

# Planned Giving Reference Guide

Lancaster General  
LEGACY SOCIETY





# Changing Lives and Building Healthy Communities through Planned Giving



Thank you for considering Lancaster General in your charitable giving plans. As a community-based organization, we provide care to our neighbors, co-workers, family members and friends. We're proud of the fact that our stakeholders and community members are the same people.

For years Lancaster General has been committed to meeting the healthcare needs of our community. We have a tradition of

supporting programs and services, partnering with community agencies and providing free medical care. As the demand for healthcare services increases, the need for philanthropy is greater than ever. New technology and facility expansions, as well as our desire to care for the underserved and uninsured, are costly.

Since 1996, planned giving donors have generously provided more than \$12 million to Lancaster General. These gifts have helped us maintain current programs and initiate new projects. You can easily see how your contributions impact the lives of so many people.

Please take a few minutes to read this brochure and learn about how you can become our partner in improving the health and well-being of local residents. You will find out how your gift can be used, which charitable gift option is best for you and how to learn more.

Donors who provide gifts to Lancaster General through estate planning vehicles become members of the Lancaster General Legacy Society—a planned giving recognition club. Details about Society events, mailings and recognition programs are available by calling the Development Office at (717) 544-5956.

In our ongoing quest to deliver high-quality services in a compassionate and caring environment, we ask for your help. You can trust that every decision supports our mission of advancing the health and well-being of our community.

Sincerely,

*Thomas E. Beeman*

Thomas E. Beeman  
President and CEO

## Lancaster General Member Organizations

Lancaster Cleft  
Palate Clinic

Lancaster General  
College of Nursing &  
Health Sciences

Lancaster General—  
Columbia

Lancaster General—  
Crooked Oak

Lancaster General  
Health Campus

Lancaster General Hospital

Lancaster General—  
Kissel Hill

Lancaster General  
Medical Group

Lancaster General—Norlanco

Lancaster General—  
Willow Lakes

Lancaster General  
Women & Babies Hospital

Maple Farm Nursing Center

Visiting Nurse Association

Walter L. Aument  
Family Health Center

# Opportunities for Giving to Lancaster General

Lancaster General relies on gift support from people like you to carry out its important mission of excellent healthcare and service in the Lancaster community. Current and planned gifts to Lancaster General may be designated for a particular purpose that reflects a donor's interest or background.

Naming opportunities have been identified for many of the objectives described in this brochure. As you will see, gifts to Lancaster General may be as unique as the givers themselves.

The following section describes the broad range of gift opportunities available to our donors:



- Breast Cancer Programs
- Children's Health
- Clinical Pastoral Education
- Educational Programs

- Research
- Scholarships
- Stroke Programs
- Wellness Clinics





# Endowment

## The gift that keeps giving...

Endowment funds are special contributions whereby the principal gift is invested and never fully spent. Income from endowment gifts currently supports community health initiatives, Lancaster General Women & Babies Hospital, health education, scholarships, medical research, and healthcare for the underserved. Endowment gifts may be made through gifts of cash, securities, real estate or life insurance. These important gifts provide annual funding through their investment earnings while the remainder is reinvested to perpetuate the original gift.

Donors may contribute to an existing endowment fund, or create their own.

## Following are examples of existing endowment funds:

**Lancaster General Unrestricted Endowment**—This special flexible endowment fund allows Lancaster General to make gifts each year where the needs are greatest. This is especially helpful in the rapidly changing healthcare environment.

**Richard H. Mann, MD Cardiology Endowment**—This fund supports the advancement of research and cardiology care.

**Nikitas J. Zervanos, MD Endowment**—This endowment fund will allow for continued growth and development of the Lancaster General Hospital Family Medicine Residency Program and will specifically support research related to this initiative.

**Essa E. Flory Renal Dialysis Fund**—This endowment fund supports the hospital's renal dialysis programs, including education and training and enhances the care for renal patients.

**Lancaster General College of Nursing & Health Sciences Scholarships**—Donors can choose to support complete or partial funding for a college student. Scholarships can be funded for current or future nurses or others in allied health programs like cardiovascular, radiation and medical technology.

**R. Clair Weaver, MD Fund**—This fund supports the advancement of family medicine.

**James M. Plourde Memorial Fund**—This endowment fund provides financial support to fund registration fees for children with diabetes to attend Diabetic Youth Camp during the summer.

**Richard H. Weber, MD Medical & Dental Staff Leadership Development Fund**—Contributions to this fund provides support for continuing education and leadership instruction for the Medical & Dental Staff of Lancaster General Hospital.



