

Virginia Museum of Fine Arts
Transcription of the Campaign Committee Meeting
Wednesday, 20, 2021, 4:00pm
Video Conference

Meeting called to order at 4:01pm.

Full attendance listed in the meeting minutes.

Jill Harris: Good afternoon and welcome to everyone. We are delighted to see all of you. Thank you for your attention and your commitment to this wonderful community. I am going to turn it over to Monroe.

Monroe Harris: Thank you. Again, thank you all for being here and welcome. It is a good day today, and I am happy that you are here. Thank you for your attention and your support. I will call this meeting of the Campaign Committee to order. We, in accordance with the requirement of virtual meetings, offered a public comment period. There were no requests for public comment, so we will proceed with the consent agenda. We are being recorded, everyone. I am so happy that we are able to gather, and it is a good day. It is a new day. I am looking forward to moving forward. I would like to welcome two new members, since our last meeting. Martha Glasser, I cannot see you, but if you are on here, welcome. Jay Adams, Jay, are you with us?

Jay Adams: Yes.

Monroe Harris: All right, thank you for being here. Jay is from the Northern Virginia area. Today we will have presentations from Alex who is going to give us a museum update, Tom is going to give us good news about the Campaign, Michael has exciting news about the building expansion, and we will hear a presentation about planned giving from our campaign consultant. Before we proceed, it is my pleasure to introduce a preview of our upcoming exhibition, the *Dirty South*, curated by Valerie Cassel Oliver. Because we are unable to get together personally to discuss possible sponsorships of our exhibitions, we decided to do it virtually. I think the first one was last night.

Tom Gutenberger: The first one was last night. It was great. It went really well.

Monroe Harris: Good. We created a video preview of the *Dirty South* which we want to show you all now. I think you will be very, very impressed and excited by this preview. Without further ado, let's take a look.

Video for the exhibition, *The Dirty South: Contemporary Art, Material Culture, and the Sonic Impulse*, was played. Its transcription is as follows:

Narration: What is the Dirty South? It is a place, a feeling, an essence, a culture, a clear and present voice that had existed for centuries but had been largely ignored until Andre 3000, brash, young Atlanta and one half of the duo Outkast, stepped onto the Source Awards Stage. Upon accepting the award for Best New Rap Group, he announced, "The South got something to say." It was a simple yet resonant phrase that gave rise to a powerful voice of the Dirty South. We have been meditating on his rage ever since.

Valerie Cassel Oliver: And it just begins to open the floodgates. You know, to begin to really think and to meditate on the south as a site, as a source of inspiration, as a source which we are all drawing from. It is something that even older people understand as being this sort of amalgamation of cultures. The *Dirty South* really looks back at capturing not only how that is manifested visually, but how it is also manifested sonically.

It really is a sort of thought of, or distilled some of the things that they were thinking through. What do they most reference upon? Often, it is the land. It is both the man-made land. It is also the natural landscape, which it often times feels very surreal. There is a sort of magicalness about the landscape.

We are looking at belief systems, whether they manifest in the sacred or in the secular, whether it is understanding oneself interdimensionally. You know, being in both this place and in another place that one can extend one's body. You know, through not only adornment, but extending one's body through thought processes.

The third part is the body itself. What does blackness feel like? What does it look like? It is the cadence of the voice. It is the movement of the body. And, I think those things still hold very true. Even though we are drilling down 100 years, we know it goes back for centuries. It is that persistence of traditions that go on and on and on and evolve with each successive generation.

We have really been thinking long and hard about how to really embrace all cultures here at the museum, but certainly looking at the south, looking at our own backyard, as spaces of inspiration. I think everyone will see themselves reflected in this work. While it comes out of an African American expression, it really frames our collective expression.

Monroe Harris: Fantastic. Hats off to the marketing team that put this together. Tom, you all did a great job. If you have any questions about the exhibition or potential sponsorships, please get in touch with Tom. Next on the agenda, may I have a motion to approve the minutes from the January 21, 2020 and September 29, 2020 meetings?

Joan Brock: So moved.

Monroe Harris: May I have a second? Please say your name, when you make a motion.

Joan Brock: Joan Brock.

Monroe Harris: Now, may I have a second?

David Goode: Second. This is David.

Monroe Harris: Thank you, David. All in favor?

Committee Members: Aye.

Monroe Harris: Opposed? I think there is no opposition, so the minutes are approved. Alex, I will hand it over to you now.

Alex Nyerges: Okay, thank you Monroe. Hello everybody. For those of you who I have not seen, Happy New Year. You know, it may be January, but we have been busy in the first three weeks of the year. First of all, *Sunken Cities* finished on Monday. As you know, because of COVID limitations, as well as being closed for the first six weeks of the exhibition back in May and June, we did not open until July 1. Our attendance was nowhere near what it originally was projected to be. The good news was we were sold out the last couple of weeks, which is a rather interesting phenomenon. People were calling and stopping me, sending me text messages and asking for tickets. You know, there is always a room at the inn, so do not ever hesitate to ask me or Michael or any of us for VIP tickets. They get you in anytime without waiting, regardless of how crowded it is or whether it is sold out or not. It is way more convenient, so just ask. Our capacity is built, in this case, to COVID limitations, but there are surprisingly plenty of no shows. It is not just us, it is every museum. Now for the members, there are more no shows than people who buy tickets, but there is always opportunity. Never, hesitate to ask. We are sorry to see the show going back to Cairo. We were the last stop, as everybody knows.

