Gift and Estate Planning

UK grad uses donor advised fund to advance hometown cause

When Ashland, Kentucky, native, John C. Stewart, Jr., graduated from high school in 1964, he had two choices. He could go to work for Ashland Oil, or he could go to college.

“No one in my family had ever graduated from college,” he recalls. “I decided to enroll at Ashland Community College, which was a part of the University of Kentucky at the time. I had been unaccepted as a high school student and that meant I had to take summer classes to prepare for college work. My dad said he wouldn’t pay for bad grades, so that put me on my own.”

After two years at the community college, John transferred to UK. “It was all I could do to study and make the grade at the University,” he remembers. “I lived near campus on Linden Walk with four other guys and worked my way through college.”

“When I graduated from the University in 1968, it was a big thing for my whole family,” he continues. “About 20 relatives came from Ashland to Lexington to see me graduate. I also received an award for paying 100 percent of my college expenses.”

John sought full-time employment after college, and was considering working for the University when he was offered a position in Ashland. “I had gone to church with Robert Van Hose, and he owned and operated furniture stores. He said I could work for him while I was looking for a good job.”

That was the beginning of a highly successful business career. John shares, “I work harder than most people do. Robert began buying other stores and the business grew. I was working 10 to 12 hours a day, seven days a week. Robert offered to make me his business partner. I accepted, and I stopped looking for another job.”

Eventually, the two partners operated 19 stores. Among other things, John was highly successful in pioneering local television advertising for the business, and was even called upon in the 1980s to assist Warren Buffett—now well-known at the time—with television promotions for his retail furniture business.

When John and his partner had a particularly successful business venture 11 years ago, they established a philanthropic foundation. John explains, “The towns where we conducted business had been good to us, and we wanted to give back to the local communities.”

Since that time, the foundation has been making substantial scholarship grants to several students a year to further their education. John recalls, “We wanted to help our local young people have a vision as to what they could achieve, whether it be college, vocational school or something else. We’ve had a good number of college graduates so far, and a couple have gone on to medical school, a couple have become lawyers, and some have come back to work for us.”

When John decided to retire, he looked for a more efficient way to manage his philanthropic giving. “I’m driven by helping young people get an education,” he says. “And I wanted to continue this work in the years to come.”

My advisor suggested that I convert the foundation assets into a donor advised fund. I explored options with different investment companies and church-related organizations, but ultimately, I decided to establish a donor advised fund with the University of Kentucky because that’s where my heart is. My wife and I both graduated from UK as did two of our children, and we all have a strong attachment to the University.”

John continues, “A donor advised fund enables our philanthropically-minded children to continue giving into the future. From a management point of view, it’s much easier to operate a donor advised fund than a private foundation. And my financial advisor can still play a role in overseeing the sound management of the fund’s assets.”

John also supports his community through service on the board of a private high school, the regional hospital and a local bank. He likewise serves as chair of the board of directors at Ashland Community and Technical College.

Mike Richey ’73 ’79, UK Vice President for Development, observes, “We are grateful that John chose to establish his donor advised fund at the University of Kentucky. Donor advised funds offer a wonderful way for individuals and UK to partner together in accomplishing significant goals for both hometown causes and the Commonwealth.”
A charitable bequest is a simple way to support UK

One of the most effective but simplest ways you can support the University of Kentucky is by including a gift in your will. Also known as a charitable bequest, a gift made through your will can benefit both you and the causes most important to you.

Consider these benefits of charitable bequests giving:

• A bequest is flexible. You can make a gift today by including a provision in your will, and change your mind anytime in the future.

• With a bequest, you can give as much as you like without impacting your lifestyle today.

• You can continue to make use of your assets (your home, stocks, IRA, etc.) during your lifetime, since a charitable bequest is made through your will.

• It typically costs little to add a charitable bequest to your existing will, or at a later date when you decide to update your plan.

• If you have a taxable estate (over $5.43 million per person this year), your estate may benefit from tax savings. This means that you may preserve assets, or a portion of your estate, for your family.

• You can create a legacy by which to be remembered through bequest giving.

If you have already included the University of Kentucky with a bequest in your will or trust, please notify the UK Office of Gift and Estate Planning by means of the enclosed response card. If you need help in creating your special legacy at the University of Kentucky, please call on UK’s qualified and experienced gift and estate planning officers.

From where I sit . . .

by Mike Richey ’73 ’79

Vice President for Development and Chief Development Officer

150 years is a long time

Earlier this year, we began celebrating the sesquicentennial anniversary of the University of Kentucky. For fifteen decades, thousands of students have come to our campus seeking an education and a promising future. Many have been the sons and daughters of Kentucky’s hard-working families. And they have gone on to do extraordinary things in the Commonwealth and around the world.

As we look back on the past 150 years, it’s amazing to realize the University of Kentucky actually began.

It all started with a vision

In 1865, Harrodsburg attorney and farmer, John Bryan Bowman, wanted to establish an educational institution in Lexington equal to any in America. He rode horseback through the Bluegrass countryside, inspiring others to join his quest to establish a University for Kentucky. He secured what was a huge sum, for that era—$100,000 in gifts and pledges from more than 150 farmers and townpeople. This amount was used to purchase the grounds and erect the buildings for the new University in Lexington.

Philanthropy transformed the vision into reality

Bowman’s founding vision, his unrelenting zeal and the institution which over time has enhanced the lives of countless individuals. The University of Kentucky’s distinguished century and a half of education, research, outreach and service began with one man’s vision and transformed philanthropy to make that vision become reality.

UK needs 21st century visionaries

As we look ahead to the next 150 years, we draw our inspiration from Bowman and his fellow Kentuckians whose foresight and philanthropy started our great University. They set the example in dreaming and giving for others to follow. They showed us the future generations what could be accomplished when likeminded individuals commit themselves and their resources to the grand idea of advancing the Commonwealth.

Today, the University of Kentucky needs individuals like Bowman who believe in its limitless potential, and its extraordinary capacity to impact the Commonwealth for years to come. Private philanthropy is needed now more than ever before in the long history of the University. Private philanthropy can help shape the University for unparalleled—ever undreamed of—accomplishments in the decades ahead.

Leave your legacy for the next 150 years

Few people ever stop to imagine what good they can do through their own personal philanthropy. Many never recognize the ability they have to make a transformative difference in the lives of future generations. But we have only to look at Bowman to realize what one person can accomplish with a tremendous start and the commitment of personal resources.

This issue of the Benefactor highlights three popular, tried-and-tested planned giving options—bequests, charitable gift annuities and donor advised funds. Each of these planned gifts can strengthen the University for the future while also potentially benefiting the donor and the donor’s family through tax savings and other advantages. I invite you to consider how these giving options may coincide with your own personal situation and your philanthropic aspirations for the University. Our skilled gift and estate planning officers are available to assist you in creating what can be your lasting legacy at the University of Kentucky.

As in Bowman’s day, the support of our UK family is the foundation upon which we will build the University’s next 150 years. Join the ranks of our 21st century visionaries whose philanthropy will propel us forward into a new era as Kentucky’s flagship and land grant research University.

Mike Richey
Vice President for Development and Chief Development Officer