



# share our spirit

IN THIS ISSUE:

- Share Our Spirit
- 'Tis the Season for Giving
- You Can Make a Difference

## Year-End Giving and the North Dakota Challenge Grant Program

It is that time of year again when we begin to think about planning for the holidays. It is also that time of year when we need to think about our 2019 tax filing and the impact that may have on our overall finances.

We encourage you to give serious consideration to the North Dakota Challenge Grant Program. This exciting program has once again been funded by the North Dakota Legislature. The program has allocated a total of \$700,000 to Valley City State University to be matched on a two-to-one basis for our Endowed Scholarship Program. We therefore have to raise \$1,400,000 in private dollars to access the \$700,000. VCSU is using this program to enhance our over 200 Endowed and Memorial Scholarships. Under this program, folks can elect to contribute to an existing scholarship or establish a new endowed scholarship for a loved one, a former teacher, coach, or staff member. Some folks have elected to establish a named family scholarship. ***In addition, pledges can be made to make the match up to a period of seven years.***

To make things even more exciting, the Challenge Grant Program works very well in partnership with the North Dakota Endowment Tax Credit Program. ***For North Dakota residents***, this program makes it possible for individuals to give more through their contributions and have a greater impact on the quality of life in North Dakota. An individual may receive a tax credit for contributions of \$5,000 or more to a qualified North Dakota Endowment.

Needless to say, this has been a very popular program. The funds available with this program are available until December 2020, or until the dollars are gone. Please see the Challenge Grant Ad elsewhere in this publication for further information or call the VCSU Foundation Office at 701-845-7203. As always, we encourage everyone to consult with their accountant or tax attorney to determine the exact impact on your personal situation.

The best year-end giving plans make a difference in the lives of others and can improve your own financial and/or tax situation—often right away. Consider an immediate gift, a gift from your individual retirement account, or a charitable gift annuity.

With the right tools you can:

- Save taxes
- Increase year income
- Help others while helping yourself

For most of us, our financial priorities can be narrowed down to two primary goals: paying less taxes and having income that will last our entire lives. The year-end is a perfect time to consider some minor adjustments that can help secure both.

Consider the following options:

#### ■ Charitable Gift Annuity

A gift annuity delivers you fixed payments for life, while providing a significant income tax deduction this year.

#### ■ Charitable Remainder Trust

Enjoy tax savings by turning appreciated assets, such as stock, into income. Ask us for a free illustration to see your potential income and tax savings.

#### ■ Charitable Contributions

Help further our mission and reduce your taxes by making a gift to support our cause. A contribution in any amount can provide you with tax savings.

#### ■ IRA Charitable Rollover

Avoid the required minimum distribution (RMD) by directing your IRA custodian to make a gift to our organization. You won't receive an income tax deduction, but you may meet your RMD requirements and help a worthy cause.

When you check out the advantages of these year-end giving options, you will discover benefits you may not have known you had.

Call or email us to find out what we can do to help make the season bright for you and your family.



## 'Tis the Season for Giving

There is a way for you to share in the spirit of giving this holiday season that you may not have heard about. It's called the IRA charitable rollover and it is a way you can make a gift to support our cause and save on taxes this year.

If you are 70½ or older, you can use the IRA charitable rollover to help charities like us complete our important work. The IRA charitable rollover, allows you to meet your required minimum distribution (RMD) requirement by directing your distribution to charity rather than taking it yourself.

### HERE'S HOW IT WORKS:

1. Call your IRA administrator.
2. Tell them you want to make an IRA charitable rollover gift to support our mission.
3. Direct the distribution to our nonprofit organization.

You can distribute up to \$100,000 to charity from your IRA each year to meet your RMD.

**Consider using your IRA Required Minimum Distribution to fund an Endowed Scholarship with the Challenge Grant Program. See ad on back page.**

For the IRA charitable rollover to work for you, it is important that you do not take the distribution. Ask your IRA administrator to make the distribution directly to our organization. While you will not receive an income tax deduction for your gift, you will receive the joy of knowing the full amount will go to support our cause.

If you are interested in supporting our cause during this season of giving, there are certain gifts to consider that offer great **tax benefits**. These gifts could come in handy in a few months when your taxes are due.

## Gifts = Tax Benefits

Share the spirit of the season! Call or email us to learn more about the IRA charitable rollover and how it can benefit you.

Have a 401(k)? The IRA Charitable Rollover does not apply to a 401(k), but you can open an IRA, transfer funds to it and take advantage of this opportunity.

As we look toward the upcoming New Year, we know that the generosity of those who invest in our cause makes all of the difference in our success. Your support means a lot to us!



If your spouse has his or her own IRA, he or she can take advantage of the IRA Charitable Rollover, too.

## You Can Make a Difference!

If you have ever wanted to make a significant difference with our organization and its mission, there is no better time than now. We can help you find a way to make a satisfying gift that moves our mission forward, while at the same time saving you money, and possibly providing you with new sources of income.



**Make A Gift Today.** If you want to make an impact and receive income tax savings, make your gift now and see the results of your generosity in action immediately.



**Avoid Capital Gains.** If you own stock (or any appreciated asset), give that asset to our organization. Our mission receives the current value of the stock, and you receive an income tax deduction in the same amount even though you paid less for it years ago.



**Start New Income.** Fund a charitable gift annuity or charitable remainder trust and receive the double benefit of tax savings and lifetime payments.



**Blend Your Giving.** For even more impact, consider a gift today of your IRA distribution, real property, appreciated assets or cash, and complement it with a gift in your will or estate plan. You benefit by seeing your gift in action, while also knowing you are building a legacy that will grow.

There are many ways we can help you fulfill your philanthropic goals while enjoying tax savings and income advantages. Contact us at [vcsualumni.org](http://vcsualumni.org) to learn more about how you can make a difference this year and benefit.

**give.share.care.**



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## *Accept the Challenge!*

### **NORTH DAKOTA CHALLENGE FUND MATCHING GRANT PROGRAM**

The 2019 North Dakota Legislators have once again created a Challenge Fund Matching Grant Program. VCSU has been allocated up to \$700,000 in matching dollars to be awarded if the foundation can raise \$1,400,00 in private dollars. The VCSU Foundation is using this program to enhance more than 225 scholarship endowment funds. As you can see by the chart below, your donation can become an even bigger gift with the Challenge Fund Match. In addition with the Endowment Tax Credit, your net cost is reduced to a little over 21% of the total donation. Pledges for the matching dollars are allowed up to seven years.

<b>GIFT AMOUNT</b>	<b>\$5,000</b>	<b>\$25,000</b>	<b>\$50,000</b>
State Match	\$2,500	\$12,500	\$25,000
Total Gift to VCSU	\$7,500	\$37,500	\$75,000
<b>NET COST OF GIFT</b> (after ND endowment tax credit)	<b>\$3,000</b>	<b>\$15,000</b>	<b>\$30,000</b>

Take advantage and utilize both the N.D. Tax Credit and the matching fund while making your gift to VCSU. Please consider making a gift today, and as always, this information is provided for educational purposes only. Please consult your own attorney, accountant or financial advisor for advice on your individual situation.

**Make your gift today! Call us at 800.532.8641 x37203 or visit us online at [www.vcsualumni.org](http://www.vcsualumni.org).**