

# MIZZOU Legacies

## Healy supports HES by design

Marcia Healy knew she wanted to study design before ever coming to the University of Missouri. Healy (pronounced “Haley”) put her MU degree to work as an interior designer from the day she left Columbia in 1968. Since then, Marcia, BS HE ’68, and her husband Robert Healy, BS E ’64, Ph.D. ’68, enjoyed rich careers, Robert as an internationally renowned chemical engineer, and Marcia with a successful interior design business, Healy & Company, in Houston.

Over the years, the Healy’s supported Robert’s alma mater, the MU College of Engineering with significant gifts. In recent years, the

Healy’s focus includes supporting Marcia’s alma mater, the MU College of Human Environmental Sciences. They created a lecture series, helped with renovation of Gwynne Lounge, and are establishing a scholarship in the Architectural Studies department through a gift from their estate.

In a recent conversation with Mizzou Legacies, Marcia talked about how she came to attend MU, and how her education helped shape her career and life since college days. She said, “I knew I wanted to do something in design but did not know what. I looked at design programs. I was from St. Louis.

Wash U had a fantastic graphic design program. But I didn’t want to live at home and I saw graphic design was not the direction I wanted to go.” After considering a number of programs, Healy decided to study interior design. Her father, an attorney, also built homes. She saw first-hand the opportunities in interior design. She learned MU had a design program so, in spite of her parent’s desire for her to stay close to home, she enrolled at Mizzou.

While at MU, Marcia met her husband, Robert, of Independence, Mo. Marcia Jeanne Wehrl married Robert Aug. 26, 1967. After finishing a Ph.D. in chemical engineering in 1968, Robert took a job with Exxon Oil Company in Houston. Marcia said, “I started doing interior design work with stores which was fine until after two years we were transferred to a little town in Illinois so I started doing consultations.” When the Healy’s returned to Houston, they started a family. Marcia said, “Stores wanted you to work on weekends so I started working on my own so I could set my own hours.” In business for herself, Marcia ran Healy & Company for more than 40 years and is a past member of the American Institute of Interior Designers. For the last ten years, Robert has been retired, and Marcia has stopped working full time, only occasionally consulting for friends.

Marcia remembers her time at MU with fondness. She described it as a wonderful time with memories of football, and parties. She said, “I loved my school. I loved walking across campus except for winter.



Robert and Marcia Healy receive Legacy Society cube at the 2014 Mizzou Legacy Society Event in Columbia, April 25, 2014.

# Flexibility key to best plans

Volatile markets now and in the future present steep challenges for financial planning. According to a recent article by financial advisors Jeff Lydenberg and Jeffrey Frye, “For the first time in seven years, the stock market didn’t end the year ahead of where it started.”

The ups and downs of the market may be manageable for many investors, but is unsettling for retired persons with such investments. Lydenberg and Frye agree that flexibility and risk reduction are the keys to good planning in today’s financial environment. They said protecting principal and relying on income from investments are

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priorities for retirees, but market instability can negatively affect both dividends and bond yields: “As such, planned gifts offering a combination of steady payments and generous income tax charitable deductions are going to best suit donors in times of volatility, especially planned gifts that offer the least risk and the most flexibility.”

## Risk reducing planned gifts

Donors wanting to reduce risk may find respite through a charitable gift annuity. A Mizzou charitable gift annuity offers a fixed payment guaranteed to last for life. The older the annuitant, the higher the rate, topping out at 9% for the oldest annuitants.

These fixed payments are not tied to the investment performance of the donated assets, according to Lydenberg and Frye. They said, “The charity is contractually obligated to make the payments so the annuity payments are insulated from volatility. The older the annuitant, the higher the payment, but once payments begin there is no adjustment. In a high inflation economy, the value of a fixed payment would be eroded over time as the cost of goods and services increase. In an economy such as we are experiencing now, due to low inflation, the purchasing power of the fixed annuity payments is much less affected by increasing prices of goods and services.”

Shifting assets such as stock to a charitable gift annuity offers donors a low-risk alternative with better income. For the same reason, donors may want to fund charitable gift annuities with assets that produce little or no income. At the University of Missouri, a charitable gift annuity can be funded with cash or with securities such as publicly-held stock. The charitable remainder unitrust offers an alternative gift vehicle for the MU donor wanting to convert real estate into a stream of income.

## Accomplishing more through flexible planning

Bequest and beneficiary designations offer the ultimate in flexibility, according to Lydenberg and Frye who said: “The combination of market volatility and the desire to access principal makes the gift

# The Permanent Charitable IRA Rollover

vehicle of choice a revocable gift that is only effective at the death of the donor. Such a gift can be expressed as a percentage of the assets remaining at the donor's death. The size of the gift fluctuates with the size of the donor's estate at death."

