

LEGACY

Estate Planning News for WRA Alumni & Friends



LEGACY

A resource to help you stay connected with WRA and be involved in the school's bright future.

IN THIS ISSUE:

- RHS Members Share Why They Give
- Endowing Your WRA Fund Gift
- IRA Charitable Rollover
- Benefits of Charitable Gift Annuities

A NOTE FROM THE ADVANCEMENT OFFICE

Now in its final year, *The Campaign for Excellence & Access* has raised more than \$75,000,000 for Western Reserve Academy. Nearly \$25,000,000 of this impressive total is from Reserve Heritage Society members who have included WRA in their estate plans. Bequest amounts range from \$10,000 to more than \$1,000,000 and all will serve to maintain WRA's distinctive strengths for generations of students to come.

It is an extraordinary thing when an institution's alumni, parents and friends remain devoted to a place, committed to preserving the values, programs and unique traits that make it special. WRA is so very fortunate in this regard. Our Reserve Heritage Society members are quite literally ensuring WRA's unique brand of excellence for tomorrow's leaders. Future gifts from Reserve Heritage Society members will enhance the WRA Endowment and provide critical support for student financial aid, faculty as well as the academic program, the arts and athletics. Some Reserve Heritage Society members have chosen to designate their gifts to maintain our historic and beautiful campus and still others support activities that allow students and faculty alike the opportunity to travel, serve, learn and grow.

To our many Reserve Heritage Society members, we say Thank You! And if you are not yet a member but have included WRA in your will, trust, or retirement plan, or if you have questions about doing so, please let us know. We welcome the opportunity to talk with you.

Sincerely,

A handwritten signature in black ink that reads "Mark LaFontaine". The signature is written in a cursive style.

Mark LaFontaine
Assistant Head of School for Advancement

213

TOTAL
RHS MEMBERS

CLASS WITH
THE MOST
MEMBERS

1965

104

AGE OF
OLDEST MEMBER

LARGEST RHS GIFT TO DATE

\$4,000,000

BY JAMES ELLSWORTH, CLASS OF 1868

THE RESERVE HERITAGE SOCIETY

The Reserve Heritage Society
recognizes alumni, parents and friends
who shape WRA's future by
including the school in their estate plans.

CONTACT

Mark LaFontaine
Assistant Head of School for
Advancement

330.650.9704

lafortainem@wra.net

WRA.net/giving

If you are considering a gift to WRA,
we would be delighted to work with you
and your advisors to explore options. Please
contact us to discuss creating your own legacy
at WRA by becoming a part of the Reserve
Heritage Society.

WRA
Western Reserve Academy

RHS Members Share Why They Give



In his home in Hilton Head, **David Robinson '51** keeps a framed photo on his desk. It's a picture of him embracing his grandson, Ryan Mock '16, on the day Ryan received his diploma from Western Reserve Academy.

"We're both wearing the same Reserve ties, same jacket," he said. "It was wonderful to be back for his graduation. I loved every minute of it."

When Robinson looks back on his years as a WRA student, he can remember in great detail special moments he's treasured over the years. His last soccer match in his Reserve career is a particularly fond memory. The year was 1950, and he was captain of the soccer team. The game was against arch-rivals University School, and Reserve won the match 2-0.

"That's something I've never wanted to and never will forget," he said before diving into the memory. The way he describes it in such detail almost makes it sound like it happened the other day. "My dear friend, the center forward John Maynier '51, before the game said, 'Come on out on the field, I want to show you something.' He used his foot to make a mark in the grass on the right side of the goal. And he said, 'I'm going to be pulling their fullback over at some point in the game and you better be ready, because I'm going to get the ball to you.' And in the third period, it worked! It's hard to believe, but it worked! He even had time to say, 'Now, Robbie!'"

The victory is immortalized in the 1951 issue of *Hardscrabble*, which describes the game as "undoubtedly, the climax of the Pioneer's seven week's work and practice, and the team had surpassed even the expectations of Captain Dave Robinson who had determined to 'send U.S. home a beaten team.'"