Mrs. Janet Alspach

*Janet has been associated with Lancaster General Hospital for over 40 years serving as a past board member, Red Cross volunteer, and member and past president of the United Auxiliaries to Lancaster General Hospital. Janet has provided gifts for facilities and programs at Lancaster General.*

## Establishing your own endowed fund

Gifts to Lancaster General may be designated for a specific purpose to reflect the donor's interest or background. Most naming opportunities involve the creation of a permanent endowed fund and therefore will exist in perpetuity. Such funds may bear the donor's name or may be named to honor a spouse, family member, colleague, esteemed doctor, organization, or group of people chosen by the donor.

The Lancaster General Development Office looks forward to discussing with you endowment gift options and minimum gift levels.

### **Endowed funds for specific programs include:**

- Clinical Pastoral Residency Program
- Lancaster Cleft Palate Clinic
- Lancaster General College of Nursing & Health Sciences
- Maple Farm Nursing Center
- Visiting Nurse Association
- Women & Babies Hospital

### **Endowed funds for other specific community health programs include:**

- Clinical Pastoral Education
- Family Medicine Residency Program
- Healthcare Education Scholarships
- Research Initiatives



# Special Projects & Programs

**Other important opportunities exist for projects and programs that will occur over a specific period of time.**

These special projects and ongoing programs will generally bear the name of the donor(s) for the entire term of the special project. Following are some examples of these types of funds and programs:

## Named, Restricted Funds

These non-endowed funds are used to support the area of healthcare according to the fund guidelines:

- Breast Care Center
- Cardiac Surgery Research Fund
- Clinical Pastoral Education Residency Fund
- Friends of Nursing Fund
- NICU Support Fund
- Well Spring Fund

## Gifts for Facilities

Lancaster General also offers a variety of attractive naming opportunities for those individuals, families, corporations and foundations that make gifts in support of identified building and renovation projects. Several discreet and permanent ways to recognize donors for their generous contributions are available by contacting the Lancaster General Development Office. The following are examples of a few of the facility gift opportunities:

- Cancer Center
- Emergency Department
- James Street Lobby
- Lancaster General College of Nursing & Health Sciences
- Lancaster General Health Campus
- Orthopedic Center
- Women & Babies Hospital



# Memorials

Honoring loved ones through a memorial gift is a thoughtful, caring way to continue their memory.

Gifts of any kind—cash, real estate, securities or life insurance can be given to Lancaster General in the name of a family member or friend. Through these gifts, you can continue their legacy and ours, perpetuating our mission to provide superior healthcare.



Mrs. Thelma Flory

*The generosity of the Flory Family Estate helped make possible the Flory Center at Lancaster General College of Nursing & Health Sciences. Mrs. Flory continues the family tradition of philanthropy at Lancaster General.*

## Donations can be made in a variety of ways.

Outright gifts can be made in a variety of tax effective ways. For example, gifts of appreciated securities, tangible property, or real estate are much like cash gifts and often produce an even greater benefit for donors through capital gains tax savings. Gifts of life insurance can also provide significant benefits.

Planned gifts include charitable gifts structured so that a donor can reserve

an income interest in the gift for his/her life or for a spouse or designated beneficiary. The added stipulation is that the gift provides support for Lancaster General thereafter. This “deferred giving” allows a donor to make a gift, receive a current charitable income tax deduction and enjoy income from the gift for life.



Doris E. Ludlam

*Through effective estate planning, Doris made a generous contribution to the Lancaster General Women & Babies Hospital. Her gift provided critical support for the construction of the women's pavilion which has been named in her honor.*

# Examples of Outright Gifts

## Cash

The most popular and easiest way to make a donation to Lancaster General is by cash or check. Checks should be made payable to Lancaster General or the appropriate entity.

## Appreciated Stock/Securities

Appreciated stock makes an excellent charitable gift. Under current tax laws, when an appreciated asset such as stock is sold, a capital gains tax is due. By making a charitable gift of the appreciated stock, you avoid or delay the capital gains tax. You also take an immediate income tax deduction for the current fair market value of the stock, regardless of the original price.

## Real Estate

For some people, a gift of land, primary residence, or vacation home is a preferred way to make a gift. You receive a tax deduction for the full fair market value, avoid all capital gains tax and remove this asset from future estate taxes. One option is to give real estate while you retain a life tenancy. This provides a substantial income tax deduction by giving (deeding) your home or farm to Lancaster General now. You continue to live there, maintain the property as usual and receive any income it generates. At your death, the property will be sold with proceeds supporting the mission of Lancaster General.

## Life Insurance

Some people elect to make a gift of life insurance. Doing so allows them to make larger gifts than they would otherwise be able to make with cash or securities. If you name Lancaster General the owner and beneficiary to receive the proceeds of an existing life insurance policy, you will receive a tax deduction for approximately the cash surrender value, thereby reducing your tax liability in the year of the gift. An alternative is to purchase a new life insurance policy naming Lancaster General as owner and beneficiary.

