Creating a Legacy

Gale McCreary Wilson-Steele, ‘74, has devoted her life to building things. As a licensed contractor, she built homes. As an entrepreneur, she created a successful Internet company. As a parent, she raised four children.

However, when it came to managing her planned gift at Stanford, Wilson-Steele decided to let others do the heavy lifting. She appointed Stanford as trustee of her charitable remainder unitrust. It was also important to her that the university be able to use the funds to meet its greatest needs when the trust matures. That is why she made her planned gift unrestricted.

“I trust that Stanford’s experts know the best way to direct the money,” she explains.

From Entrepreneur to Benefactor

Wilson-Steele’s charitable journey had an unusual start. After graduating from Stanford as a biology major, she became a licensed contractor, learned computer-aided design, and launched a gourmet food website. Then, together with a Stanford alumnus angel investor, she created MEDSEEK, a company that builds software to help hospitals connect with patients and doctors.

At first, she worked long hours for uncertain returns. “I paid my bills off my credit card,” she recalls.

It took 16 years, but finally Wilson-Steele was able to think about how to use her assets to make a charitable gift. She believes in “tithing”—giving away a percentage of one’s earnings—and was interested in supporting areas as diverse as medicine, international relations, the environment, and education.

“I called Stanford, because it felt like one-stop shopping,” she explains.

Choosing the Right Gift

Wilson-Steele worked with her advisors and Stanford’s Office of Planned Giving to choose the gift...
that would best meet her needs. Although most people fund charitable remainder unitrusts with cash or publicly traded securities, Wilson-Steele’s gift was more unusual because she used 10 percent of her company shares to create a charitable remainder unitrust.

She was glad to learn that the university could become the trustee of her trust—she says she has confidence in Stanford’s expertise in managing assets.

After the stock was sold, Stanford as trustee invested the proceeds with its endowment. Now Wilson-Steele receives income from the trust for her lifetime: annual payments in the amount of 5 percent of the principal (the exact amount fluctuates depending on the trust’s value at the beginning of each year).

There were other upsides to the unitrust for her and her family. Wilson-Steele designated her husband, Gregory Steele, as her successor beneficiary, so that he will receive income if she passes away first. She also was happy to take a charitable income tax deduction for her gift, which helped reduce her income taxes.

“It’s such a win all the way around,” she says.

Although many planned gifts are earmarked for a specific use, Wilson-Steele consciously decided not to do that. She had learned how valuable a flexible gift can be for university leadership. That’s why she created an unrestricted gift that Stanford can direct toward its greatest needs when the trust matures. (See sidebar.)

Enjoying the Benefits
Since selling her company, Wilson-Steele has been able to devote more time to traveling, visiting her four grandchildren, and riding her three horses. She recently trekked Peru’s Inca Trail. In California, she enjoys exploring the trails around her homes in Felton and Solvang and making wine from her Syrah vineyard.

The payout that she receives from the charitable remainder unitrust comes in handy these days.

“It’s a very nice additional income stream right now,” she says.

Wilson-Steele also has enjoyed being part of Stanford’s Founding Grant Society. As a member of this group, which recognizes those who have chosen to make a bequest or planned gift to support Stanford, she has been invited to special events on campus, where she has met many other benefactors.

“It’s opened up a whole new social outlet.”

This past year, Wilson-Steele has taken some time to talk with fellow alums by serving as the planned gift chair for her 40th reunion. “I enjoy connecting with my classmates and learning what they’ve been doing for the past decades.” She also shares with them the benefits of a planned gift.

The Face of Stanford’s Future
There’s something else that inspires Wilson-Steele to give back: the next generation of Stanford alumni. She is getting to know several of them through her son, Luke Wilson, ’16, a computer science major. His friends are exactly the kind of young people she hopes to encourage with her giving.

“Each of these students is trying to impact the world in a positive way,” she says. “Stanford nurtures and nourishes their desire to benefit humankind.”

Building a better future—that is at the heart of the university that Wilson-Steele is proud to support with her planned gift.
rest of their lives. She learned that a Stanford charitable remainder trust would allow her to do both.

To fund the trust, she chose to use stock in her privately held company, which had increased in value. She knew that if she sold the stock or the company, she would face a large capital gains tax bill. To fit her situation, we suggested that she consider a special type of charitable remainder unitrust sometimes called a “flip” trust.

With a flip trust, the trustee is required to pay only the net income (rents, royalties, dividends, and interest, minus expenses) to the income beneficiary until the year after a “flip” date, which is a term defined in the trust and may be the date when certain assets in the trust are sold. Starting with the year after the flip date, the trustee pays the income beneficiary the full unitrust amount annually for the rest of the trust’s term. That amount is a percentage of the trust’s assets chosen by the donor, which must be at least 5 percent.

The first step for Wilson-Steele was to transfer her shares into a flip trust. Because the trust was destined for a charitable purpose and tax-exempt, no capital gains taxes were owed when the trustee sold the appreciated stock—allowing the full value of the shares to be invested in a diversified portfolio.

