

TABLE OF CONTENTS

Leah Nathanson 1

Gift Annuity 2

Bridges Scholarship Corner 3

USD Charitable  
Gift Annuity 3

## Nathanson Fosters a Legacy of Giving Through Charitable Annuity



Like most Americans who struggled through the recent economic recession, Leah Nathanson is extremely cautious about where and how she invests her money. However, her investment in the future of the University of San Diego through a

charitable gift annuity has paid off handsomely — both personally and financially.

“In these tough economic times, it’s very important to understand what the benefits are when making a charitable contribution,” Nathanson says. “I have found that charitable gift annuities serve two important functions; first, you get a tremendous sense of personal satisfaction by supporting education, but you also receive financial benefits from your contribution, and that goes a long way in encouraging potential donors.”

Charitable gift annuities are simple contractual arrangements allowing donors to give cash or appreciated securities to USD in exchange for a guaranteed lifetime payment from the university. The donor receives an immediate charitable deduction and a portion of their income payments may be tax-free for several years. When they pass away, the remaining original gift can be used by USD for scholarships or to support a program special to the donor.

Nathanson is a strong supporter of the charitable gift annuity because “it shows that you don’t have to be a millionaire to make a significant contribution to the university. When John Phillips (director of the Office of Planned Giving at USD) told me about the charitable gift

annuity, I was very excited because it allows you to give small amounts and still make a difference.”

In Nathanson’s case, both of the charitable gift annuities she established will support a program very near and dear to her heart — the Nathaniel L. Nathanson Memorial Lecture Series. Founded by Nathanson in honor of her late husband and former USD Law Professor Nathaniel (Nat) Nathanson, the lecture series is now in its 25th year of offering continuing education to USD law students and the local legal community — something Nathanson is understandably quite proud of.

“My husband loved USD dearly, and so do I,” she explains. “I felt that establishing [the lecture series] would be a great way to give to USD on a more permanent level. It’s been wonderful to see the program grow in success and notoriety over the years; I’m sure Nat would be very proud. I know I am!”

While a lot has changed in the three decades since Nathanson first became involved with the University of San Diego, she commends the university’s continued commitment to the mission and core values established by founders Bishop Charles Francis Buddy and Mother Rosalie Clifton Hill, and sees that commitment as something worth investing in.

“Both Nat and I felt very strongly about USD’s focus on the full development of its students,” she says. “By establishing these charitable gift annuities, I feel like I am doing my part to insure that future generations have the chance to take advantage of the wonderful opportunities USD offers.”

# A Gift to USD; Guaranteed Lifetime Income for You

## Questions and Answers about Charitable Gift Annuities

This very popular gift arrangement is easy to complete and offers you the benefits of a secure lifetime income, as well as the creation of a scholarship for a future Torero. However, we understand that, in these uncertain economic times, you're sure to have questions about your investment in USD, so we've compiled some basic information to help you understand the benefits of a charitable gift annuity — both to the university, and to you.

### **Q: What is a USD gift annuity?**

A: It is a written agreement between you and the University of San Diego. You contribute cash or appreciated securities and USD makes guaranteed fixed payments to you for life.

### **Q: What determines the size of each payment?**

A: The annuity payments are determined when the agreement is established. The amount is based on a number of factors, including the amount you place in the gift annuity, if payments are made to one or two people and the age(s) at the time the annuity is created (Please see the sample rate schedules on page 3).

### **Q: Are there tax benefits?**

A: Yes. Since a portion of your gift will be used for charitable purposes, you are entitled to a charitable income tax deduction in the year you make your gift. Part of each payment may be tax-free for a period of years as well.

### **Q: Can I contribute securities for a gift annuity?**

A: Yes. There is an additional tax benefit if you contribute highly appreciated securities that have been held 12-months or more. A portion of the capital gain is allocated to the charitable gift side of the annuity and is forgiven. The remaining capital gain will be spread out and included in each payment over your life expectancy.

### **Q: Can I contribute real estate for a gift annuity?**

A: Maybe. The university has a program whereby qualified individuals or couples can exchange a personal residence, vacation home, or farm for a lifetime gift annuity

payment. In either case, the donor retains full use of the property for life. This can be an excellent way to get a secure increase in income while living in your home.

### **Q: What if I outlive my life expectancy?**

A: One of the attractive features of a gift annuity is that it is designed with this possibility in mind. The gift annuity agreement requires that payments are to be made for as long as you live. Your payments are backed by all assets that make up the university.

### **Q: Are the payments affected by interest rate or economic fluctuations?**

A: No. Payments are never lowered or raised regardless of changes in interest rates or the national economy.

### **Q: How does a gift annuity help the University of San Diego?**

A: When an annuitant, or surviving annuitant if there are two, passes away, the remaining principal in the gift annuity fund will transfer to USD and can support scholarships for future Toreros or a program of your choice.

### **Q: If I don't need payments now should I still do a gift annuity now?**

A: Possibly. You have an option of creating and funding your gift annuity now and not receiving payments until a year or more into the future. This is a deferred payment or flexible gift annuity.