## Matching Gifts

Many corporations and businesses have programs to match employee gifts of cash either in whole or in part. In some cases, gifts from spouses, directors and retired employees are also matched.

## Tangible Personal Property

Gifts of tangible personal property (e.g. boats, equipment, art, jewelry, and antiques) may also provide the donor with a charitable deduction. The amount of the deduction will depend on the type of gift and its relation to Lancaster General's tax-exempt purposes.

## Gifts of Retirement Funds

While retirement assets cannot currently be transferred directly from a pension plan or IRA to a charitable entity, in many cases, the funds may be distributed to the plan participant and then contributed to Lancaster General. That distribution, although taxable to the donor, may then be offset by a charitable deduction.



Henry and Mary Stager  
*The Stager family, in conjunction with Fulton Bank, carefully organized an estate plan that benefited many charities in the Lancaster Community. The generosity of the Stager trusts supported the Stager Conference Center at Lancaster General Hospital as well as annual Stager Scholarships for the School of Nursing.*

## Examples of Deferred/Planned Gifts

### Gifts by Bequest

A bequest may be included in a new will or added to an existing will through a simple codicil. You can make a gift bequest to benefit Lancaster General by providing a dollar amount, specific property, percentage of your estate or the remainder of the estate — what is left once all other specific bequests are fulfilled. Representatives of Lancaster General's Development Office will be happy to work with you and your advisors in preparing language to be included in your will.

### Charitable Gift Annuity

In exchange for a gift of cash, stock or securities, Lancaster General will pay you, you and your survivor, or you and another person named by you, a guaranteed income for life. In addition, you receive a substantial income tax deduction in the year of the gift and a portion of the annual payment is non-taxable. The annuity payment and tax deduction are based on the age and income of the recipient.

### Deferred Gift Annuity

A deferred gift annuity is similar to a gift annuity except that payments begin at a future date of your choice, such as retirement. Your tax deduction and the annual rate of return increase the longer you wait to begin payments. This is an excellent retirement planning method to implement during prime income producing years that will benefit you in your retirement years.

### **Charitable Remainder Trust (Annuity and Unitrusts)**

Donors and spouses can benefit from lifelong payments from such a trust. The donor selects the disbursement rate from these income arrangements and also chooses a fixed or fluctuating annual payment to be made to the designated parties as long as they live. Capital gains tax may be deferred and a tax deduction is received based on the age of the income recipient and the rate of return chosen.

### **Charitable Lead Trust**

In a charitable lead trust, assets (generally cash or securities) are transferred to a trust that pays income from the fund to Lancaster General for the number of years selected. At the end of the designated time period, the trust terminates and the assets are given back to the person you have named. This trust helps to lower estate and gift taxes that would otherwise be due on the assets. A charitable lead trust is especially attractive to donors who, upon death, wish for assets to be passed on to children, grandchildren or other heirs, but for now want those assets to support Lancaster General.

### **Retirement Accounts and Pension Plans**

Retirement account funds (IRA's or company plans) may be given to Lancaster General by proper beneficiary designation. Large pension plan assets can be subject to double or triple taxation (federal estate, federal income, and state death and state income tax) that virtually eliminate the benefits to heirs if tax-wise planning is not arranged.

### **Life Insurance**

Life insurance may also be included in your estate plans to benefit Lancaster General in a specific way. Fully paid-up whole life insurance policies of which Lancaster General is owner and sole beneficiary will be credited at the cash surrender value of the policy, thereby generating current income tax benefits. Similarly, new life insurance policies may be given to Lancaster General, which then becomes both owner and beneficiary of the policies. Subsequent premium payments made by the donor are tax deductible.

### **Real Estate, Residence or Farm**

Real estate may be transferred directly to a charitable remainder trust, which may then sell the property to generate trust income to be paid to one or more beneficiaries. Income paid to beneficiaries for life by the trust will depend initially on the net proceeds realized through the sale. Upon the death of the last beneficiary, the assets of the trust pass to Lancaster General.



# Lancaster General's Estate Planning Service

## Professional, Objective, and Confidential Service

Lancaster General will provide comprehensive, professional service as you make decisions about your estate plans and structuring your contribution. All conversations will be strictly confidential, and services are offered on a no-cost, no-obligation basis.

The information in this brochure summarizes only some of the ways you may make a gift to Lancaster General.

This information is not intended to supplant the professional services of your attorney, accountant, financial planner, or others who are qualified to advise you on your individual estate planning and tax situation. We encourage you to consult with them at any time during your discussions with Lancaster General to make certain your gifts are well planned and meet your personal, financial and philanthropic needs.



Victor and Molly Baer

*Since establishing an endowment fund at Lancaster Cleft Palate Clinic in 1998, Victor and Molly Baer have supported 110 children in need at the Clinic. This support has provided essential coordinated care for children who, otherwise, may not have been helped.*