At the beginning of the year following the sale, the trust “flipped,” changing from a net income trust to a standard unitrust, which then began providing Wilson-Steele unitrust payments based on the percentage she had selected. For her, the flip trust was perfectly fitted to her needs.

A flip trust is just one of several kinds of planned gifts available. Please contact the Stanford Office of Planned Giving if you are interested in learning what would suit you best. We would be glad to help you find a great fit.

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**Your Planned Gift: Unrestricted or Restricted?**

When considering making a planned gift to Stanford, you have several choices. One choice is whether to designate your gift as **unrestricted or restricted**.

An unrestricted planned gift, like the one made by Gale Wilson-Steele, allows Stanford to use the funds, once available, to support the areas of greatest need. Unrestricted gifts are extremely valuable because of their flexibility: Stanford’s leadership determines how to use the assets to support the objects and purposes of the university. In a given year, this could range from scholarships to research initiatives to earthquake preparedness.

A restricted planned gift allows you to support one or more areas that are meaningful to you. For example, you may wish to support undergraduate financial aid, graduate fellowships, or a specific area of research.

For both unrestricted and restricted planned gifts, Stanford’s Office of Planned Giving would be happy to provide language for your estate plans.
Remember Stanford

- Please send me information about:
  - Making a bequest to Stanford.
  - Making a life income gift (e.g., charitable remainder unitrust, charitable gift annuity) to Stanford.
  - Making a gift of real estate to Stanford.

- I have remembered Stanford in my estate plans as follows:
  - I/We have named Stanford University as a beneficiary of a will or living trust.
  - I/We have named Stanford University as a beneficiary in one or more of the following:
    - IRA, pension, or other retirement account (e.g., 401(k) or 403(b) plans)
    - Charitable remainder trust
    - Life insurance policy
    - Other (please specify):

  - Approximate amount and purpose of gift (optional):

- I have remembered Stanford in my estate plans as described above, and I wish to join the Founding Grant Society. I understand gifts to Stanford that are highly contingent in nature (i.e., where it is unlikely that the university will ever actually receive anything) do not qualify for membership in the Founding Grant Society.

Recognition options for the Founding Grant Society:
- Please list my/our name(s) in Founding Grant Society honor roll listings as shown below.
- Please do not include my/our name(s) in Founding Grant Society honor roll listings.

SIGNED

NAME(S) (PLEASE PRINT)

ADDRESS

CITY   STATE   ZIP CODE

PHONE

EMAIL (OPTIONAL)

OFFICE OF PLANNED GIVING
650.725.4358
Fax 650.723.6570
rememberstanford@stanford.edu
plannedgiving.stanford.edu

Thank You
to all those who have chosen to include Stanford in their estate plans.
Your gift will help sustain the university for generations to come.
Recent Estate Gifts

Stanford is grateful to the generous alumni and friends who have remembered the university in their estate plans. The following is a sampling of recent estate gifts:

**Pauline Brown, ’41, AM ’59**, left more than $2.7 million to Stanford. The gift is divided among the Pauline Brown Scholarship Fund for undergraduates, university libraries, the Department of Art and Art History, Cantor Arts Center, and the Department of Political Science.

**Susan Diamond, AM ’58**, made a bequest of more than $6.2 million to support research at the School of Medicine.

**Marian Freilinger**, a friend of the university, left an unrestricted bequest of $50,000.

**Harry Inger Friis**, a friend of the university, gave nearly $2.7 million. Her bequest establishes the Harvey J. Cohen, MD, PhD, Endowed Fund in Memory of Harald Trap Friis, which benefits the pediatrics department in the School of Medicine, and also supports a pediatrics expendable fund.

**Janet M. Hanson, ’51**, left a gift of $3,000 to support undergraduate scholarships.

**Joan Green Harris, ’46**, bequeathed more than $1 million to benefit the A. Vernon Green Scholarship for law students, adding to a fund originally created by a bequest from her father, **A. Vernon Green, ’21, JD ’28**.

**Harry Ptasynski, ’50**, along with his wife, **Nola Grace Ptasynski**, named Stanford as the beneficiary of IRAs, directing more than $800,000 to support the Hoover Institution and the Buck/Cardinal Club.

**Anna L. Stephens**, a friend of the university, made a bequest of $1 million to Stanford in memory of her late son **John J. Stephens, Jr., PhD ’85**.

The gift will support the John Stephens, Jr., Graduate Fellowship in the School of Engineering as well as research at the Cystic Fibrosis Center at Stanford.

**Kenneth Swanson, ’41**, bequeathed more than $5.1 million to Stanford. The gift is unrestricted.

**John Hamilton Wise, ’44**, made a bequest of $140,000 to the university.

**Harry Fletcher Wolcott, PhD ’64**, left a gift of real estate to the School of Education valued at nearly $520,000. The gift will support the Harry F. Wolcott Fund for research as well as faculty in the fields of anthropology and education.