

Scholarship Support Bridges Gap, Fulfills Students' Education Goals

— Ryan T. Blystone

TABLE OF CONTENTS

Scholarship Support 1

Gift Annuity 2

Bridges Scholarship Corner 3

Scholarship Donors 3

Free Bridges Academy
Tax Workshop 4



Bridges Academy donors, Robert Kilian and Kathleen Slayton, enjoy lunch with Fatima Ayala, a Bridges Academy scholarship recipient.

Hazel Pangan and Conrado Perales are studying different subjects, but the former, in only a few words Tuesday, summed up the commonality between them and 70 percent of the student body at University of San Diego.

“My educational aspirations have always exceeded my financial abilities,” said Pangan, a third-year law student, to more than 265 people gathered for USD’s annual Scholarship Appreciation Luncheon in the Joan B. Kroc Institute for Peace & Justice.

Seven out of 10 USD students receive some form of financial aid. Pangan and Perales, finishing his first year in the innovative Master’s Entry Program in Nursing, were among several students on hand who shared a meal and met with their scholarship donors to personally thank them for their generous support.

“I wanted to attend USD because I wanted to achieve a higher level of education at the same time that I was becoming an RN (registered nurse),” Perales said. “The quality of education here is top notch and the instructors are great, but I remember feeling intimidated and overwhelmed at the cost of tuition. I didn’t know how I was going to afford it.”

Perales, a former U.S. Marine who wants to be a nurse anesthetist, received tuition help through his military benefits, but additional scholarship support was needed to bridge the gap. “Scholarships are so important because they offset some of the cost of attending a prestigious institution like USD. They also provide moral support. It’s incredibly motivating to think that somebody deems you worthy of receiving a scholarship.”

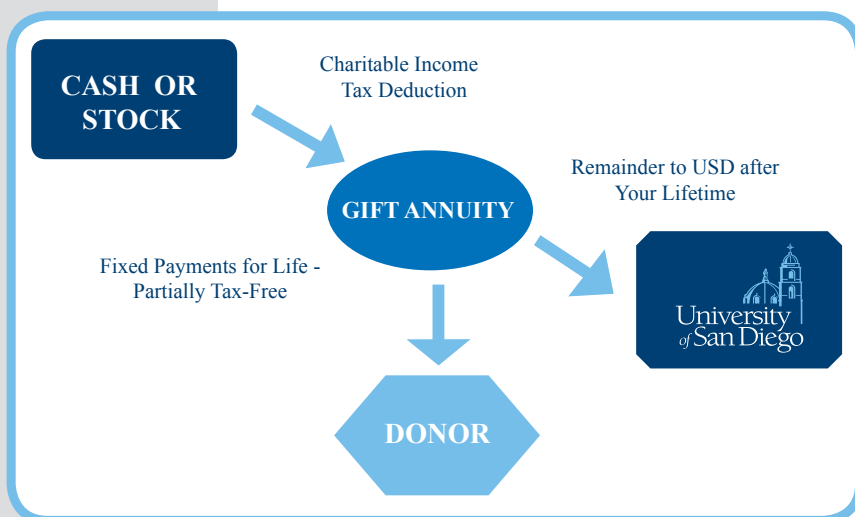
Pangan, the daughter of Filipino immigrants, took great interest in education early and blossomed when she pursued an undergraduate degree in English at UCLA. Law sparked her interest then, but the cost of law school forced her to dismiss the idea. Four years later, though, while working as a contracts systems administrator she chose to act on her dream. She entered USD’s law school in August 2007 and couldn’t be happier. She’s been an active member of the Appellate Moot Court, the Asian Pacific American Law Students Association, Women’s Law Caucus, worked for a summer in a U.S. Attorney’s Office, and is on the executive editorial board of the groundbreaking San Diego Journal of Climate and Energy Law. The journal, which features scholarly articles from USD’s annual Symposium on Climate and Energy Law, is the first student-run national publication devoted to climate and energy law.

“I could not have imagined a few years ago that I’d be part of something like that,” Pangan said. She credited scholarship assistance through USD law school donors for making her dream a reality. She will graduate next month. “It’s equipped me with indelible skills I plan to use to make a contribution back into the community.”

Understanding Charitable Gift Annuities

The concept of the charitable gift annuity in America dates back to 1843, when a merchant in Boston first donated a gift of money to the American Bible Society in exchange for a flow of income. Today, the concept includes valuable tax benefits for donors. But perhaps more valuable than the financial advantages is the satisfaction donors gain by helping to continue our educational mission.

Gift Annuities Defined



A gift annuity is a simple, contractual agreement between a donor and the University of San Diego in which you give assets to us in exchange for our promise to pay one or two annuitants payments for life.

