

PARTNERS

PARTNERS FOR THE FUTURE

FALL 2004



Supporter Includes Center in Will to Help Fight Hate

Nancy Ferguson has been a devoted Center supporter since 1985. With her generous donations she especially champions the Intelligence Project's efforts to fight the hate she struggles to understand.

"It horrifies me to read the newspaper, and even the *Intelligence Report*. I would almost rather play ostrich," she said. "The increase of hate is appalling... At least [the Center] is out there, attempting to do something about it."

In 1984, Ms. Ferguson established a personal foundation, through which she makes charitable contributions to support the causes she believes in, including saving the environment, helping the poor, and fighting for human rights.

Ms. Ferguson became a Partner for the Future in 1991. By leaving the Center in her Will, she helps ensure the Center's fight against hate will continue for years to come.

"For a total cynic like me, I despair of anyone or anything ever making a difference," she said. "Yet the work [the Center] does is an inspiration that helps keep me going."

Ms. Ferguson describes herself as "truly an example of polarity—in many ways totally conventional, in others a free spirit." In every way, however, she proves herself extraordinary.

At the age of five, Ms. Ferguson decided she wanted to fly. She did not care

that it was not considered "proper" for girls to do such things. As a student at the University of Illinois, she enrolled in a tiny air school to become a ferry pilot. Her vision would not allow her to follow that particular dream, but Ms. Ferguson continued to pursue her sense of adventure.

After taking time to raise her four daughters—and losing one to Hodgkin's disease at age 18—Ms. Ferguson "tried every craft known to man." She designed costumes for a theater in Hollywood, worked for a psychologist, and became a ham radio operator. She also lived in Hawaii for ten years, where she designed two houses.

Ms. Ferguson has traveled in nearly every state in the U.S. and numerous countries in Europe and Asia.

But her most consistent passion has been exploring the depths of the ocean. Her 30-year love for scuba diving and underwater photography has taken her to Tahiti, the West Indies, the Grand Cayman, Hawaii, and the Philippines. She chronicles her adventures in her newest book, *Bright Waters*.

In spite of her busy schedule, Ms. Ferguson has not forgotten the importance of supporting organizations seeking to make this world a better place. As a Partner for the Future, she helps guarantee the Center's continued role in achieving this mission.



Nancy Ferguson and her dog, Zoloff

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New Partners

We are pleased to recognize the newest members of Partners for the Future who have included the Center in their estate plans.

Barbara Abeles	Ann MacCormac
Diane Ainsworth	Kathryn Macri
Suzanne Anderson	Debra O'Neill
Susan Ball	Sara Ormond
Rachel Beckley-Rich	Caroline W. Palmer
Gertrude F. Bock	Susan Platt
Donald Bodley	Linda Post
David Bordwell	Stephen Reynolds
M. R. Cassa	Dirk Robinson
Marianna A. Cohen	W. Thomas Schomaker
Joan Cole	Lusia Slomkowska
Bridget L. Cooke	Donald Smith
Muriel Diamond	Susan Smith
Frank J. Dixon	Mickey Spencer
Marion E. Dixon	Jane Stein
Helen S. Faison	Harvey Stern
Greg Fife	Maureen Stoddard
Thomas Gunnoud III	Helene H. Stolker
Jane Hannigan	Daniel Tallman
Craig J. Henry	Kristin Thompson
Colleen Hughes	Frank Turner
Huyen Huynh	Kay Vandergriff
Rosalie Jacobs	Janet Vaughan
Katherine Kepp	Elsie Walker
Helen Kroner	Lawrence Wilner
Anne Lampert	Susan Wilson
Manfred Landecker	Susan Wood
Marilyn Larson	Richard Zeichik
Karen Lockwood	

You have my heart and soul and thanks for all that you've done to make this a real democracy for everyone. Thank you for your courage and strength. The Southern Poverty Law Center is in my Will. G. W. Florida

I am grateful for the wonderful work you do. I have named the Southern Poverty Law Center as a secondary beneficiary of my IRA. I pray you stay safe as you continue your programs to help us all. I tell everyone I meet about your important work. D. G. Michigan

The work you do is critical to the moral center of our country, and I applaud your courage, commitment and patriotism. I am honored to be in some small way associated with you all. The Southern Poverty Law Center is included in my estate plan. J. S. Washington

