PRB
Population Reference Bureau

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PRB Matters

PLANNING FOR TOMORROW

Exploring Options as You Plan

I am delighted to tell you that the response we received to the first edition of *PRB Matters* was tremendous. Many of you requested more information on planned giving, which we are happy to provide. PRB has benefited for decades from the generosity and loyalty of our members and so it is not surprising, though very heartening, to know that many of you are considering putting PRB in your estate plans or have already done so.

We have made some improvements to *PRB Matters* and we are likely to make more as we fine-tune future editions. Our goal is to make it a useful and interesting tool for PRB members. We value your input and welcome your comments and suggestions. If there is a planned giving or related matter you would like to see covered in *PRB Matters*, please let us know.

In this issue, we outline some important planning guidelines and offer tips to help you plan your estate wisely. When considering financial plans, it can be helpful to think in terms of three phases of life.

The earning years

As a young adult, much activity is devoted to earning income for yourself and those who depend on you, while saving for the future. At this point in life, many choose to share a portion of their earnings with others through charitable gifts on a regular basis or in response to a special request.

Managing assets

During the middle years of life it is important to continue to earn and save, but for many it is also a time to manage what has already been accumulated. Investing can become a central part of economic life. This can also be a time to make larger charitable gifts as financial security increases.

Planning for the future

Retirement is the time when a person enjoys the income from the assets accumulated earlier in life. While still preserving assets for coming years, many people devote more thought to how they would like to distribute their assets to others in the future. Charitable gifts can be an important part of this process.

Please read more to learn how your plans can live with you. I hope this information will benefit you and your family. Thank you for your continued support and interest in PRB.

Bill Butz

William P. Butz
President


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President

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The '4 P's' of Effective Planning

A GLOSSARY OF TERMS

Beneficiary–Person who benefits from a trust, life insurance policy, retirement plan, or certain other assets.

Estate–All property you own in any form that will someday pass to loved ones and/or charitable interests.

Executor–Person chosen to settle an estate. Sometimes referred to as a "personal representative."

Joint ownership–A way of owning property that allows it to pass to a survivor outside the probate process.

Living will–A document that records your wishes regarding extraordinary means of life support.

Power of attorney–A legal document that empowers others to take economic action on your behalf if you are not able to do so.

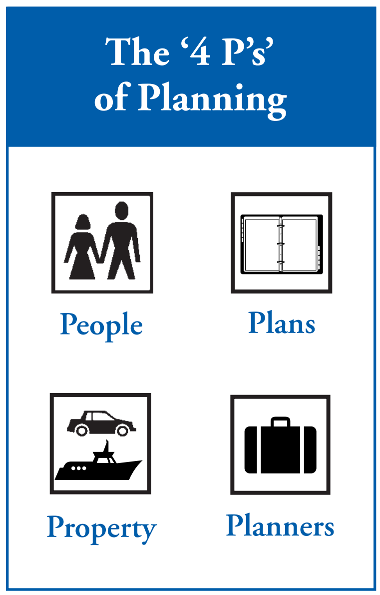
Trust–A means to provide for ownership and management of property on a temporary basis.

Will–An "instruction sheet" to guide others in how you wish your property to be distributed at death.

One of the most important parts of efficient estate planning is taking the first steps. Putting your plans in the form of an outline can be a good way to start. Committing your goals to paper can make them more manageable.

Writing a thoughtful summary of your wishes can save expenses, too. Your attorney can prepare your will and other plans more quickly when working from a "blueprint" you provide.

Keeping in mind the "4 P's" of estate planning may be a helpful starting point.



People: First, list the names of the people for whom you want to plan. They might include family members such as a spouse, children, and grandchildren as well as close friends and employees.

Property: Second, make a list of your property and how you own it. In addition to cash and investments, note other property such as real estate, stocks, automobiles, life insurance policies, retirement plans, jewelry, and collections of value. Estimate the dollar value and cost of each asset, along with any income it produces.

Plans: The third "P" will be your plans for matching people and property. List which property you would like each person to receive. A number of people choose to include charitable gifts as part of their plans.

Many tools have been developed for use in transferring property during lifetime and as part of your estate. See page 3 for examples.

Planners: Finally, list the planners who will help you put your plans in effect. An attorney should draft legal documents. Your accountant, bank and life insurance professionals, investment advisors, and representatives of charitable institutions and organizations you wish to remember may also take part.

You are now ready to meet with the person or persons you choose to coordinate the implementation of your plans. A draft of these plans should be prepared by a professional and carefully reviewed by you and perhaps one or more loved ones. Once all details are settled, your will and related documents are ready for signing.

The Planning 'Toolbox'

The will is one of the first tools that comes to mind when thinking about effective planning. Other ways of distributing property can help round out your estate plan and minimize taxes and probate expenses.

