YEAR-END GIFT PLANNING GUIDE

Drs. Judith and James McKelvey – A Lifetime of Giving
YEAR-END GIFT PLANNING

Checks, cash, securities, and credit card contributions must be completed by December 31, 2013 to qualify for a 2013 charitable income tax deduction.

DECEMBER 31, 2013

Checks must be postmarked no later than December 31, 2013. If you are contributing securities in certificate form or by electronic transfer, please contact the Office of Planned Giving for instructions.

Minimum age to make a tax-free transfer directly from your IRA to qualified charities such as Washington University. Time is limited. The charitable IRA rollover is scheduled to expire December 31, 2013. (See page 4 for details.)

FOR ASSISTANCE WITH YEAR-END GIFTS
Please contact the Office of Planned Giving at 800-835-3503 or 314-935-5373.

Give and Receive

Establish a charitable gift annuity with Washington University before year end and receive a charitable income tax deduction for 2013.

Gift Annuity Sample Payment Rates*

<table>
<thead>
<tr>
<th>ONE LIFE</th>
<th>TWO LIVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGE</td>
<td>FIXED RATE</td>
</tr>
<tr>
<td>60</td>
<td>4.4%</td>
</tr>
<tr>
<td>65</td>
<td>4.7%</td>
</tr>
<tr>
<td>70</td>
<td>5.1%</td>
</tr>
<tr>
<td>75</td>
<td>5.8%</td>
</tr>
<tr>
<td>80</td>
<td>6.8%</td>
</tr>
<tr>
<td>85</td>
<td>7.8%</td>
</tr>
<tr>
<td>90+</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

*Rates are subject to change.
Visionary Leader, Lasting Impact

This fall, the School of Engineering & Applied Science celebrated the fortieth anniversary of the Engineering Scholarship Program, the brainchild of Dean Emeritus, James McKelvey, MS ’47, PhD ’50, and William Tao, MS ’50, PhD ’77. The program was an innovative concept in 1973 and the first of its kind at Washington University. Dr. McKelvey recalls how the first scholarship dinner was celebrated with donors around a table at Whittemore House. In 2013, more than 250 donors and students gathered to celebrate — a fitting testament to his visionary leadership.

While Dr. McKelvey’s 27-year tenure as Dean was one of unprecedented growth for the engineering school, his innumerable contributions to the university date back to his days as a graduate student and instructor in chemical engineering. After earning his doctorate in 1950, he spent four years with DuPont. “I had a very good postdoctoral experience at DuPont, but I knew that academia was the right career for me,” he says.

Pursuing his passion, he accepted a position as assistant professor of chemical engineering at Johns Hopkins University in 1954. Three years later, a chance meeting with Lawrence Stout, dean of the School of Engineering and Applied Science at Washington University, led to a position as associate professor of chemical engineering. By 1962, he was named chair of the chemical engineering department and in 1964, at age 39, he was named dean.

Under Dr. McKelvey’s leadership, the School of Engineering & Applied Science underwent a dramatic transformation from regional engineering school to top-notch national research institution. Among his key accomplishments was the establishment of the Alexander Langsdorf Fellowships. “The Langsdorf Fellowships were probably the single most important program in developing a national constituency,” he says. He also grew the school’s endowment from $4 million to $52 million and significantly increased funding for research, facilities (including construction of Bryan, Lopata and Jolley Halls), and faculty recruitment.

Reflecting upon his history with the university, Dr. McKelvey says, “Washington University has been an extremely important part of my life for 60 years.” His wife, Judith, AB ’58 and two of their four children, James, EN ’87, AB ’87, and Robert, AB ’92, are also graduates of the university. Among the generous support that he and Judith have provided is a charitable remainder unitrust, which they funded with appreciated securities. When the trust terminates, it will endow the James M. McKelvey Fund in the Department of Chemical Engineering. “The engineering school has a very bright future, and I want to do whatever I can to support its goals,” he says.

Like the McKelveys, you can establish a charitable remainder unitrust with cash, appreciated securities or real estate, and receive lifetime payments, a charitable income tax deduction for a portion of your gift, and capital gain tax benefits. To learn more, contact the Office of Planned Giving at 800-835-3503 or 314-935-5373.
**School of Engineering & Applied Science**

**Campaign Priorities**

Planned gifts are a critical source of support for the School of Engineering & Applied Science. Consider how you can combine a planned gift with your current gifts to support the goals of the Leading Together campaign.