I have felt helpless against the tide of ignorance and bigotry, which seems to get more virulent, not only in our own country. There have been major changes over the years, but a hard core of ignorance and hate still stains our national conscience. It is reassuring to learn of the many cases in which the law, through your efforts, can and does punish those who are guilty of outrageous acts of violence and hatred. For fighting ALL kinds of injustice, I thank and applaud the efforts of the Southern Poverty Law Center. I have included the Center in my Will. W. H. New Mexico

I am happy to tell you that a bequest to the Southern Poverty Law Center has been in my Will for many years. It has survived many revisions, including the most recent update earlier this year. Although I am far from wealthy, I consider it a privilege to be able to support – albeit in a small way – an organization whose courage and devotion I admire beyond words. L. K. New York

As the result of my admiration for your work over the years, I have recently made a change in my estate plan. The Southern Poverty Law Center is one of my residuary legatees. I can think of no more worthy organization to receive the residue of my estate. It gives me great satisfaction to have made these arrangements. Keep up the good work. G. W. Missouri

Visit us on the Web!

For planned giving information, the latest Center news or to make a donation, go to

www.SPLCenter.org

YEAR-END GIVING REMINDERS

- Make charitable gifts by December 31, 2004, and reap tax rewards next spring.
- Make a holiday gift to the Center in honor or memory of a special friend or loved one.
- Keep acknowledgments of all charitable gifts. You need written substantiation for single gifts of \$250 or more.
- Consider giving long-term appreciated property such as stock rather than cash to enjoy greater tax savings.
- Use your Will or trust to make a convenient, economical planned gift.
- Ask your qualified advisor about the methods of giving most advantageous for you.
- Contact the Center's Planned Giving Department for free information on planned giving opportunities.

Presidential Election Polarizes Nation

Few times in our country's history has our nation been more polarized on so many issues. Politicians today are increasingly using divisive issues to further their agendas and seek an election edge.

These issues range from medical research to sexual orientation, from curtailment of civil rights to questions of patriotism. The upcoming presidential election may be decided on which candidate makes the most convincing arguments on these issues. Americans could possibly be even more divided after the votes are counted because of anger and frustration.

We have watched many presidents come and go since the Center began more than 30 years ago. We've seen politicians directly and indirectly encourage prejudice against people of different races, cultures and beliefs. We've seen candidates use political ads to marginalize unpopular groups and powerless minorities.

The outcome of this election could have a dramatic effect on our country's ability to come together as a democratic society. And if history is a guide, bias and prejudice will always be with us. We will continue to be divided into "us and them" camps.

I am sure you, like us, dream of the day when acceptance of differences and respect of all people will be a reality. Until that day arrives, we must continue our work promoting tolerance and fighting hate. I honestly believe that it will be long after my lifetime, and that of most of our supporters, when the Center will be able to cease its efforts.

I invite you to help us continue our work for tolerance and justice far into the future by including the Center in your estate plan. You might consider establishing a chari-

table gift annuity, allowing you to receive a fixed annual income for life (see page 4). As a Partner for the Future, you'll be joining many other dedicated supporters who understand the need for our work to prosper past their lifetimes.

I cannot predict who will lead our country during the next four or eight years. I can assure you, though, that our Teaching Tolerance project will continue to supply thousands of teachers with free education materials. Our Intelligence Project will continue tracking hate groups and exposing their activities. Our legal staff will stand ready to seek justice for those whose rights have been trampled.

Whatever your political views may be, I hope you will voice them by voting on November 2.

No matter who is elected president this year, we will continue to work tirelessly to fight hate and promote tolerance. And as long as people like you stand behind us, we will continue to do our part to make this country a better place for all Americans.



