



The Gift of Education

With six academic degrees, several career changes and a successful industrial real estate development business between them, Edward Mayes and Colleen Ward Mayes understand the value of education and hard work.

Recently, the Mayes created a significant bequest to fund an endowed scholarship at DePaul University in honor of the late social justice activist Monsignor John J. Egan. Egan was nationally known for his work on social justice issues, including civil rights, integration and fair housing practices, as well as his work on interfaith and interracial initiatives. When Egan retired from active ministry in 1987, he joined DePaul University as assistant to the president for community affairs.

The Mayes' scholarship will support DePaul's Egan Hope Scholars initiative, which Egan founded in 1992. The initiative has provided more than 60 four-year scholarships to academically promising students from Chicago's urban and inner-city communities who have an exceptional record of community service and civic activity. In addition to financial aid, DePaul provides comprehensive support services for the scholars, including educational skills training, until they graduate.

"We'd like to be a part of perpetuating Monsignor Egan's great contributions by endowing the Egan Hope Scholars program with this donation," says Colleen. "We only knew him for a short time, but we were thoroughly impressed by his humanism, warmth and no-nonsense approach."

The Mayes met Egan and forged a link to DePaul when Egan agreed to celebrate their wedding in 2000. After Egan's May



Monsignor John J. Egan with Colleen and Ed Mayes

2001 death, his assistant and fellow activist Peggy Roach invited the Mayes to an Egan Hope Scholars graduation ceremony to see the students' accomplishments firsthand.

"We could see the bubbling enthusiasm in the scholars and the difference the program had made," says Ed. "Our education opened many doors and allowed us to create and pursue diverse opportunities. We want to help students have the same opportunity to create better lives."

The value of education

The only one in his family to attend college, Ed earned bachelor's and master's degrees from Northern Illinois University and taught for three years. He then worked for 15 years at a commercial printing firm before earning an MBA at DeVry University's Keller Graduate School of Management and opening his own printing company, Merrill Chicago.

Also an educator, Colleen worked for 15 years as a teacher, a counselor overseeing nine schools and director of special education. She received master's degrees from Loyola University Chicago and National-Louis University and became

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Changes in Taxes, Economy Affect Estate Plans

Turmoil in the economy has focused most people's attention on financial, investment and retirement planning. But what about the economy's impact on your estate plan? It makes sense to have a thorough review of your plans early in 2009, with special attention to the following:

Stock Market "Disinheritance."

Investment assets you've left to certain beneficiaries may no longer be worth what they once were – or what you planned to leave. One strategy is to divide your estate into equal percentages, so everyone shares in gains or losses. You also might set ceilings or floors on inheritances, to guarantee that heirs receive at least a specified amount, but not a windfall.

Higher Estate Tax Exemption. For 2009, the federal estate tax credit exempts estates of \$3.5 million or less. Married couples can leave \$7 million tax free, but doing so generally requires a "credit shelter trust." If your estate plan includes such an arrangement (sometimes called a "B" trust), make sure you're not short-changing your spouse. If your will leaves the full \$3.5 million to a credit shelter trust, your spouse may not have enough financial flexibility. The problem can be even worse if your gross estate declined after the 2008 stock market meltdown.

Look Beyond Your Will. Revisit your beneficiary designations on life insurance, qualified retirement plans, IRAs and any accounts that will pass directly to someone at death. How do these designations fit into your overall plan

for the disposition of your assets? Have values changed significantly? If you've recently married, keep in mind that certain accounts, such as 401(k) plans, pass to a surviving spouse, regardless of the beneficiary designation or provisions in a will, unless your spouse has signed a waiver. Also, remember that heirs will owe income tax on most retirement plan benefits, while life insurance, CDs and brokerage accounts pass free of income tax.

Consider DePaul in Your Plans. As you review, and possibly revise, your estate plan, we hope you'll include DePaul as a beneficiary of your will, living trust, life insurance or retirement plan. Your bequest will be a blessing to future generations of DePaul students and may save "death taxes," as well. Remember, too, that assets such as retirement accounts and savings bonds pass to DePaul free of income taxes. Please call our office if you'd like ideas for including the university in your estate plan.

Upcoming DePaul Events:

DePaul Scholarship Luncheon –
Tuesday, April 21, 2009

**The John R. Cortelyou Heritage
Society Annual Luncheon –**
Tuesday, May 5, 2009

For more information, please call
(312) 362-8268.

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vice president for domestic and international relocation sales for an corporate relocation firm.

