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Dear Club Presidents, Secretaries and Annual Giving Chairs,

The timing of this personal letter to you ties into two events that have a significant meaning to all of us. Thanksgiving is a time to give thanks for all we have, and the continuing worldwide financial crisis has prompted some of us to get out of the market and to sell stocks which we would normally hold, therefore having to pay capital gains tax on the profits.

DGE Ace Necaise has had great success leading Annual Giving, having a 19 Clubs achieved Star Club status, and in fact at our last Zone Meeting in Indianapolis, our district received recognition for your accomplishments. Just think if all clubs could reach Star Club status. As DGN I am now attempting to fill Ace's shoes. Not an easy task, and in my own research I have prepared an overview of Rotary Gift Giving, which we hope will be useful to you in better understanding of the gift giving opportunities we all have as Rotarians. Please email this to your club members because it is important to encourage your members to take make donations before year-end for tax advantages, and I welcome your phone calls should you need our assistance.

ROTARY INTERNATIONAL – an overview of Gift Giving



For Support Today

Annual Programs Fund – Unlike so many other worthwhile causes, RI does not deduct a percentage of the donation to cover administrative expenses; rather it invests the money for three years, from which the interest earnings cover The Rotary Foundation

(TRF) expenses. This program is unique in that 100% of the donation goes to the causes for which it is intended.

How is the money distributed - 50% of the donation goes to the World Fund; 50% returns to the District in the form of District Designated Funds (DDF), for local grants, GSE, Ambassadorial scholarships, Rotary Fellows (Study at Rotary Centers for International Studies in peace and conflict resolution), District Simplified Grants, which can be used for international projects, but majority of the time they are used locally. It builds ongoing support for The Rotary Foundation - the lifeblood for Foundation Programs.

The Paul Harris Society recognizes Rotarians within our District and friends of The Rotary Foundation who annually contribute \$1,000 or more to the Annual Programs Fund and Polio Plus, which gifts are recognized in the following manner:

- Eligible for Sustaining Member, (\$100 per year, Every Rotarian Every Year)
- Paul Harris Fellow
- Multiple Paul Harris Fellow,
- Paul Harris Society
- Major Donor recognition, A donation \$10,000 or more, accumulative.



To Fulfill our Promise

- Each club challenged to organize fundraising aimed at the general public.
- Clubs commit to a goal of each member of each club in the district to give \$33.33 per year for three years.
- All Rotarians invited to participate, special emphasis on new clubs, members.
- Cash and District Designated Funds accepted.



To Secure Tomorrow

Permanent Fund – Rotary's endowment Fund, contributions are not spent, rather they are invested perpetually, only the earnings from which are used to support the World Fund to fund Rotary Foundation. There are approximately 550 individually managed endowed funds within the Permanent Fund. *For example,*

- Ambassadorial Scholarships: a gift of \$150,000 will permanently endow this specific program.
- Once the fund generates \$23,000 in earnings, an Ambassadorial Scholarship is sponsored.
- Other Rotary Foundation programs can be endowed and funded in a similar manner.

Bequest Society – Each year, thousands of Rotarians and friends designate a portion of their assets in their estate plans to benefit the Foundation. Bequests made through wills or living trusts play an important role in securing the future of Foundation programs by building the Permanent Fund. These commitments also enable individuals to make gifts that may not have been possible during their lifetimes. Bequest Society recognition - begins at \$10,000. On the Bequest Form there is a box to check indicating that 50% of the earning will be returned as Designated District Funds. These earnings will appear as a line item on the District Governor's Share Report.

Donor Advised Fund – The Rotary Foundation donor advised fund is a convenient way to simplify your charitable giving and take advantage of tax savings at the same time. A donor advised fund account is similar to an investment account earmarked exclusively for charitable giving. It allows you to make contributions and grant recommendations to the Foundation and other preferred charities at your convenience. In many ways, it's like having your own foundation to support your favorite causes, but without the hassles and paperwork. An account may be established by individuals or Rotary-affiliated groups.

Life Income Agreements - Have you ever thought about making a contribution to The Rotary Foundation during your lifetime but were concerned about outliving your resources, meeting family obligations, or preparing for retirement? With careful planning, it's possible to enjoy the advantages of a life income gift and turn appreciated assets into an income for yourself or others. Life income agreements are one way to make a significant charitable contribution during your lifetime while furthering your financial plans and security.

- By making a gift of life insurance to The Rotary Foundation, you help secure the future of Foundation programs. Canadian or U.S. donors who irrevocably assign ownership and beneficial interest to the Foundation in a policy may also qualify for a charitable tax deductions

Benefactor Recognition - A benefactor to TRF has made a commitment or an outright gift from \$1000 to \$9999 to The Permanent Fund,

Major Donor – Identified as anyone who has given either outright or accumulatively \$10,000 and up to The Rotary Foundation, including Annual Programs Fund, Polio Plus and the Permanent Fund.

Arch C. Klumph Society – named for the 13th RI President, founder of The Rotary Foundation (TRF), recognizes donors of \$250K or more. Currently there are 211 members of this exclusive society.



When asked “why did I join Rotary?” The answer was “Someone asked me to join.” The same goes with charitable giving and it is never too late to ask. Only this week did a Rotarian say to me, “I need to donate another \$100, I just forgot and no one reminded me to do it.” This is the reason for this overview, to remind you that this is something we should do before the end of the year. Thank you for being a Rotarian.

Yours in Rotary,

DGN Dick McCarthy, D6840