### **Q: How can I begin a gift annuity?**

A: A gift annuity can be created with a minimum of effort. The first step is to contact us for current benefits and a gift annuity illustration.

### **Do you qualify for the USD Puente de Oro Society?**

The Puente de Oro Society is an organization whose members have made a commitment to USD through a deferred gift arrangement, including a gift annuity. Other qualifying commitments include bequests, charitable remainder trust, lead trusts, and gifts of insurance policies and retirement account assets.

---

If you think you qualify for the Puente de Oro Society or have any additional questions, please contact the Office of Planned Giving at (619) 260-4523.

# Bridges Scholarship Corner



This past December, the Bridges Academy had the pleasure of awarding scholarships to Kayla Ulrich and Fatima Ayala, two incredibly talented and hardworking students.

While many of our donors had the pleasure of meeting Ulrich and Ayala at the Bridges Academy Holiday Luncheon, I would like to introduce them to those of you who were unable to join us.

Kayla Ulrich, a USD sophomore from the Bay Area, decided to attend USD because she liked the small class sizes and the personal attention the teachers gave the students. Since attending USD, Ulrich has worked hard to become involved in various organizations. She participated in a leadership class, did novice crew for a semester, and took a swim class. She is also a member of the Founders Community Service Club, the Student Alumni Association, the Hawaiian Club and represented USD at the National Sacred Heart convention in Los Angeles.

While Ulrich likes the fact that USD is small, she emphasizes that its size is not limiting. “The professors,” Ulrich explains, “are truly interested in my development. I never feel like I’m just another student, or just another name on a scantron.” Although she had changed majors a few times, Ulrich hopes to become a high school teacher once she graduates.

Financial aid and scholarships like the Bridges Endowed Scholarship have been a vital part of Ulrich’s education. “The scholarships I have been awarded help me feel accountable to make the very most out of my experience here at USD, because I know the donors think it’s worth their money for me to be here,” Ulrich explains. “I just want to thank you all again, because I know I’m blessed to be here, and I try to live each day with that mentality.”

Fatima Ayala was born and raised in Andocutin, a small town located in Guanajuato, Mexico. She came to the U.S. at the age of 13, never imagining that she would soon be attending a college as beautiful and wonderful as USD. Ayala applied to UCLA, UCSC, UCSD, UCSB and three private universities — Loyola Marymount University, Columbia University and USD. While waiting for a decision back, Ayala was able to take some time to tour the various campuses. She remembers that the moment she arrived on USD’s beautiful campus, she felt at home. People were friendly and everywhere she looked she received a smile.

Ayala felt captivated by USD’s sense of community and ultimately chose USD because of its incredible professors

and liberal arts curriculum. She has participated in numerous community service programs through the Center of Community Service Learning and works with USD’s Theatre Arts Department, including acting, directing ... and everything in between. Ayala is pursuing a double major in theatre arts and communication studies with a minor in Spanish, and is hoping to graduate from USD and go on to an art school.

Ayala remembers getting a call from one of USD’s scholarship assistants, Rose Cook, and learning about receiving the Bridges Endowed Scholarship award. “My whole day had just brightened up,” she beams. She profusely thanks each and every Bridges donor for this wonderful opportunity. “Thank you, thank you so much from the bottom of my heart. This opportunity means the world to me.”

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

## A Gift to USD that Pays YOU!

This spring several of our donors will receive a check from the University of San Diego. They will receive a payment every quarter - for life!

They have all made a gift to the USD Charitable Gift Annuity Fund. Our gift annuity pays a fixed percentage of the initial gift amount. The more “mature” the donor, the higher the percentage.

All payments are fixed and guaranteed for life by the University of San Diego.

One Life		Two Lives	
(age)		(age)	
65	5.3%	65/70	5.0%
70	5.7%	70/75	5.3%
75	6.3%	75/80	5.8%
80	7.1%	80/85	6.5%
85	8.1%	85/90	7.5%
90	9.5%	90/90	8.3%

If you would like to know more about how to make a gift that pays you, please call John Phillips at (619) 260-4523. No obligation; no pressure.

This is 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.

The California Life Insurance Guaranty Association does not back up payments of annuities.



Office of Planned Giving  
5998 Alcalá Park  
San Diego, CA 92110-2492  
[www.sandiego.edu/plannedgiving](http://www.sandiego.edu/plannedgiving)

---

Nonprofit Org.  
U.S. Postage  
PAID  
Permit #365  
San Diego, CA

---

## Bridges Newsletter Winter 2010



### CREATE A LASTING LEGACY AT USD

When you make a bequest to the University of San Diego, you help to create a legacy for the well-being of an incredible institution.

A bequest costs you nothing now and yet offers a way for you to support scholarships or a particular area of interest. Help make a lasting impact while having the confidence that your gift will benefit USD tomorrow through your good intentions today!

**If you have already provided for USD in your estate plan, please let us know!**

For more information, please contact USD's Office of Planned Giving by calling (619) 260-4523 or visiting [www.sandiego.edu/plannedgiving](http://www.sandiego.edu/plannedgiving).