After their marriage, the Mayes founded EDCO Partners, an industrial real estate development firm. “We couldn’t just retire,” says Ed, laughing. “We were never afraid to work.”

The Mayes also are committed to giving back to the community. In addition to their

support of DePaul University, they volunteer for the Greater Chicago Food Depository, their church, and several breast cancer research and education initiatives.

“We try to not be all self-focused,” says Colleen. “Instead, we ask how we can help change people’s lives and open new vistas to them.”

Charitable Gift Annuities Popular in Tough Times

We are hearing increasingly from retired alumni and other friends about their gratitude for charitable gift annuities they arranged with DePaul in past years. While their stock portfolios may have dipped by 30% or 40% last year, payments from DePaul gift annuities remained steady.

That gratitude, of course, is mutual: Future generations of DePaul students will benefit tremendously from the contributions of these retirees, who found gift annuities to be the most logical way to continue or increase their support for the university, even in hard economic times.

Supporters who are looking for antidotes to the recent stock market volatility or low money market or CD rates find gift annuities ideal for helping DePaul – and themselves. We will pay recipients 5% to 10.5% for life, depending on age, and donors can deduct 30% to 50% of the cash or stocks they transfer. Annuity payments can be largely tax free, or taxed at low capital gain rates, during the recipient’s life expectancy.

If you would like a personal illustration of the tax and financial benefits of a gift annuity, please call our office at (312) 362-8268.

IRA Gifts Authorized Through 2009

Last fall Congress extended through 2009 the law permitting IRA owners age 70½ and older to make distributions to qualified organizations such as DePaul, up to \$100,000. The law expires, however, at the end of 2009.

Income tax deductions are not available for IRA contributions, but gifts are exempt from all federal taxes, which may be important to donors who do not itemize their deductions. In past years, donors who removed funds from IRAs for charitable giving purposes were fully taxable on these amounts,

even though charities ultimately received the money. Such gifts were tax deductible, in theory, but the charitable deduction is not available to people who take the standard deduction. In 2009, however, IRA gifts make a detour around the tax collector, so donors who don’t “itemize” won’t need a charitable deduction to offset taxes.

We hope you will consider an IRA gift in 2009, if you qualify. It’s important to contact our office to ensure proper transfer and receipting of any IRA transfers.

Planning an Effective Will

Going to the trouble of having a will is a test of maturity. There are people, of course, who won't make a will for the sole reason that "after I'm gone, I don't care what happens." Because *you* care, however, a will figures prominently in your plans for the future. Your will allows you to minimize "estate shrinkage" – from death taxes and other costs – that can rob your family of precious assets. It lets you nominate guardians or trustees to shelter and protect family members. And it enables you to direct, in a very personal way, how your property will be distributed. Your will in effect, gives you the opportunity to improve the quality of life for your family for several generations.

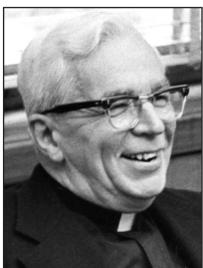
There is one more thing you can accomplish with your will: You can make a bequest to DePaul.

DePaul hopes *Cortelyou Quarterly* helps you in your will planning. We also invite you to send for our comprehensive booklet – *Techniques for Planning a Successful Will*.

Will Making . . . It's Easy

No one nags you to make a will. Indeed, during your lifetime, almost no one will know if you don't have a will. But you probably do intend to make a will . . . someday. Unfortunately, that "someday" may never arrive unless you take action *today*. What kind of action?

- Call your attorney. Make an appointment to plan your will. If you do not have an attorney, ask a friend or a relative to recommend one, or call your local bar association.
- Before the appointment, sit down with pencil and paper and set out all the goals you would like to accomplish through your will. Reflect carefully. Plan objectively.
- Keep your appointments, and follow through on your will planning.



*Rev. John R.
Cortelyou, C.M.*

The John R. Cortelyou Heritage Society

Rev. John R. Cortelyou, C.M., was president of DePaul University from 1964 through 1981 during a period of extraordinary advancement. His legacy is now reflected in the program that bears his name. The Cortelyou Heritage Society honors individuals who demonstrate their commitment to DePaul by making a planned gift today that supports the goals DePaul will realize in the future. Call our office at (312) 362-8268 to find out more about this honorary gift club.



The DePaul Planned Giving Team (left to right): Mindy Siebenaler, Andrea Wynne, Joel Schaffer, Alec Carlos & Amy Andrews



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