



FOREVER BLUE.SM

Learning to do, Doing to learn, Earning to live, Living to serve.

THE GIFT-PLANNING NEWSLETTER OF THE NATIONAL FFA FOUNDATION

SUMMER 2009

Forever Blue: Join the Circle

Forever Blue represents those who value the hopeful spirit, generosity, enthusiasm and high ideals embodied by the blue FFA jacket. It also represents the common connection among the thousands of people who recognize the necessity of FFA and agricultural education in strengthening people, communities and the industry of agriculture.

The first recorded planned gift was made by Mr. Lawrence L. Augenstein in 1979. How appropriate that this first gift came from a member of the first national FFA officer team. Larry designated FFA as the recipient of his life insurance policy. Larry was a humble man and made the gift in memory of his father, Robert William Augenstein. Since then, many have made gifts or established endowments as a way to honor or remember those close to them.

Now it is the National FFA Foundation's turn to say "thank you." The Forever Blue Circle recognizes friends of FFA who know the positive difference FFA makes in the lives of students and who have made an investment in the future through an estate or planned gift or by creating an endowment. The National FFA Foundation is looking for those ready to become charter members of The Forever Blue Circle. Members will be invited to celebrate in Indianapolis during the 82nd National FFA Convention. This special event will give us an opportunity to say "thank you" in person!



Larry Augenstein, Vice President, 1928–29, was the first to include FFA in his estate plans.

If you have made provisions for FFA through a deferred gift or have established an endowment with us, we invite you to join us. Your ongoing support is critical to keeping FFA powerful and relevant to a new generation—a generation whose expectations have changed dramatically. Consider your opportunity to contribute to the group that gives so much back—to students, to schools, to communities and to yourself. In these uncertain times, show your support through an estate or planned gift or by creating the gift that keeps on giving. Create an endowment.

To learn more about the benefits of planned giving, visit www.ffa.plannedgifts.org. Here you can read more about planning opportunities through the Life-Stage Gift PlannerTM and the Gift Strategy Chart or request a personalized illustration to review with your professional advisors. You can also read personal stories from others who share your vision.

We are grateful for the many generous gifts from friends who have helped in the past, influenced the present and enhanced the future. In our continuing desire and determination to provide premier leadership, personal growth and career success for our children and grandchildren, we are committed to securing the sources of support in the years to come.

Extend the Reach of Your Generosity Far Into the Future

Dear Friends,

I am pleased to present the latest issue of *Forever Blue*.

We often hear from friends like you who hope to make a significant impact at FFA that will make a difference to students for years to come. In this issue we offer you some ideas on how to do just that. While all gifts—planned and annual—are crucial to our mission and are deeply appreciated, we discuss estate-gift plans that demonstrate concrete ideas for taking “that next step” and realizing your dreams for FFA. We list ways to give that are surprisingly easy to arrange and offer you flexibility to also meet your other goals, such as protecting your family.

We hope this information helps you as you plan your estate. We would also be pleased to talk with you—and your financial advisor if you wish—about your dreams for FFA. Please return the enclosed reply card for more information, or call me at 317-802-4297.

Sincerely,



Roberta L. Donahue, MBA, CFRE
Director, Individual Giving

All of us can relate to the satisfaction that comes from seeing our support make a difference for causes important to us.

Many of our friends have discovered the added pleasure of knowing they can continue to support our mission beyond their lifetimes. *How?* They have arranged their affairs to make gifts to the National FFA Foundation at the end of their lives.

5 Benefits of the Popular, Versatile Charitable Gift by Will

There are many benefits of making a charitable bequest:

1. You can be sure your assets ultimately go to support causes

important to you. Without your specific direction, none of your assets will pass to FFA or any other charity. Children or other heirs may decide to use some of what they receive to make charitable gifts in your honor and memory—but that is beyond the direct control you can exercise with a charitable bequest.

2. Leave a legacy. Even if your annual budget provides for gifts to FFA, it may seem out of reach to make the size of gift you would like during your lifetime. Many of us need access to all of our assets or the income they generate. At the end of your life, though, all those assets will be available to distribute according to your wishes—as set out in your will.

A gift through your will can be the ideal way to realize your larger charitable objective. And you can designate how you want us to use



Your gift can help members achieve premier leadership, personal growth and career success through FFA.