He candidly admits that he can recall doing his fair share of grumbling from when he was student at Reserve — "Most of us complained while we were there; don't like this, don't like that, why are they saying this? Why are they doing that?" — but he says that this attitude changed as he grew older. "I've taken the chapters of my life clear back as far as I can remember, all the way back through my businesses and the air force and what have you, and I would have to sincerely rank my experience at the Academy as the number one chapter in my life," he said. "I received collectively the important values of life at the Academy — discipline and honesty, for example, and I happen to rank athletics as possibly 30 percent of an education. It's that important to me, and that's what happened at the Academy. The competitiveness, the team spirit, and the ability to handle winning and losing — all of those things came together at Reserve, and I kept them all my life."

His valuable time at WRA may not have been possible without, as he explains, the actions of his determined mother.

"When I took the entrance exam at the academy in '47, I did not fare well," he said. "If it hadn't been for my strong-willed and wonderful mother, I probably would never have been there. But she came down to the Academy and virtually pounded on the door of the Headmaster Hollowell at Pierce House and they had a good visit. What happened was that Mr. Hollowell agreed to reconsider and in the process of doing so, he suggested that I take the 9th grade over again. And that was very beneficial. I'm very appreciative of both Mr. Hollowell and my mother because of that."

When he considers why he has decided to include Reserve in his estate planning, he readily says that, to him, the answer is quite obvious.

"When I value the Academy as much as I do, I feel I owe it," he said. "I have no trouble feeling that way at all. That coupled with that fact that my grandson recently graduated, it feels fitting that I give. It was just the most wonderful, wonderful experience that I could ever dream of."



Carl Sorenson can recall the moment he decided he would look into Western Reserve Academy for his sons' education. He distinctly remembers talking to his neighbor and friend, John Schumacher, and — as he puts it — a lightbulb went off in his head.

Carl '83 and James '85 (called Mike and Jim, by their parents) soon became

new boarding students at WRA, but their parents were never too far away.

"That was another thing we liked about it," said Sally Sorenson, mother of Mike and Jim. "They went away to school but they could come home to Canton on the weekend, or they could bring friends home. Or we could go up there and have dinner with them. It wasn't like they were way across the country. We saw them a lot. My mother especially loved doing that. We took them out to lunch because she got a big kick out of them, driving up there, seeing her grandsons."

"You've got a school that is like a New England prep school, but it's out in Northeast Ohio," added Carl. "It has the advantage of giving your children the experience of living away, and yet on Saturday or any time we felt like it, we could go up there or they could bring some classmates down to our place. And they brought a lot of them — with whom they are still friendly!"

When Carl and Sally consider the different advantages of Western Reserve Academy, they are quick to cite the work of former faculty Larry Wingert who helped their sons decide where they should continue their education.

"He got to know Mike well and said, 'You ought to go up to Hamilton [College], where I went and he did!'" said Carl. "Four years later, Mike graduated from Hamilton, and he even spent the third year in the London School of Economics."

"And I remember they really liked Davidson [College]," said Sally. "And they thought it would be a good fit for Jim. He sent some of his writing that he'd done at Reserve, samples of stories that he wrote and I remember they were very impressed with that."

Both of their sons flourished at their respective colleges, and they both look back on their time at Reserve with affection and good memories. Mike is now the owner of The Nanz Company, a fine custom hardware manufacturing company. His brother, Jim, works in an investment company.

"Mike said that out of all of the things I learned at Reserve, the one he really used is the shop class," said Sally. "He loved all those skills he learned there with Lee Blankenship."

Inside the Wang Innovation Center, you will find machinery

donated by their son Mike, which may help encourage and inspire other maker-minded students. The Sorensons, both parents and sons, have stayed connected to the school and find time to visit campus when they can.

"Well, when Mike and Jim's friends come to visit — they always take them off to show them Western Reserve," said Sally. "It's just so picture perfect."