The ***living trust*** is a popular plan. Assets (including securities or other property) can be placed in such a trust and managed according to your instructions. When the trust ends (usually at the end of one's lifetime), the assets are managed or distributed as the trust directs, often avoiding the probate process. The trust provisions may usually be changed, or "canceled," at any time during life.

Through ***joint ownership***, property can pass directly to another owner at death, free of the delays and expense of probate. While joint ownership can be useful, it is never a substitute for a good estate plan.

Pay on Death and ***Transfer on Death*** provisions may also be used to transfer bank or brokerage accounts to individuals or charities upon your death.

Giving property away during life to loved ones and charitable interests can reduce the size of the probate estate and perhaps save estate taxes that may be due. Such gifts may call for a change in your will and other plans.

Life insurance policies and ***retirement plans*** offer the opportunity to accumulate assets and make meaningful gifts that may also pass outside of probate, free of estate taxes under certain circumstances.

These planning tools typically function in concert with a will. If you do not have a will, your estate may forfeit possible tax savings and incur unnecessary delays and expense.

Keeping Your Plans Up to Date

Your will and related plans should be reviewed regularly to assure they reflect changes in finances, family circumstances, tax laws, and other factors.

Financial picture

You may sell or give away property that was originally allocated to others in your will or acquire new property that is not accounted for in your estate plans. This may call for changes in how you decide to provide for your family, special friends, and charitable interests.

Family situation

Births, deaths, and changes in marital status can greatly affect your plans. Loved ones who were dependent on you at one time may now be independent, while others may now need greater assistance.

Federal and state laws

State laws govern wills and are subject to change. Federal and state tax laws can also have an impact on the way you and your advisors choose to structure your plans. This is a major reason to review your plans periodically with the assistance of your tax advisor.

Staff Profile and Perspective

Mark Mather
Deputy Director of Domestic Programs

I joined PRB in 1998 as a policy analyst in PRB's Domestic Programs department. Since then, I have coordinated several projects to communicate population research to advocacy groups, educators, the media, and the public.

I became interested in population studies while studying anthropological demography at Penn State University. To my undergraduate mind, demography *was* destiny—and made sense as both a predictive framework and a personal career path. I studied sociology/demography at the University of Maryland and took a position at PRB so that I could apply demographic techniques to real-world problems.

PRB has given me the opportunity to work on a wide range of research topics, including child well-being, aging, immigration, labor force issues, and rural/urban analyses. I work closely with other Domestic Programs staff to analyze data, write reports, and to prepare presentations and workshops based on our findings. The best part of my job is working in a collegial setting with a group of highly motivated and dedicated staff.

Barbara Boyle Torrey

Barbara Boyle Torrey—
PRB Ambassador and Supporter

Barbara Boyle Torrey is a scholar, administrator, and leader in the fields of PRB's interests . . . and even more broadly. In the sixties, she was one of the first Peace Corps volunteers, which led to a continuing interest and commitment in "her country" over the years. At the Census Bureau, her staff analyzed demographic and economic data from every country of the world and Barbara was a frequent speaker about the findings. At the National Research Council of the National Academy of Sciences, she oversaw hundreds of committees and panels considering the most important behavioral and social science policy questions of the day.

PRB has been very fortunate to have Barbara close at hand as a Visiting Scholar, but also as a technical consultant, colleague, and friend. Her creative mind and nurturing personality make her a valued resource for information among young staffers, as well as the most seasoned professionals at PRB.

Barbara has a longstanding history and personal involvement with the Population Reference Bureau. In 1993, Barbara served as PRB's President and she was a member of PRB's Board of Trustees from April 2000 to April 2006. As a Trustee, Barbara chaired the Board-Staff Planning Committee and Nominating Committee, and served as Secretary. Her insight and knowledge of PRB's mission and programs make her an exceptional ambassador. Barbara has made many meaningful personal and financial contributions to PRB, which underscore her belief in PRB's mission and her commitment to the organization's work.

Recently, Barbara put PRB in her will and pledged to make a planned gift that will help support future initiatives including, perhaps, other Visiting Scholars like her in years to come. To join Barbara and others who have made similar commitments, and to learn more about how you can shape history—PRB's history—please give us a call.

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Population Reference Bureau's Mission

The Population Reference Bureau informs people around the world about population, health, and the environment, and empowers them to use that information to advance the well-being of current and future generations.

- **Inform.** PRB analyzes complex demographic data and research to provide the most objective, accurate, and up-to-date population information in a format that is easily understood by advocates, journalists, and decision makers alike.
- **Empower.** Our commitment to putting information into action sets us apart. PRB builds coalitions and conducts workshops around the world to give our key audiences the tools they need to understand and communicate effectively about population issues.
- **Advance.** PRB works to ensure that policymakers in developing countries and in the United States rely on sound evidence, rather than anecdotal or outdated information, when creating population, health, and environmental policies.

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