Family and other priorities are not ignored or neglected through good bequest and beneficiary designation planning. Heirs may be provided for first, or with a portion of the estate without negating philanthropic goals.

## Conclusion

Lydenberg and Frye agree that volatility of investments will continue to be a major concern for the time being. Planned gift solutions that offer maximum flexibility like bequests and beneficiary designations are attractive to donors concerned about outliving their resources. They also said, "Gift annuities offer reliable fixed payments at attractive rates that can reduce the impact of volatility on a donor's income. Charitable remainder trusts can offer ways to diversify portfolios and minimize capital gain tax consequences at the same time."

For more information on how to create a planned gift, contact the MU Office of Gift Planning, 1-800-970-9977, or email: [giftplanning@missouri.edu](mailto:giftplanning@missouri.edu). Information in this article is for educational purposes. Consult your tax and legal advisors about the best way to create a charitable gift to MU.

*\* Jeff Lydenberg is vice president for consulting, and Jeffrey Frye is senior client services advisor for PG Calc. PG Calc is a leading provider of planned giving software, marketing and consulting solutions.*

In December 2015, the President signed into law the charitable Individual Retirement Account (IRA) rollover. After years not knowing from one year to the next if it would be approved, now donors can confidently incorporate the charitable rollover in their financial and philanthropic plans. Congress left the provisions of the charitable IRA rollover in place. This article reviews those provisions and suggests planning opportunities for those eligible to take advantage of the charitable IRA rollover.

- **Donor must be 70 ½ years of age or older to take advantage of the charitable IRA rollover.** In the first year an IRA holder must make Required Minimum Distributions (RMD), donors can make a rollover directly to their favorite charities like the University of Missouri.
- **Donors can give up to \$100,000 annually.** Donors can do as many rollovers to as many qualified

charities as there are ways to divide \$100,000 in a given year.

- **Charitable IRA rollovers can only be done from an Individual Retirement Account (IRA).** Many people have other kinds of retirement accounts, typically a 401k or 403b account. For example, if a donor with a 401k wants to take advantage of this law, the donor must first roll the 401k into an IRA. Then, the donor can make a charitable rollover from his or her IRA as long as all other requirements are met.
- **No "quid-pro-quo" allowed.** Contributions do not qualify if the donor receives anything in return for the gift.
- **Nor can donors use the charitable IRA rollover to create gift annuities.**
- **Not all charities can receive charitable IRA rollovers.** The University of Missouri is a qualified charity.

## Incorporating the charitable IRA rollover into your financial and philanthropic plans

At age 70 ½, IRA owners must begin making Required Minimum Distributions (RMD) from their retirement accounts. This creates problems for some donors who don't need the income and who are concerned RMD may increase taxes.

If you are a donor with a pledge to the University of Missouri, consider using some or all your RMD to make annual pledge payments. Making charitable IRA rollover distributions can fulfill part or all of your RMD.

For the donor with RMD that will create significantly higher taxes, one planning method is to reduce the size of the fund. The RMD is

calculated annually on the size of the fund. Use the charitable IRA rollover to reduce assets in your IRA accounts. Your charitable rollover will help make future taxes on RMD more manageable, and even eliminate taxes on the RMD in the years you make rollovers in excess of the RMD amount. Remember, rules allow up to a total of \$100,000 each year through a charitable IRA rollover to one or more qualifying nonprofit organizations.

Your charitable IRA rollover gifts to the University of Missouri count toward Jefferson Club membership as well as other University, School and College recognition societies.

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When I was there girls could not wear slacks so I did not like winter.” Marcia is proud of progress she sees on campus especially with students in her alma mater, which motivates her to support the College of Human Environmental Sciences. She likes how students are treated and how they take advantage of today’s opportunities. Marcia said, “Students were at the bottom rung off the ladder in my day. That’s not true today.”