Mark Deen

Charitable Gift Annuity: A Meaningful Gift

CHARITABLE GIFT ANNUITIES OFFER THESE BENEFITS:

- **Fixed Income for Life** – a charitable gift annuity provides payments on a quarterly, semiannual, or annual basis. A portion of the payment is tax-free until the investment in the annuity contract is recovered.
- **Guaranteed Payments** – your payments are backed by all the assets of the Southern Poverty Law Center, which also maintains a segregated annuity reserve account to back its annuity obligations
- **Federal Income Tax Charitable Deduction** – part of the value of your gift is deductible if you itemize your deductions.
- **Capital Gains Tax Savings** – no capital gain tax is due at the time a gift annuity is established if the annuity is funded with appreciated securities. A portion of the capital gain on gifts of long-term appreciated securities is avoided entirely, and the reportable capital gain is spread out over the annuitant's actuarial life expectancy at the time of the gift.
- **Federal Estate Tax Savings** – assets used to fund a one-life charitable gift annuity are removed from the donor/annuitant's taxable estate. In a two-life annuity, only the value of the survivor annuitant's interest is included.
- **Personal Satisfaction** – by making a gift of lasting significance to the Center, you are assured that your intention to strengthen the Center's work for tolerance and justice is carried out.

Low interest rates are typically welcomed by individual and corporate borrowers. But low interest rates can be a bitter pill for individuals on fixed incomes. Secure options to generate higher fixed income are precious and few in number.

Charitable gift annuities are an attractive vehicle for donors who want to make a meaningful gift to the Center and enjoy a secure fixed income. Gift annuities currently offer a higher rate of return than almost all conservative investments. And they are never subject to market fluctuations. Check the gift annuity rates in the accompanying table and compare them with the current rates you are receiving from your money market funds or certificates of deposit.

What is a charitable gift annuity?

A charitable gift annuity is a contractual arrangement – not a trust – between you and the Center. You make a donation of cash or marketable securities in exchange for a fixed annual payment for the life of the annuitant (yourself, or the person you name to receive the payments). At the death of the annuitant (or second annuitant in the case of a two-life agreement), the remaining value of the gift passes to the Center.

The payout depends on the age of the annuitant at the time the gift is made (see table). The rate is guaranteed, regardless of how long the annuitant lives or what happens to the economy.

What is the minimum gift?

For as little as \$5,000 in cash or publicly traded securities, you can enjoy the benefits of a charitable gift annuity with the Center. There is no upper limit. You can establish additional gift annuities whenever you wish. In that way, you can take advantage of higher annuity rates as you get older.

Many supporters have established multiple gift annuities with the Center and enjoy the convenience of receiving a single, combined periodic payment.

What is the minimum age?

You must be 60 years of age or older to establish a charitable gift annuity with the Center and begin receiving payments immediately. However, at age 55, you can establish a deferred charitable gift annuity by delaying payments until you are age 60 or older. The older the annuitant

ft with a Guaranteed Income

when the payments begin and the longer the deferral period, the higher the payment rate. The deferred annuity can be a useful option for donors who do not need immediate payments but want to secure future income for their retirement years.

How do I obtain a free calculation of benefits?

If you would like more information on a charitable gift annuity with the Center, simply return the enclosed card or call Linda Stringer or Pat Thornton toll free at 1-888-414-7752. It takes only a minute to give us the information we need to prepare a personalized gift annuity proposal for you. There is no cost or obligation and your inquiry will be treated in complete confidence.

You can prepare your own benefits summary online by going to the Center's updated Planned Giving website, www.splcenter.org/donate/ and clicking on Charitable Gift Annuities.

ONE LIFE (annual payment is based on \$10,000 gift)

AGE	RATE	ANNUAL PAYMENT
60	5.7%	\$570
65	6.0%	\$600
70	6.5%	\$650
75	7.1%	\$710
80	8.0%	\$800
85	9.5%	\$900
90+	11.3%	\$1,130

TWO LIVES (annual payment is based on \$10,000 gift)

AGE	RATE	ANNUAL PAYMENT
60/60	5.4%	\$540
65/65	5.6%	\$560
70/70	5.9%	\$590
75/75	6.3%	\$630
80/80	6.9%	\$690
85/85	7.9%	\$790
90/90	9.3%	\$900

The gift annuity rates and annual payments shown above are based on the American Council on Gift Annuities recommended rates. Rates are subject to change at any time. Please contact the Center's Planned Giving Department for current benefits.