Both Carl and Sally have graciously decided to include their sons' alma mater in their estate planning, and they hope their actions will continue a long history of student success, achievement and happiness in the years ahead.

"You helped our two sons," said Carl. "You educated them, and not only did you give them an education, but you gave them colleges that fit. And secondly, we think Reserve is an important community asset. Its future is to be nurtured, supported and ensured and the little bit we are going to contribute to that we think is important. And the third reason we put Reserve in our estate plan is that somewhere along the way, we felt it important that we plant a shade tree under which we'll never sit. Other people in the past did it for us, and our boys, and we enjoyed that a great deal. We want to help the folks that are coming up over the horizons and going to go to Reserve."



Though **Jake Holshuh '62** doesn't describe himself as a "jock," some of his best memories of Reserve are all about the athletics, particularly his time as the Varsity Basketball manager.

"Being the manager was what I remembered the most from my time at Reserve," he recollected. "That was probably the biggest thrill I had because that team did really well! I really enjoyed the sports parts of my time at Reserve, and just participated as much as I could."

And while he denies his status as a dedicated athlete, he neither describes himself as a scholar — in fact, he was surprised to hear he had been named to the Honor Roll in the 1962 issue of *Hardscrabble*.

"Really?" he said in astonishment. "I don't remember that! Though I can remember one assignment on which I did do pretty well. I think it was either junior or senior year in English, with a faculty member named Bucky Harris. He was a real tough teacher. He had us do some improvisations, and I took apart the Jabberwocky song and made it into a kind of a tutorial. He thought that was cool and gave me a good grade. So maybe that was the year I actually made the honor roll!" Holshuh can also remember passing the time with his classmates, whom he remembers getting along with quite well, and his first year living away from home in Wood House.

The independence he found at Reserve later helped him adjust quickly to life at college.

"Because of the time I spent at Reserve, I found my first few years at Cornell were relatively easy for me," he said.

His path to Western Reserve Academy began with his parents, both of whom made education a priority for Jake and his brother, Don '67.

"We would have gone to Akron South from junior high school and at that time, Akron South had never had a college graduate," explained Holshuh. "My dad was very aware of that. He and my mother are really the reason I went to Reserve. I'd have never known anything about it but he was very insistent that we get a good education. He prided himself on his education, and my mother did as well. She was very supportive."

Holshuh and his wife, Sue, have generously included Western Reserve Academy in their planned giving and are inspired by his time at Reserve, which carried such a strong impact on his life.

"Reserve really set up my life for me," he said. "I wouldn't have achieved what I was able to do if it hadn't been for that. That's why Sue and I are participating in a scholarship for students that otherwise wouldn't have had a chance at all. We hope to specifically help kids from Northeastern Ohio who live below the poverty line and who would become first generation college graduates in their family. To me, Reserve always seemed to be a place where people could do well and now that it has more outreach and diversity, I think I can really support that and I'm proud to support that. I think it's really important. It's something I never would want to see Reserve lose."

ESTATE PLANNING OPPORTUNITIES AT WRA

BEQUESTS

A bequest is easily accomplished by naming WRA in your will or trust, designating a specific amount, percentage, or a share of the residue of your estate. A bequest is exempt from federal estate taxes. We can provide sample language that can be used in your will or trust. We hope alumni will consider “endowing” their annual gift through a bequest. For instance, a bequest to the WRA endowment will yield about 5 percent in usable income each year, so a \$10,000 bequest would provide \$500 toward the school’s operating budget on an increasing basis year after year.

SAMPLE BEQUEST AMOUNTS	
Bequest	WRA Yield
\$10,000	\$500
\$25,000	\$1,250
\$50,000	\$2,500
\$100,000	\$5,000
\$250,000	\$12,500

THE IRA CHARITABLE ROLLOVER IS HERE TO STAY

Gift Parameters

- If you are 70 and a half or older and own an IRA, you can donate up to \$100,000 per calendar year to a qualified public charity such as WRA.
- Your gift must be complete on or before Dec. 31 of the calendar year in which you choose to utilize the IRA Charitable Rollover for tax purposes. Generally, if sent by U.S. mail, the postmark determines the date of gift; if sent via cash wire, the date of gift is determined by the date the funds reach a WRA account.
- Distributions must be made directly from your IRA to WRA. Do not withdraw the funds yourself and pass them on to the school or your gift will not qualify for the IRA Charitable Rollover and will be included in your taxable income.
- You can only make outright gifts. The IRA Charitable Rollover cannot be used to fund life income gifts, such as charitable gift annuities or charitable remainder trusts.

