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Title: Financing the University

Financing the University

The Office of Development is designed to develop and foster lifelong relationships between the University and its constituents. By establishing opportunities for all graduates, friends, students, families, faculty, staff, corporations, and foundations to financially support the University, this office helps Liberty University maintain and enhance the outstanding quality of its faculty, students, programs, and facilities.

Provided below is an overview of ways to support Liberty University.

Development

Annual Fund, Outright Gifts, Matching Gifts, and Gifts in Kind

Annual gifts are contributions for the current, unrestricted use of the University or any of its colleges, schools, and programs. *Outright gifts* include contributions of cash, securities, and written pledges. Gifts of securities are credited at market value on the date the gift is delivered or postmarked. *Matching gifts* encourage charitable giving by matching their employees' contributions. *Gifts in kind* are gifts of tangible personal property, such as artwork, computers, real estate, and services, which may be used by Liberty University or sold for funds to help support our continuing efforts to provide an outstanding Christian higher education. Gifts in kind may provide substantial tax benefits.

Specific information on the above plans may be obtained by contacting:

Mr. Tom Arnold
Vice President for Development
1971 University Boulevard
Lynchburg, Virginia 24502
(866) 602-7983

FEDERAL AND STATE FUNDING

Liberty University does not receive any Federal or State funding other than Student Financial Aid, which is utilized only for eligible individual students. Eligible students may receive funds from Federal Pell Grants, Federal Supplemental Education Opportunity Grants, Federal Work Study Grants, Federal Family Education (Stafford and PLUS) Loans, Virginia Tuition Assistance Grants, and Virginia College Scholarship Assistance Program Grants.

The University has never accepted Federal or State funds for its operations, endowment, or capital funding projects.

Estate Planning

Bequests

Federal tax laws encourage *bequests* to qualified institutions like Liberty University, with an unlimited estate tax deduction for such legacies. Here is a sample form of bequest your attorney may adapt in preparing your will:

I give, devise and bequeath to Liberty University, a Virginia non-stock, non-profit corporation located in Lynchburg, Virginia 24502, ___% of my estate to be used for its general purposes.

Gift Annuity Agreements

Those who want to place a portion of their savings with the University and at the same time receive income for life may find that the Liberty University Charitable Gift Annuity meets their needs. The rate of return depends on the annuitant's age at the time the agreement is made.

Life Insurance, IRAs, and Pension Plans

A *paid-up life insurance policy* makes an excellent gift to Liberty University. The donor may receive significant tax benefits with this type of gift. *Traditional IRAs* and other *qualified pension plan assets* can be an excellent source of funding for charitable gifts. If these assets are transferred to an individual, the current value is subject to estate taxes, as well as federal and state income taxes (sometimes exceeding 80% of the value), but when designated to Liberty University, taxes are eliminated.

Real Estate

Land, homes, buildings, and other real property may be given to Liberty University as an outright gift or used to fund a life-income gift. A home may be given to the University and continue to be lived in throughout an individual's lifetime. This is called a "Life Estate." All such gifts of real estate and real property can benefit both the individual and the University.

Scholarships/Endowments

Gifts can be placed as a permanent endowment scholarship with the University. Each year the interest earned from the investment will provide tuition help for worthy students.

Trusts

Charitable Remainder Trusts (CRTs) are life income gifts. The remainder comes to the University after the passing of all income beneficiaries. Charitable Lead Trusts generate income for the University during the term of the trust, after which the assets are passed along to the heirs with significant tax savings.

Specific information on the above plans may be obtained by contacting:

**Dr. Earl D. Sargeant
Director of Estate Planning
1971 University Boulevard
Lynchburg, Virginia 24502
(800) 543-5309**