Honoring Your Legacy

In celebration of the Trulaske College of Business centennial in 2014, the college created a recognition program called the 1914 Society. Referencing the illustrious date the business school was established, the initiative provides a new way to acknowledge the critical financial support our donors so generously provide.

The 1914 Society focuses on recognizing people who donate by means of a bequest, life insurance or another university-approved deferred gift.

The 1914 Society mirrors the parameters of the MU Legacy Society, which includes donors of all ages with gifts of any amount who use an approved estate gift tool to become members.

Perhaps the college is a beneficiary of a life insurance policy or often people choose to set up a charitable gift annuity; but no matter the method, the 1914 Society is meant to show appreciation for those who support the business school.

1914 Society members are invited to attend The Herbert J. Davenport Society recognition event, typically held in the fall. At the Centennial Celebration conclusion on Friday, October 24, 2014, the inaugural Honor Roll was inducted into the 1914 Society.

The Davenport Society was established in 1989 and has various levels of membership based on giving levels. In select instances, membership in the 1914 Society will automatically qualify for membership or advancing to a new level in the Davenport Society.

To learn more about the 1914 Society, please email mizzoubiz@missouri.edu or call 573-882-6768.
Fortifying Opportunity: Harry Cornell gives $6 million to endow Cornell Leadership Program

Story by Erik Potter

Five years ago, Theresa Mullineaux was a shy, nervous Missouri high school senior. She wanted to study business in college but thought she’d have to leave the state — maybe even the Midwest — to pursue her goals. Then she toured Cornell Hall, met Mary Beth Marrs and learned about the Cornell Leadership Program Marrs co-directs in the Trulaske College of Business.

A few months later, when Mullineaux got the phone call telling her she’d been accepted to the highly selective group, she didn’t hesitate to accept. “Mary Beth knew even before my parents where I was attending college.”

Five years later Mullineaux stood before a room of 200 people in the Reynolds Alumni Center and reflected on how far she had come — “You would not have seen me in front of this podium,” she said — and thanked the man who helped make it possible.

From Launch to Legacy

Harry Cornell, BS BA ’50, gave the gift that helped launch the Cornell Leadership Program in 2006, and Chancellor R. Bowen Loftin announced at the May 1 ceremony that Cornell was giving a $6 million endowment to fund the program in perpetuity. A portion of the gift was made from his estate.

Cornell’s lifetime giving to MU, which also includes support for the eponymous Cornell Hall, the business college’s home, exceeds $13 million.

“One hundred years from now, we’ll still celebrate the Cornell Leadership Program because of this endowment,” Loftin said. “That’s how special this gift is. It’s not just for the moment; it’s for eternity.”

Impact and Gratitude

The leadership program accepts only high-achieving freshman and junior students and offers them an enhanced, hands-on student experience, including national and international corporate field trips, mentorship, leadership seminars and luncheons with visiting executives. For Mullineaux, the program helped an intimidatingly large campus to feel small.

“Mr. Cornell, your generosity has changed my life, and all my classmates’ lives,” said Mullineaux, BS BA ’14, who is now a first-year law student at MU.

It’s that gratitude from students, says Cornell, the former longtime CEO of Leggett & Platt, a Fortune 500 manufacturing firm based in Carthage, Mo., that keeps him involved with the school and makes him continue to give.

“Make the best of it,” he told the leadership students who crowded the room. “You’re capable of doing anything you make up your mind to do. But don’t forget the joy of sharing.”
Bob & Michelle Maher make a long-term commitment to Mizzou

Bob and Michelle Maher met in their hometown of Slater, Mo., when Michelle was an incoming freshman and Bob was approaching his junior year of high school.

Although five of the nine Maher brothers would eventually attend the University of Missouri, Bob’s own path did not lead directly to MU. His first challenge was to find a way to pay for his education, which led to an appointment at the Merchant Marine Academy. Life at sea aboard a civilian ship did not ultimately appeal to Bob so, as a sophomore, he enrolled in Mizzou. His choice of study was largely influenced by Slater’s town banker, a pillar of both the community and the local Catholic church. Because Bob grew up knowing he wanted to be a banker, he chose to major in finance.

After graduating in 1976, he began a career that would be varied and rewarding if not circuitous. Over the years, he would serve as CFO or president in various financial institutions in the Kansas City metro area before he found his niche in the mortgage business. Taking a mid-career risk, he took an entrepreneurial turn by co-founding eSmartloan in 2001, ultimately leading to an acquisition by CapitalOne in 2005. Today, he enjoys his work with National Bank of Kansas City as director of mortgage operations.

“I was pretty sure that my first job would be in retail, but the confidence and knowledge I’d attained in the MU College of Business set me up for an interview that defined my career and put me on the path to a challenging and enjoyable time in the workforce,” reflected Michelle.

A few years ago, Bob and Michelle decided they wanted to put a long-term plan in place to give back to their beloved alma mater. After meeting with their attorney, they explored what they later called a “no brainer” – establishing an insurance gift for the Robert J. Trulaske, Sr. College of Business. They met with their insurance agent, who was also a Mizzou graduate, and that led to the purchase of a policy for the benefit of the university; specifically, the Department of Finance.