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**To attract and retain outstanding faculty**

**$20 Million — Endowed support for faculty**

- Dean’s professorship
- Department chair professorships
- Faculty professorships, faculty career development, visiting professors

**To attract a talented and diverse student body**

**$39 Million — Endowed support for students**

- Need-based and merit-based scholarships
- Graduate Fellowships

**To advance the scholarship, research, and creative potential of students and faculty**

**$10 Million — Support for Interdisciplinary Programs & Centers**

- Center for Biological Systems Engineering (CBSE)
- Cognitive, Computational & Systems Neuroscience (CCSN)
- Imaging Sciences Pathway (ISP)
- Institute of Materials Science & Engineering (IMSE)

**To further strengthen an exceptional teaching, research, and living environment**

**$20 Million — State-of-the-Art Engineering Complex**

**$3 Million — Enhanced student experiences in areas including entrepreneurship, undergraduate research, and international programs**
Tax-Wise Giving

Charitable Remainder Unitrust

Many alumni and friends, like the McKelveys, have established charitable remainder unitrusts to supplement their income and support Washington University. A charitable unitrust is an effective giving strategy that:

> Provides lifetime payments (or for a term of years) to you and/or your loved ones.

> Allows you to increase income from real estate or appreciated securities that have little or no yield.

> Provides a charitable income tax deduction for a portion of your gift.

> Enables you to avoid capital gain tax when funded with appreciated assets.

> Provides tax-free principal growth and estate tax benefits.

A Recent Gift Story

An alumnus and his wife were interested in gifting a rental property, reducing income tax through a charitable tax deduction, avoiding capital gain tax, and supplementing their income.

How did they accomplish this?

Two-Life Charitable Remainder Unitrust

1. Alumnus gifts property to the university.
   - Appraised value of real estate: $350,000
   - Cost basis of property: $100,000

2. Avoids capital gain tax on $250,000 for a savings of approximately $45,000

3. Receives a charitable income tax deduction of $127,421

4. WU sells the property, invests proceeds in a 5% two-life unitrust, and manages the trust at no cost to Alumnus.

5. Approximate annual payments to Alumnus and wife: $17,500

6. Approximate gift to WU when payments end: $350,000

For a personalized illustration, contact the Office of Planned Giving at 800-835-3503 or 314-935-5373.
Visionary Leader, Lasting Impact

While Dr. McKelvey’s 27-year tenure as Dean was one of unprecedented growth for the engineering school, his innumerable contributions to the university date back to his days as a graduate student and instructor in chemical engineering. After earning his doctorate at Johns Hopkins University in 1954. Three years later, a chance meeting with Lawrence at DuPont, but I knew that academia was the right career for me,” he says. “Chemical engineering is a very special discipline; it has a very bright future, and I want to do whatever I can to support its goals,” he says.

Among his key accomplishments was the establishment of the Alexander Langsdorf Fellowships. “The Langsdorf Fellowships were top-notch national research institution. Under Dr. McKelvey’s leadership, the School of Engineering & Applied Science has been an extremely important part of my life for 60 years.” His wife, Judith, AB ’58 and two of their children, Ralph Quatrano and the McKelvey Scholars.

James McKelvey, MS ’47, PhD ’50, and William Tao, MS ’50, PhD ’97. The program was an innovative concept in 1973 and the first of its kind at Washington University. Dr. McKelvey was a key leader in the establishment of the program, which has since grown to support hundreds of students each year.”

Together campaign.

Current gifts to support the goals of the Leading
School of Engineering & Applied Science. Consider how you can combine a planned gift with your current gifts to support the goals of the Leading.

•  Cost basis of property: Alumnus gifts property to the university. Receives a charitable income tax deduction of $127,421.

Approximate gift to WU when payments end:

WU sells the property, invests proceeds and manages for a savings of approximately $100,000.

•  Cash:

Avoids capital gain tax on $250,000 to Alumnus and wife: $17,500

My gift may be: cash securities ($________) (cost basis)

My birth date is _____________.

Please include a second individual whose birth date is _____________.

•  I am interested in supporting Washington University in my will or trust.

•  I would like a personal illustration of how a charitable gift annuity would benefit me. Use the amount checked below for my illustration:

  $5,000 $10,000 $25,000

  $50,000 other $ _____________.

Thank you for supporting Washington University!

Name (Please Print)

Address

City/State/Zip

Daytime Phone Preferred Email

Consult with your legal or tax advisor before making a charitable gift.

There’s Still Time to Make Tax-Free IRA Gifts

Through December 31, 2013*, individuals ages 70½ and older can make tax-free gifts totaling up to $100,000 using funds transferred directly from their IRAs to Washington University. Your spouse also may be eligible to make gifts up to $100,000 from his/her IRA. Tax-free charitable gifts from your IRA will qualify for your 2013 required minimum distribution.

For further information, please contact the Office of Planned Giving at 800-835-3503.

* As of the press date, Congress has not extended this opportunity beyond 2013.

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The Robert S. Brookings Partners recognizes individuals who have chosen to support Washington University through estate gifts, life income plans or other planned gifts.

The generosity of these donors helps ensure the continued excellence of the university for generations to come. For information or to notify us of a gift in your will, trust or other planned gift, please contact the Office of Planned Giving at 800-835-3503 or 314-935-5373.
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DECEMBER 31, 2013
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To make your gift online visit: gifts.wustl.edu

The Office of Planned Giving is here to assist you.
(800) 835-3503  |  (314) 935-5373  |  plannedgiving.wustl.edu