



Bequests: Ensuring Salem's Future

Bequests to Salem from loyal alumnae and friends have always been important. Now more than ever, we realize the value of planned gifts in helping Salem maintain its tradition of excellence and build a strong foundation for the future.

A bequest is a gift of any amount made outright to Salem in your will. You may include a charitable bequest when you execute a new will, or you may add it to an existing will through a codicil.

Because a will disposes of your property, it reflects your philosophy in relation to the lives of those mentioned in the will and may also testify to your concern for the welfare of others. When you name Salem in your estate plans, we know that you have included Salem in a special group of family, friends, and organizations that you care about most.

Sample Bequest Language

Each year, thousands of individuals, exercising the privilege to determine the final distribution of their estates, designate that a portion of their assets be used for the benefit and support of America's charitable organizations, including Salem. Bequests have become an integral part of the American philanthropic tradition because they enable a person to make significant contributions that may not have been possible during life. Many of these gifts are transforming.

Bequests can take various forms, which we describe below. The sample language following each example is for unrestricted bequests. If you are interested in directing your gift toward a particular program or designated purpose, such as an endowed scholarship, please contact our Office of Planned Giving.

- **Specific Bequest** – states a specific amount or specific asset. It may be a gift of cash, securities, real estate or tangible personal property.

Example: I give [specific dollar amount or asset] to be used for the unrestricted needs of Salem Academy and College in Winston-Salem, North Carolina.

- **Residuary Bequest** – names Salem to receive all or a percentage of the remainder of the estate after specific bequests have been fulfilled.

Example: I give [percent] or [the remainder] of my residual estate for the unrestricted needs of Salem Academy and College in Winston-Salem, North Carolina.

- **Contingent Bequest** – takes effect only if all primary beneficiaries named in the will are predeceased. Declaring Salem a contingent beneficiary can prevent the property from going to the state if there are no heirs.

Example: If [name of beneficiary] predeceases me, I give such property for the unrestricted needs of Salem Academy and College in Winston-Salem, North Carolina.

Benefits of a Bequest

In addition to giving you the satisfaction of providing for Salem's future, a charitable bequest usually provides a tax savings. Because the gift is deductible from your adjusted gross estate, it may reduce or eliminate estate taxes.

Testamentary Trust

With a testamentary trust, you direct that part or all of your estate be placed in a charitable remainder trust, with income to be paid to one or more beneficiaries. Upon the death of the surviving beneficiary, the principal will be transferred to Salem.

A testamentary trust is particularly attractive to someone who wishes to provide adequate income for a spouse or other relative but wants the remainder to come to Salem. In addition to providing for loved ones and helping Salem, this type of gift frequently produces tax advantages. The benefits of a testamentary trust include the following:

- Easily included in a new will or added by codicil to an existing will;
- May reduce or eliminate the amount subject to estate taxes;
- May be managed by an individual or financial institution of your choice.

If you need help . . .

The staff in the Office of Institutional Advancement at Salem is happy to work with you and your advisers to suggest specific language for your gifts to Salem. We urge you to consult with your legal and financial advisers regarding any gifts that you are considering. For additional information on including Salem in your will or to discuss other gift planning options, please contact:

Jennifer Morgan C'90
(336) 721-2816

Director of Major and Planned Giving
Email: jennifer.morgan@salem.edu

Salem Academy and College
601 South Church Street
Winston-Salem, NC 27101
www.salem.edu / www.salemacademy.com