Protect Your Potential Beneficiaries: Don't Let Estate Size Threaten Their Inheritance

There are many ways to structure a bequest to FFA. For instance, you can designate a specific asset or a specific dollar amount. Many of our friends find it is prudent to make a gift of a certain percentage of their estates.

Why? By making a gift of a percentage of your assets, you can guard against inadvertently diminishing provisions for other beneficiaries and you can allow your gift to grow proportionally if your assets grow.

your gift. You may want to fund a special capital or programmatic project. Or you may want to create an endowment that will continue to provide support to FFA in perpetuity.

3. Continue your current level of annual support. Here's an example of how others have accomplished this.

Example: Gene and Donna B. are generous supporters of FFA. Each year they make an unrestricted gift of \$50,000 to underwrite some of the general operations at FFA, freeing up budget dollars for other purposes.

They decide to make a gift that will make it possible for this level of support to continue. Estimating that an endowment will generate approximately 5 percent in distributions each year, Gene and Donna provide for \$1,000,000 to come to FFA to set up an endowment that will provide continued support at the level they had been giving.

An endowment can be set up to support virtually any exempt purpose of FFA. We welcome the opportunity to talk with you about how you can create an endowment to address your own specific purposes.

4. You may realize federal and state inheritance-tax benefits.

While federal estate tax can claim 45 percent of a decedent's taxable estate above a certain threshold amount—\$3.5 million for 2009—a charitable bequest can shield from this tax the amount passing to the National FFA Foundation and may reduce state inheritance tax as well.

5. You can change your mind.

Your will can and should be a dynamic document. You would ideally review your will anytime there is a significant change in life circumstances. As long as you are competent, you retain the power to amend or eliminate any provision in your will.

4 Reasons More People Are Establishing a Living Trust

An increasing number of Americans are creating revocable living trusts as a tool to manage

their affairs during their lifetimes and to provide for distribution of their assets at death. A revocable trust can be an extremely versatile instrument, and you may find it appealing for many reasons, including:

1. You retain control of your assets. You can keep the right—as trust owner or grantor—to add or remove assets from it at any time.

2. Professional management of assets. You can turn the management of your trust assets over to the professional fiduciary of your choice—or you can serve as trustee and hire a fiduciary for management services.

3. Continuity of management in the event of disability. If you become unable to manage your own affairs, a professional fiduciary trustee or a successor trustee can step in and handle those tasks for you.



FFA: A family tradition.

4. Assets in a revocable living trust typically avoid probate. A revocable living trust generally becomes irrevocable when you die, and your assets are distributed according to the trust's terms. Assets passing in this manner will not be subject to probate—a factor that can both expedite the settlement of your affairs and reduce costs.

The Simple Option: Name the National FFA Foundation the Beneficiary of These Gifts

Two other very popular ways to make charitable estate gifts are to name FFA as the beneficiary of a life insurance policy or retirement-plan account, such as an IRA, 401(k) or a company pension plan.

How? Simply file a change of beneficiary form with your insurance company or retirement-plan administrator.

You can even indicate a particular purpose for your gift in your beneficiary designation. If you do, it is a good idea to notify us about the designation to ensure that we ultimately apply your gift according to your wishes. If you intend to create an endowed fund, for instance, we can work with you to create your guidelines for the fund.



The 1945–46 officer team visits Lady Liberty.

Estate-tax benefits? Much like assets in a revocable living trust, the death benefits of an insurance policy and the assets remaining in a retirement account typically avoid probate but are included in the owner's estate for estate-tax purposes. Consequently, your charitable gift of either an insurance policy or retirement-plan assets reduces the size of your taxable estate.

We Are Here to Help

You make an important difference every time you make a gift to support the mission of FFA. We hope that you have found in this newsletter some ideas that may let you extend the reach of your generosity far into the future.



To assist you as you contemplate estate gifts to FFA, we would like you to have a complimentary copy of our booklet, *Planning Your Will for All It's Worth*. Please return the enclosed reply card to get your copy or to schedule a consultation with a member of our staff.

The FFA Mission

FFA makes a positive difference in the lives of students by developing their potential for premier leadership, personal growth and career success through agricultural education.



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