The Advantages of Making an IRA Charitable Rollover Gift

- You can count your gift toward your annual required minimum distribution.
- Your distribution is not recognized as income on your federal income tax return. Note: You cannot take a federal income tax charitable deduction for your gift.
- Under current federal tax laws, keeping your IRA distribution out of your adjusted gross income may save you taxes.
- The transfer process is quick and requires minimal paperwork.
- Not only are IRA Charitable Rollover gifts wonderful new gifts and pledge payments, they are a great way to accelerate the estate portion of your *Campaign for Excellence & Access* pledge.
- You will receive campaign and Reunion gift credit for the full amount of your gift.

Charitable Gift Annuities: A Closer Look at the Gift that Pays You Back

Of all the gifts that pay you back, the charitable gift annuity is the simplest, most affordable and most popular. Once you make a gift to WRA, we agree to make fixed payments to you for life. The gift agreement is a simple contract between you and the school. Your payments become one of our general obligations, fully backed by all our assets, and will not fluctuate. At your death, we apply the balance of the gift annuity to the program you designated when you made your gift.

Gift annuities offer attractive tax benefits:

- You will receive a federal income tax deduction for a portion of your gift, based on the full value of the assets you contribute, minus the present value of the life income interest you retain.
- If you fund your charitable gift annuity with appreciated securities, naming yourself as beneficiary, no capital gains tax is due on the transfer. Only a portion of your capital gains will be reportable, and the tax will be spread over your annuity payments.
- Part of each annuity payment will be treated as tax-free return of your principal. This effectively increases the yield from your annuity over your life expectancy.

Your gift annuity can start payments once you have made your contribution (an immediate payment gift annuity), or payments can begin at a later date selected by you (a deferred payment gift annuity). Deferral entitles you to a higher annuity rate and generates a larger charitable deduction.

Donors can create a series of deferred gift annuities over multiple years, jointly timed to begin making payments to supplement retirement income.

Planning points

- A charitable gift annuity at WRA can be created with a gift of \$10,000 or more.
- Gift annuities bring the benefits of a life income gift into reach for many donors.
- Your gift annuity can make payments to a maximum of two people.
- Gift annuity rates are partly determined by the age of the beneficiary.

Current Gift Annuity Rate Table

Age	64	68	72	76	80	84	88	92
Rate	4.6%	4.9%	5.4%	6%	6.8%	7.6%	8.4%	9%

An Example of How a Charitable Gift Annuity Works

You hold a stock portfolio that has appreciated well but only pays you 2 percent income per year. You are now 75 years old and are concerned that if you sell some of the stock to reinvest in bonds, capital gains taxes will cut heavily into the proceeds. You want to make a gift of \$50,000 to WRA, but you need the income that your portfolio provides you.

You are looking for a gift plan that will continue this income and increase it, if possible.

Here's a summary of the income and tax benefits from this gift annuity: Donor (Age 75)

Amount contributed (stock)	\$50,000
Cost basis	\$25,000
Gift annuity rate	6%
Annual payments	\$3,000
Tax-Free portion	\$1,195
Charitable deduction	\$20,351

Please feel free to call or email with questions or if you would like a personal illustration based on the latest rates and your particular circumstances.



WRA

Western Reserve Academy

Western Reserve Academy
115 College Street
Hudson, Ohio 44236

LEGACY

2018 | Volume 3

WRA Advancement Office

Mark LaFontaine

330.650.9704

lafortainem@wra.net

WRA.net