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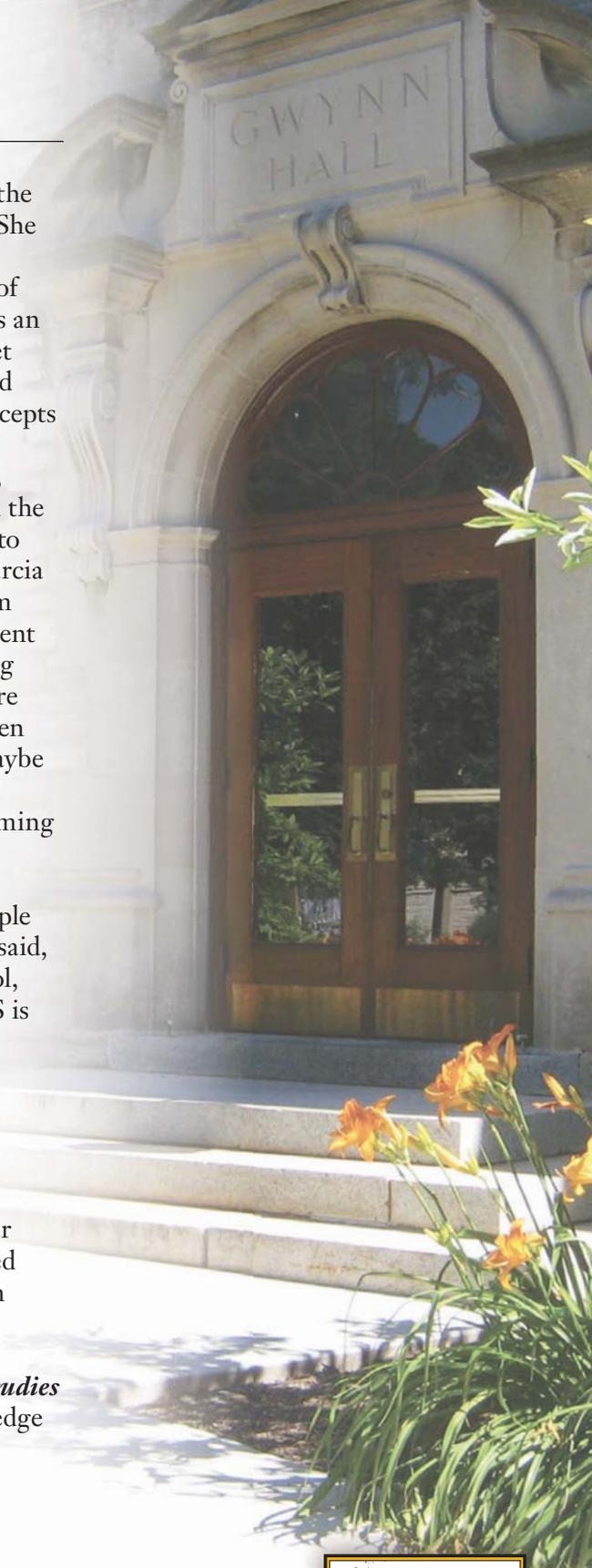
### Lectureship and Legacy

In 2003, the Healy’s funded the *Marcia Webrle Healy and Robert N. Healy Interior Design and Architecture Lecture Series*. Marcia said that, at the time, much of their giving had been to Robert’s alma mater. She and Robert determined it was time to do something meaningful for HES. She talked with the Dean and HES advancement director Nancy Schultz about the college’s needs and considered several projects. Marcia remembered guest lectures had a great influence on her when she was at MU. She

ran the idea of a lectureship by the college and they were all for it. She said, “It has turned out to be so good. We’ve been to every one of them.” The lectureship provides an opportunity for students to meet prominent interior designers and architects who share design concepts and theoretical perspectives.

Since starting the lectureship, the Healy’s have volunteered on the Dean’s advisory board, coming to campus at least twice a year. Marcia said their increased volunteerism coincided with Robert’s retirement more than 10 years ago, allowing them to get back to Mizzou more often. She said, “Before that when he worked we could get back maybe once a year. Now we have the freedom.” Once they started coming back and the more they learned about HES, the better they felt about their support and the people they met at the college. Marcia said, “When I went back to my school, they really seemed to care. HES is really great!”

In addition to their financial support, the Healy’s hosted an alumni event in 2013. They are Distinguished Fellow members of the Jefferson Club and serve on advisory committees for their colleges and for the MU Planned Giving Advisory Committee. In 2015, The Healy’s established *The Robert and Marcia Healy Scholarship in Architectural Studies* for graduate students, with a pledge of a bequest from their estate.



**You, too can join your legacy with the legacy of the College of Human Environmental Sciences. Learn how creating a legacy can fit your financial needs and help meet your philanthropic goals. To learn more, go to [bequest.missouri.edu](http://bequest.missouri.edu).**

College of Human Environmental Sciences Development Office 573-884-9081, [schultzn@missouri.edu](mailto:schultzn@missouri.edu)

MU Office of Gift Planning and Endowments 800-970-9977, [giftplanning@missouri.edu](mailto:giftplanning@missouri.edu)

 University of Missouri • Office of Gift Planning and Endowments • 302 Reynolds Alumni Center • Columbia, MO 65211

