

CSW Named Beneficiary of \$65,000 Unitrust Funds

The College of Social Work benefited this year from a contribution made by a special anonymous donor. As part of her financial planning, the donor recently established two new charitable remainder unitrusts for the college. The donor and her two daughters chose the College of Social Work as the beneficiary of their unitrusts because of the college's extensive research into how to aid children and families at risk and because of the front-line work social workers do to serve people in need.

The value of the gift at the time of contribution was slightly more than \$65,000, but with sound investing, the trust should earn more than it pays out. In time, the cash value that the college receives could be a much greater amount than the initial donation.

Gifts made to the university as charitable remainder unitrusts are unique tools for financial management and philanthropy. A donor is able to claim full appreciated value of an asset

at the time of the gift. The asset is moved out of the donor's estate, and he or she is not required to pay capital gains tax because the asset is not being sold for a profit but is instead being given as a charitable donation. However, under the terms of the unitrust, the donor and even the donor's children can receive income from the trust throughout the course of their lives.

This donor's plans have created a winning situation for both herself and her family—the trusts will pay her an income and provide a tax deduction during her lifetime, then pay each of her daughters an income for life before ultimately providing funds to the college for graduate fellowships and research support.

For more information or advice on this form of giving, call Andy Dunsmore, director of development and alumni affairs for the college, at 865-974-5363 or email adunsmor@utk.edu.

Sowers and Petersen Chat

second year of Ph.D. work in marketing at the University of Connecticut.

Dean Sowers: What attracted you to the University of Tennessee?

Dr. Petersen: My wife and children have enjoyed life in the South. We raised the children in South Carolina. That, combined with the challenge of leading a major land grant institution—the best in the South, with the potential for being one of the best in the nation—drew me here. In addition, the governor's support for education, the presence of the Oak Ridge National Laboratory, an interesting mix of campuses with programs throughout the state were all factors that attracted us here.

Dean Sowers: Given your extensive experience with public education, higher education, and land grant institutions, what is your vision for UT?

Dr. Petersen: We are interested in research, teaching, and outreach and public service and want to optimize those services for the people of the state. This is the flagship system, and Knoxville is the flagship university for that system. We provide the economic and intellectual drivers for the state's economy and for its quality of life. We supply the intellectual capability to help businesses help the people and the state continue to grow.

Dean Sowers: According to *U.S. News and World Report*, the UT College of Social Work is ranked 27th in the nation in excellence in education, research, and public service. What do you consider to be important for the future direction of the college?

Dr. Petersen: I would like to see the college continue to focus on the excellence that you have. It is difficult for a university or college to be all things to all people. But you can see the niche where you can excel and then push that forward so you can really command the attention of the local community and also the intellectual community at large. Build the program to attract students, faculty, and to attract national acclaim. Continue to be strategic and continue to excel at those things you do well.

Betsy DeGeorge is publications manager for the College of Social Work Office of Research and Public Service and is the editor of Stimulus.

Example of How a Charitable Remainder Unitrust Works

ASSUMPTIONS

Beneficiary Ages.....	50 and 57
Appreciated Value of Asset—for example, land that cost \$10,000 when purchased but has a value of five times that amount today.....	\$50,000
Payout Rate.....	5%
Payment Schedule.....	quarterly

BENEFITS

Charitable Deduction that Can Be Claimed.....	\$10,000
First Year's Income.....	\$2,500