WILLS AND BEQUESTS

When including the Southern Poverty Law Center in your Will, you can choose one or more of the following types of bequests:

Residual or percentage bequest gives the residue, or a portion (usually a percentage) of the residue, of your estate to the Center after specific bequests have been made;

Specific or general bequest leaves a stated amount of cash, securities, and/or other property to the Center;

Contingent bequest provides an alternative beneficiary, such as the Center, if one or more of your bequests cannot be fulfilled;

Life-income bequest provides a life income to someone close to you with the principal passing to the Center after his/her lifetime;

Combination bequest combines several of the types of gifts listed above.

Whether you are preparing a Will for the first time or wish to make a change to your existing Will, we strongly suggest that you consult your attorney.

planned giving
Questions?

It's easy to
contact us:

- 1 Call Linda Stringer or Gwen Moore toll free at 1-888-414-7752
- 2 E-mail us at plannedgiving@splcenter.org
- 3 Return the enclosed card in the envelope provided
- 4 Write us at: 400 Washington Ave. Montgomery, Alabama 36104

Appreciated Stock Makes an Excellent Gift

BECOME A PARTNER

Many supporters have become Partners for the Future by including the Center in their long-term giving plans. Many have planned a bequest through their Wills; others have made a life-income gift. By making a deferred gift, supporters can:

- Provide a legacy of values for loved ones
- Ensure their intentions are carried out
- Help safeguard the Center's long-term work
- Join our Partners for the Future society

Making a long-term commitment to a charitable organization is a personal and commendable choice. If you'd like to learn more about the benefits of gift planning, contact us today.

Toll free **1-888-414-7752**
plannedgiving@splcenter.org
 Or return the card in the envelope provided to:

Planned Giving Office
 Southern Poverty Law Center
 400 Washington Avenue
 Montgomery, Alabama 36104

You can also visit our
 planned giving page at
www.SPLCenter.org/donate.

Giving stock is but one of the many ways you can combine your charitable giving goals with effective estate and financial planning. Gifts of stock provide enhanced tax benefits while furthering the Center's work.

When you donate stock to the Center, you can claim a charitable deduction for the fair market value (up to 30 percent of your adjusted gross income) of long-term appreciated stock. Any excess can be carried over for five additional years until exhausted. In addition, you avoid the capital gains tax that would be due if you sold the stock. If you hold stock that has decreased in value, it is better to sell the stock and donate the cash to the Center. In this case, you can use the loss on the sale to reduce taxable income.

Whether you hold the stock or it is held by your broker, contributing stock to the Center is easy.

If the stock is held by a broker:

1. Contact your broker about making a gift of stock to the Center.
2. Choose the long-term appreciated stock and determine the number of shares to be transferred. The easiest and quickest way to complete a gift of stock held by a broker is through a "back office electronic transfer." To do this, your broker will need the following information: *The Center's brokerage account is*

with Salomon Smith Barney. The Center's account number is 445-11583-1-7 and the DTC number is 418.

3. Contact the Center and inform us of the gift. This ensures that the Center properly credits and acknowledges your gift.

If you hold the stock certificate:

1. Contact the Center and inform us of the gift.
2. Send the securities *by registered mail* to the Center's Planned Giving Department.
3. Sign an irrevocable blank stock power transferring the securities to the Center and *mail it in a separate envelope* to the Center's Planned Giving Department. This is for your security. If you need a blank stock power, we'll be happy to send you one.

Finally, don't forget that you can establish a charitable gift annuity by donating appreciated securities held longer than one year – you'll avoid capital gains taxes and receive income for life.

Giving Mutual Fund Shares

The Center also accepts gifts of mutual fund shares. When donated to the Center, appreciated mutual fund shares offer supporters benefits similar to other stock gifts. For more information on gifts of stock or mutual funds, please contact Pat Thornton in the Center's Planned Giving Department at 1-888-414-7742 or return the enclosed reply card.



STUDENTS MIX IT UP AT LUNCH

In a matter of weeks, students across the country will sit with someone new for the Center's third annual Mix It Up at Lunch Day.

This act may seem simple, but it has the potential to change lives. As students break out of their comfort zones and meet people of different races, styles, backgrounds, religions, and cultures, they learn the importance of tolerance and acceptance.

These lessons are especially valuable nowadays, when more than 50% of students admit their schools are full of stereotypes based on style, athletic achievement, and appearance.

Last year, more than 2.5 million students in nearly 7,000 schools participated in Mix It Up at Lunch Day. Many students had positive things to say about the event.

