specific programs or activities. The Foundation welcomes inquiries about specific uses for a bequest. For instance, a bequest can memorialize a friend or mentor while expanding educational program opportunities for the profession. The Foundation welcomes restricted gifts of \$25,000 or more and will assist the donor in planning specific uses for the bequest.

A bequest can also address important needs of the Society that are otherwise unmet. Money may be given to bring SAA educational opportunities to a geographic area, to support publication about an archival practice area of particular interest or to provide scholarships in the name of a mentor or other important archivist. Memorial donations can be placed inside already restricted accounts ([link to fund list](#)).

### ***Making a Bequest***

A review of some sample bequest language shows how easy it is to remember your profession in your will. Bequests should begin with the language, "I hereby give, devise and bequeath to the Society of American Archivists Foundation, an Illinois not-for-profit..." The following statements should close the sentence:

- \_\_\_% of my gross estate as finally determined for Federal estate tax purposes.
- All of the rest, residue and remainder of my estate. (After naming specific heirs.)
- The sum of \$\_\_\_\_\_ dollars.
- Other holdings named here... (Retirement plans, real estate, and tangible property.)

### ***Tax-free charitable gifts directly from Individual Retirement Accounts (IRAs)***

For those 70½ or older, as of December 2015, it is possible to make tax-free charitable gifts directly from Individual Retirement Accounts (IRAs). If you have an IRA, you can now make gifts that would otherwise be taxed when withdrawn. Your gift will also count toward your Required Minimum Distribution (RMD). Your RMD is the minimum amount you must withdraw from your account each year. You generally have to start taking withdrawals from your IRA, SEP IRA, SIMPLE IRA, or retirement plan account when you reach age 70½. If your heirs receive funds from an IRA, it is subject to income tax and possibly estate tax depending on the size of your estate. If your heirs receive their

inheritance from other assets, only estate tax, if applicable, is due. In most cases, your heirs receive the cost basis on stocks and property at the time of death without having to pay for value accrued during your life. This is not the case for IRAs, as the cost basis is established at the time of a withdrawal. This is true for withdrawals while you are living and for inherited IRAs.

Gifts from IRA's are entirely free of federal income tax and qualify as RMDs. Here are some planning examples:

Mary, 70½, benefited from the SAA educational programs throughout her career and wants to give half of her first RMD, \$10,000, as an unrestricted gift. She directs the custodian of her funds to transfer the amount directly using the forms created by the custodian/financial advisor to create the RMD transaction. This money is not reported as income but as a charitable donation.

Tom, age 74, was active in leadership roles in sections and regional organizations. He would like to make a restricted \$25,000 gift to the Foundation's Mosaic Scholarship and uses a portion of his IRA to make that gift.

### *Consider a gift of other assets*

Members and friends of any age can make gifts of appreciated stocks without responsibility for capital gains. Altogether, these types of gifts provide an income stream to support the health of SAA through the SAA Foundation. Managed by the Foundation Board and SAA's financial staff, attention is paid to monetary fund investment and reporting to make the work of the Foundation transparent.

If you have any questions about planned giving or designating a bequest for a specific purpose, or the ability of the Foundation to support our future hopes for the profession, please direct them to the Foundation's President, SAAF Board members, or SAAF Executive Director Nancy Beaumont.

**Support Statement:** As an integral part of the 2016-2017 Development Plan, building a base for planned giving will provide important future support for the Foundation. Planned gifts can be gifts of great substance and their discussion should be a part of the face we present to our public. Although the text above was vetted using other statements of the nature of planned gifts, legal review may be necessary before publishing on the SAA website.

**Fiscal Impact:** The cost of hiring legal counsel to review this text is estimated at \$2,000.

### **RECOMMENDATION 2:**

**THAT the Society of American Archivists Foundation adopt the policy that only gifts of \$25,000 and above may be restricted by the donor.**

**Support Statement:** Administrative overhead for the management of gifts requires us, as good stewards, to set a threshold for restricted giving. While stewardship of gifts may include keeping and publishing a permanent record of gifts, this threshold will help to inform our donors about the oversight needed to manage these gifts.

**Fiscal Impact:** None.

**RECOMMENDATION 3:**

**THAT any staff or Board member who speaks to a prospective or current donor about planned giving provide a memo documenting that conversation to the Foundation President and the Executive Director.**

**Support Statement:** The importance of documenting contact with donors, especially for planned giving, cannot be overstated, as it will allow us to track and continue to cultivate prospective donors and their gifts. Until the Foundation has a more formal way to document our relationships with donors, and because of the volunteer nature of our fundraising, a memo detailing conversations on giving should be forwarded to Foundation leadership.

**Fiscal Impact:** None.