“We didn’t need to talk about it for long. We had been Lifetime Members of the Mizzou Alumni Association for years and we were members of the Davenport Society, so this just seemed like the next logical step in our quest to stay connected with Mizzou,” said Michelle.

In 2007, their connection deepened when their son, Cory, made MU his first-choice school. In 2012, Bob and Michelle swelled with pride when Cory accepted his diploma from the University of Missouri Trulaske College of Business. He had earned a degree in marketing.

In 2014, they proudly added their names to the inaugural Honor Roll of the 1914 Society, which recognizes supporters who donate by means of a bequest, life insurance or another university-approved deferred gift. The 1914 Society mirrors the parameters of the MU Legacy Society, which includes donors of all ages with gifts of any amount who use an approved estate gift tool to become members.

Today, the Mahers continue their commitment to MU as dedicated Tiger fans and supporters of the Tiger Scholarship Fund. “There are so many ways to give back to MU and alumni support has never been more important in sustaining the growth of the university,” said Bob. “The gift of an insurance bequest to MU is an easy and accessible way to ensure that our alma mater continues to send well-qualified graduates into the workforce, ready to contribute and excel in the rapidly changing world of business.”
Washington eyes rules on inheriting capital gains property

This year’s fiscal discussion between Congress and the White House puts a spotlight on the capital gains tax. In January, the president said he would push for changes in the law. This Congress is unlikely to allow any changes that look like new or increased taxes and they have the votes to prevent passage. Part of the conversation will center on taxing inherited capital gains property. Current law allows for a “step-up in basis” on capital gains property so heirs do not owe capital gains on property when inherited. The basis is the market value of the property when first purchased. The gain is growth in the value of the property since its purchase. Current law says the tax is owed on the gain when there is a change in ownership such as with the sale of the property, except in the case of transfer by inheritance, or transfer to charity.

Potential loss of an important advantage in estate planning

The administration wants to eliminate the step-up in basis on property inherited by an individual. If the proposal ever becomes law, capital gains property will lose an important advantage in estate planning for inheritance. There has been no discussion so far that the step-up in basis would go away for gifts of capital gains property to charity. We will watch for any changes that affect estate planning and charitable giving.

Capital gains property still great current gift to charity

Tax on capital gains property such as securities and real estate can sting tax payers in the highest brackets at a rate of more than 28 percent. Not selling first but giving appreciated assets directly to a charity instead allows a donor to avoid the capital gains tax, according to current rules. The charity gets a basis on the donated property at the highest fair market value of the property at the time it is transferred to the charity and allows the donor to avoid tax on the gain.

Reduce effects of capital gains taxes and create stream of payments to you or loved ones

Highly appreciated assets often do not produce income. Such property can be a great way to fund a gift arrangement that provides a stream of income. When a donor makes a gift of appreciated property to a charity in exchange for a life income arrangement, the donor is allowed to spread the capital gains tax over the life of the agreement, reducing the impact of the tax on the donor and creating a stream of payments over a period of years or a lifetime. Donors can accomplish this through certain types of charitable trusts or charitable gift annuities. The University of Missouri offers both types of life income agreements. Consult your financial advisor when considering a charitable gift.

The many ways to make a gift using a retirement account

If you missed last year or were not qualified to do a charitable IRA rollover, there are other ways to make a gift from your retirement accounts. The charitable IRA rollover law only applied to gifts from traditional and Roth IRAs. Rollovers from other retirement accounts were not allowed under the provisions of the law. With proper planning, a charitable gift from your retirement plan can limit or reduce your tax burden. Consult your financial advisor when considering a gift from a retirement account.

Give to charity now and get a charitable deduction

Qualified distributions from retirement accounts are taxable, but when given to charity, the charitable deduction may be used to help offset taxes. Keep in mind your age when considering a withdrawal or rollover from your retirement accounts. Stiff penalties apply to withdrawals to account owners under the age of 59 ½. When you turn 70 ½, you must make minimum required withdrawals. Certain age requirements apply to the IRA charitable rollover when in effect.

Give to charity later and avoid taxes

The tax owed on a retirement plan does not go away at death. The tax liability passes into the estate and onto heirs with some exceptions, such as when a charity is beneficiary of the account. Charities are not taxable and do not go away at death. The tax is owed on a retirement plan can limit or reduce your tax burden. Consult your financial advisor when considering a charitable gift.

You can join your legacy with the legacy of the Robert J. Trulaske, Sr. College of Business at MU.

Learn how creating a legacy can fit your financial needs and help meet your philanthropic goals. Contact us today.

Robert J. Trulaske, Sr. College of Business

Trulaske College of Business Advancement Office  |  408 Cornell Hall Columbia, MO 65211  |  573-882-6768  |  mizzoubiz@missouri.edu
MU Office of Gift Planning and Endowments  |  800-970-9977  |  giftplanning@missouri.edu
University of Missouri  |  Office of Gift Planning and Endowments  |  302 Reynolds Alumni Center  |  Columbia, MO 65211