Transforming Experience at UAA Inspires Bequest

Greg Gursey

It was a top-notch professor at the University of Alaska Anchorage that Greg Gursey credits with turning around his professional life. The experience led him to become a lifelong supporter of the University and inspired him to provide for his alma mater generously in his will.

When Greg arrived in Alaska from Los Angeles in 1983 as a teenager, he was unsure of his future. “I heard about the high-paying oil field jobs and decided that maybe studying petroleum technology was the way to go,” he says. But after enrolling at the University of Alaska’s Kenai Peninsula Community College Petroleum Technology program, Greg found himself reading Forbes magazine instead of Oil and Gas Journal, and more interested in the field of business than in the business of oil field development.

Greg then moved to Anchorage and became a student at UAA’s School of Business. It was there that he began studying under finance professor Musa Essayyad. “He was one tough teacher,” Greg recalls. “He refused to let me take an ‘Incomplete’ in an Investment Management class when I was getting a failing mark. I had to take the whole course over again.” Greg applied himself the second time around and received an ‘A’. “It really turned my life around,” Greg says.

From then on, he got good marks and was later recommended by Professor Essayyad for employment in his field after graduation. Greg went on to start his own successful financial service company, Benefit Brokers, in Anchorage, where he lives with his wife Wendy and son Ryan.

“The University opened a lot of doors for me,” Greg says, “and I felt that I owed them my loyalty and support as a return on their investment in me.” As a result, when Greg wrote his first will, he included in it a specific bequest to the University among his other charitable provisions. “It is a good arrangement as I can adjust the amount upward with a simple codicil as my asset picture changes,” Greg explains. “And it allows me the flexibility to support the University with a significant gift in the future without affecting my current financial situation.”

Greg Gursey’s bequest is unrestricted and thus may be used by the University of Alaska in the way it deems most advantageous. “The University is a strong influence in the community and the state,” Greg says. “More and more students are choosing to attend, the institution is growing, and its quality is being recognized. I wanted to be a part of that and a bequest is a great way to do it.”

Exploring Options as You Plan

When considering economic and financial plans, it can be helpful to think in terms of three phases of life.

The earning years

As a young adult, much activity is devoted to earning income for yourself and those who depend on you, while saving as much as possible for the future. At this point in life, many choose to share a portion of their earnings with others through their charitable gifts on a regular basis or in response to a special request.

Managing assets

During the middle years of life it is important to continue to earn and save, but for many it is also a time to manage what has already been accumulated. Investing through retirement plans, insurance programs, and other means can become a central part of economic life. This can also be a time to make larger charitable gifts to the University of Alaska Foundation from income and assets as financial security increases and other priorities are met.

Planning for the future

Retirement is the time when a person enjoys income from the assets accumulated earlier in life. While still preserving assets for coming years, many people devote more thought during retirement to how they would like to distribute their assets to others in the future. Charitable gifts to the Foundation can be an important part of this process.

Regardless of your stage in life, regularly updated plans can lead to peace of mind and a greater sense of well-being. Read on to learn how your plans can live with you and help fulfill your personal, financial, and charitable goals over time.

If you are interested in joining the Legacy Society by providing for the University of Alaska through your will or estate plan, or if you wish to learn more about charitable gift annuities, please contact the University of Alaska Foundation at the address to the right. If you have already provided for the University of Alaska in your will or estate plan, please let us know so we can thank you.

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U N I V E R S I T Y  o f  A L A S K A
Foundation for the Future

Financial and Estate Planning Ideas for Friends and Alumni of the University of Alaska • Winter 2007

Is It Time for a Planning ‘Checkup’?

Take a moment to consider if your plans are up to date. How long has it been since you:

• Reviewed your will and other plans to make certain they still reflect your wishes?
• Considered who would be the beneficiaries of your life insurance and/or retirement plans?
• Checked to ensure that property is owned jointly with others where appropriate?
• Made certain that someone has the power to act for you in your financial affairs if you are unable to do so?
• Took time to assure that your heirs will not pay unnecessary taxes and probate fees?
The “4 P’s” of Effective Planning

A Glossary of Terms

Beneficiary—Person who benefits from a trust, life insurance policy, retirement plan, or certain other assets.

Estate—All property you own in any form that will someday pass to loved ones and/or charitable interests.

Executor—Person chosen to settle an estate. Sometimes referred to as a “personal representative.”

Joint ownership—A way of owning property that allows it to pass to a survivor outside the probate process.

Living will—A document that records your wishes regarding extraordinary means of life support.

Power of attorney—A legal document that empowers others to take economic action on your behalf if you are not able to do so.

Trust—A means to provide for ownership and management of property on a temporary basis.

Will—An “instruction sheet” to guide others in how you wish your property to be distributed at death.

Planners: The third “P” will be your plans for matching people and property. List which property you would like each person to receive. A number of people choose to include charitable gifts as part of their plans.

Many tools have been developed for use in transferring property during lifetime and as part of your estate. See page 3 for examples.

Planners: Finally, list the planners who will help you put your plans in effect. An attorney should draft legal documents. Your accountant, bank and life insurance professionals, investment advisors, and representatives of charitable institutions and organizations you wish to remember, such as the University of Alaska Foundation, may also take part.

You are now ready to meet with the person or persons you choose to coordinate the implementation of your plans. A draft of these plans should be prepared by a professional and carefully reviewed by you and perhaps one or more loved ones. Once all details are settled, your will and related documents are ready for signing.

New Opportunities for Giving From Your IRA

If you are like many, a large portion of your total assets may be held in the form of tax-favored retirement plans. Did you know that such funds may actually represent another “pocket” from which to make either an immediate or future charitable gift to the University of Alaska Foundation?

If you are over age 59½, you may be especially interested in making gifts from these accounts, which can generally be accomplished without paying an early withdrawal penalty. Although withdrawals would be taxed as income, the charitable deduction can result in no gift, income, or estate taxes ever being due on these funds. When considering a charitable gift before December 31, you may find this to be a particularly convenient tax planning strategy.

Required to take IRA withdrawals?

If you are at least 70½ and must take unneeded taxable distributions from a traditional or Roth IRA, you may be pleased to learn of a special new provision in the law. This year and next, you are allowed to direct that all or a portion of your mandatory withdrawal amount (or another amount up to $100,000 a year) be used to make charitable gifts on a totally tax-free basis.

If you are 70½ or older and your retirement assets are held in the form of another type of plan, such as a 401(k), you may be able to transfer them to an IRA first and then give them on a tax-free basis.

Check with your plan administrator or other advisors for more information on the best ways to make tax-favored gifts from your retirement accounts.

Avoid double taxation

Did you know that amounts remaining in retirement accounts that are left to individual heirs may be liable for both estate and income taxes? To prevent this, you may want to leave other assets to loved ones through your will and/or other estate plans so that your heirs are liable only for the estate tax, if any, on their inheritance and will not have to pay income tax on the amount received as well.

You could then direct that all or a portion of the balance remaining in your retirement account go directly to the Foundation and your other favorite charitable interests, free of all income and estate taxes. You thereby create a significant and lasting gift while providing more for family and friends.

A practical gift

As you can see, charitable gifts of retirement plans may be structured in a variety of ways. What they all have in common is the possibility for charitable interests to benefit from retirement plan assets that will not be needed for your own financial security or that of your loved ones—without having those funds needlessly consumed by income and/or estate taxes.

Act now

Gifts from excess retirement plan assets can be among the easiest to accomplish. For more information, please contact us or your retirement plan administrator.