"It opened my eyes because these were people who wouldn't approach me before, and I couldn't have approached them. Now I look at it as these are people who know my name and know my story," said Katie, a high school student from New Jersey.

"[Mix It Up] helped a lot of students to realize that it's not just all about the outside, but truly the inside that counts," said Tennessee high school student Shailyn.

But Mix It Up at Lunch Day is only the beginning. The Center also awards grants to students who seek to continue breaking down divisions in their schools.

To date, the Mix It Up Grants program has funded more than 120 student tolerance projects.

CAMPUS TRAINING IMPACTS SCHOOLS

Last spring Brandon Wilson, the Center's outreach associate, trained college students and administrators on the "10 Ways to Fight Hate on Campus."

As a direct result of his visits, many campus administrators have taken steps to foster a more tolerant learning environment for their students.

- The University of Alabama hired its first black vice president, whose first task is to ensure the construction of a diversity center;
- Hastings College developed a Bias Response Team to help give students a voice when they are victims of a hate crime or bias incident;
- Auburn University created a diversity campaign celebrating the differences in its community and formed a campus NAACP chapter;
- Fort Lewis College incorporated "fighting hate on campus" into its sociology curriculum.



Brandon Wilson

"Colleges are ultimately responsible to use the tools we offer them," Wilson said. "But the Center is committed to being their ally and helping them build campus communities that deter hate and promote inclusion."

Wilson has already scheduled fall training sessions at 11 campuses, including schools in North Carolina, Massachusetts, Nebraska, and Canada. The Center also plans to distribute thousands more copies of the *10 Ways to Fight Hate on Campus* guidebook.

The Center offers the guidebook and training sessions free of charge, so every school can benefit from this important effort.

planned giving Questions?

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- 3 Return the enclosed card in the envelope provided
- 4 Write us at: 400 Washington Ave. Montgomery, Alabama 36104

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Can I set up a charitable gift annuity with funds from my IRA?

M. K. Pennsylvania

Although there is legislation pending in Congress to permit tax-free withdrawals from traditional retirement plans, at the present time, IRA assets rolled over into a life income plan are subject to federal income tax. However, depending on your individual circumstances, it may be possible to use only a portion of the withdrawal to fund the gift while retaining the necessary amount to pay the net tax due.

For example, at retirement age, you withdraw \$10,000 from your IRA. Assuming you are in a 25% tax bracket, you would normally pay \$2,500 in tax. However, if you establish a charitable gift annuity with \$8,000, you would be entitled to a charitable income tax deduction of approximately 40% or \$3,200. The deduction partially offsets the withdrawal (\$10,000 - 3,200 = \$6,800) reducing the tax due to approximately \$1,700 (\$6,800 x 25%). You then use the remaining \$2,000 from your withdrawal to pay the tax.

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If I make a gift of appreciated securities to the Center, how do you determine the value of the stock?

M. K. Georgia



Philip Temple is a partner in the law firm of McCarthy, Fingar, Donovan, Drazen & Smith, L.L.P., White Plains, New York. He frequently speaks on taxes, charitable giving and estate planning. In each issue of this newsletter, Mr. Temple answers questions about planned giving from Center supporters. Please send your questions to the Center in the envelope provided.

If your broker transfers the securities to the Center's account, the gift is the average of the high and low selling price of the stock on the day it is received in the Center's account. If the stock is donated by other means, please contact the Center's Planned Giving Department for information.

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If I set up a charitable gift annuity with the Center, how are my payments guaranteed?

N.S. California

Gift annuity payments are a general obligation of the Center, and they are backed by all of its assets. The Center's gift annuity reserve funds are valued at more than \$7 million. They are generally not subject to the claims of creditors under state law. In the unlikely event the Center became insolvent, we would be required to follow the rules of bankruptcy in meeting our financial obligations. Contractual obligations such as our charitable gift annuity payments to the extent they exceed our annuity reserves would be a priority.

Have a Planned Giving Question?

We're eager to answer your questions and to be of assistance. Use the enclosed envelope to drop us a note or e-mail your questions to us at plannedgiving@splcenter.org.

You can also reach us by mailing your questions to: Planned Giving Office
Southern Poverty Law Center
400 Washington Avenue
Montgomery, Alabama 36104