By donating through a gift annuity you: (1) contract for a fixed payment for yourself or yourself and another individual, if you choose; and (2) make a gift to USD. If you itemize deductions on your tax return, savings from the charitable deduction reduce the net cost of the gift.

For a period of years, based on a government table of life expectancies, a portion of each payment received is considered a nontaxable return of a portion of your gift. This means a portion of

each payment you receive is income tax free. This further increases your after-tax dollars available for spending or investing.

An annuity funded with appreciated property results in these additional advantages: (1) the gain allocated to the gift portion completely avoids the capital gains tax; and (2) the portion of gain to be recognized can be spread over the expected term of the contract.

Understanding Annuity Rates

Annuity rates are higher for older annuitants and lower for younger annuitants, based on life expectancy. As a result, gift annuity contracts are generally more appealing to older donors because the purchasing power of a fixed dollar return can shrink over any long period, even with modest inflation.

Rates are also adjusted according to the number of annuitants, with rates for two-life contracts often lower due to the extended life expectancy. The age of an annuitant is the age reached at the nearest birthday when the contract is made, and rates are the same for men and women.

These rates are recommended by the American Council on Gift Annuities and change periodically.

Charitable gift annuities are an excellent method of achieving your philanthropic goals and gaining substantial tax benefits. As with most contract agreements, however, before establishing a charitable gift annuity, it is best to consult your professional advisors.

One Life		Two Lives	
Your Age	Rate of Return	Your Ages	Rates of Return
50	4.8%	50/55	4.2%
55	5.0%	55/60	4.6%
60	5.2%	60/65	5.0%
65	5.5%	65/70	5.2%
70	5.8%	70/75	5.5%
75	6.4%	75/80	5.9%
80	7.2%	80/85	6.6%
85	8.1%	85/90	7.5%
90+	9.5%	90/95+	9.0%

These new, higher rates are effective July 1, 2010.

THE CALIFORNIA INSURANCE GUARANTY ASSOCIATION DOES NOT BACK UP PAYMENT OF ANNUITIES

To learn more about gift annuities, please contact the USD Planned Giving Office at (619) 260-4523.

Bridges Scholarship Corner

Donor Honor Roll Edition

This year's Annual Scholarship Luncheon, held at the Joan B. Kroc Institute for Peace & Justice on April 13, brought together generous donors and hardworking, determined students. While Bridges Academy Scholarship donors were recognized as a group for their financial assistance, we would like to thank each and every one for their generous support. Scholarship gifts, no matter the size, help to make a substantial impact on the lives of USD students. We hope our donors can take great pride in the amazing accomplishments of the students they help to support. Thank you again!



Azaleas in the Camino courtyard

Bridges Academy Scholarship Donors

For the 2009-2010 Academic Year*

Bill and Ellen Bach	Leona Ketchum	Jeannette Rigsby
Barbara Bartosik	Bob Kilian and Kathleen Slayton	Irma Rooney
Deborah Carson	Kathleen Kish	John Seiber
Henri Charmasson	Klonie Kunzel	Robert and Ann Sensibaugh
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Lois Hodik	Charlotte Pearson	
Author and Marjorie Hughes	Linda Pequegnat	
Diane Humphrey	Kathleen Pierce	
Dorothy Jenison	Frances Rambo	
David Kauzlarich	David Rigsby	

**Current as of 4/21/2010*

For more information about the many ways you can support the Bridges Scholarship Fund or other scholarships here on campus, please contact the Office of Planned Giving at (619) 260-4523.

PLEASE NOTE: THE STATEMENTS MADE IN THIS NEWSLETTER ARE NOT LEGAL ADVICE. ANY PROSPECTIVE DONOR SHOULD SEEK THE ADVICE OF A QUALIFIED ESTATE AND/OR TAX PROFESSIONAL TO DETERMINE THE CONSEQUENCES OF HIS OR HER GIFT.



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Bridges Newsletter Spring/Summer 2010

Bridges Academy Summer Session

Navigating Through the Sea of Tax Changes

TAX CHANGES ARE LIKELY TO COME OUR WAY IN 2011. ARE YOU PREPARED FOR THEM?

This free informational workshop will answer questions like:

- In what ways will tax changes affect my Form 1040?
- What are some steps available to help minimize my taxes?
- How can I turn home equity into guaranteed lifetime-income?
- How can I reduce or avoid capital gains tax on sale of appreciated assets?
- How can I decrease taxes and increase income through tax-wise charitable planning?

WEDNESDAY, JUNE 23, 2010 DEGHERI ALUMNI CENTER, USD
WORKSHOP: 10 - 11:15 A.M. / RECEPTION: 11:15 A.M. - NOON
Rsvp to (619) 260-4523 BY FRIDAY, JUNE 18

Co-presented by:
 Anne Palacios, CPA
 Hamilton Tharp, LLP, Solana Beach
 John Phillips, Senior Director of Planned Giving, University of San Diego