The other big news of recent origin, and I suspect that most of you have probably seen this, is the Governor in December tapped the Virginia Museum of Fine Arts to lead the reimagination of Monument Avenue. Of course, part of it, we can credit to the commissioning of the Kehinde Wiley *Rumors of War* statue that obviously sits prominently out on Arthur Ashe Boulevard. Part of it is the fact that the Governor and the Chief of Staff Clark Mercer know we have a thick skin, because that has not been without its detractors. Two, three, four or five times a day we get emails or text messages from people, most of them saying, "I will never give you any more money." Then we recheck, and we realize they never have given us any money. That is the vast majority of people who are complaining. The vast majority, we are talking 999 out of 1,000, have loved the sculpture and think it is very important. It is also emblematic of how we need to re-envision what monuments are all about, who they are for, and how one goes about it. Michael Taylor is going to lead the project. We are going to hire staff. It is a budget proposal. There has been some action already down at the General Assembly. Earlier today, one of our state senators who is very conservative and probably not a fan of Kehinde Wiley, although he is a big fan of the museum, was trying to divert the money, \$10 million from the implementation and \$750,000 from operating. It is a real feather in the museum's cap. It is also an opportunity for us to have a major impact on the community. Since we are just a couple of blocks away from Monument Avenue, it is clearly related to where we are and what we do.

The other really important thing that happened, most of you know about and some of you would have been at the Board meeting last week, which was the approval of the 2025 Strategic Plan. Both Boards, the Trustee Board and the Foundation Board, unanimously approved the new plan. I want to say thanks to all of our folks who were responsible for that. Andy Lewis is the Chair of the Strategic Planning Committee, but Caprice Bragg is obviously the Deputy Director for Strategic Planning. She and our consultants, all of our senior leadership, all of our staff, both Boards, and then lots of others within the community across Virginia weighed in on this plan. It is a far reaching plan, like the 2020 Plan that we began in 2015. We accomplished almost everything, and much of it we even accomplished early. The 2025 Plan will transform the museum, yet again. Of course with this Campaign, with the new wing, with the annex, we are charging ahead and really charting the course for the future of this museum, not just to 2025 but well beyond.

Then, of course related to the Campaign, our largest contributor to this Campaign effort, the Commonwealth of Virginia, came through as we expected. It is \$125 million in total funding. One

hundred and twelve million dollars in this first chunk, which is a 2:1 match, two state dollars to one private dollar. Tom will give us the report in just a moment about the Campaign totals, but to all of you that have already made a contribution, I want to say thank you. All of you who are contemplating a contribution, I want to say thank you in advance. Then also, do what you can do to stretch as far as you can, because it is going to take all of us to make this Campaign successful. \$365 million is a ton of money, but as you will hear from Tom in just a moment, we are doing exceptionally well. We have more in the queue. We have a number of asks, in fact a great number of asks, out including some rather large ones. We are doing more cultivation on some rather tremendously sized gifts, so we will need good fortune. My one caution to everybody, as it has been before, there will be times like a sailboat where there is no wind for our sails. We will have nothing to move us forward, but do not be discouraged. Every Campaign experiences that, and then magically the wind picks up. We will sail successfully to our destination, I have no doubt. That is my report, Mr. President.

Tom Gutenberger: Great. Thank you, Alex. I will give the Campaign fundraising update now. To start with, thank you Monroe for introducing the video for the *Dirty South*. As Monroe said, we had West Cary Group put this together. They are doing work with Communications. Because we cannot have in-person meetings where we will pitch the *Dirty South*, as we typically have done for major exhibitions, we had to come up with a different way of trying to get our message in front of people. We have created the video that you just saw, and right now we have 10 couples that are hosting virtual meetings. They are recruiting between 10 and 15 people for each one of those meetings. As I mentioned, we had Suzy and Larry Palmer host one last evening. We have got nine more to go, and it consists of the hosts welcoming their guests, Valerie talks about the exhibition, we show the video, and then Charlotte Couch, who is in our office and is our gift officer running the campaign for the *Dirty South*, will talk about logistics. Then we have gift officers following up with each of the participants on the call, so it is a new way of doing things. If it goes like last night, then I feel really good about where we are going with it. If anybody is interested in hosting or participating in one of the meetings or supporting the *Dirty South*, please just let me know. A number of folks on the call today have already supported it.

As Alex mentioned with the Campaign, we are actually in really good shape. I think one of the things that was the best thing that we did was, in terms of planning, we said we would have a two to three year silent phase of the Campaign. Remember, the Campaign will be a total of seven years, so we said two to three years, so we probably would have to do three. Really, it was during our feasibility study and a number of people were just a bit concerned that there could be a downturn in the economy. That is why we ended up giving ourselves a little bit of leeway in terms of the silent phase of the Campaign. We did not predict that we would have a global Pandemic, but it has really set us up where we do not have to change our plans for the Campaign. As I have mentioned before, we will have three silent years, then four public. We are one and a half years into the Campaign already. Right now, we are at \$181 million, which gets us 50% of the way to goal. As Alex said, we have got a lot of work to do, but we are in good shape at this point. Of that \$125 million is the public support, that Alex mentioned, and \$56 million is in private support. The good news is since July 1, the beginning of the fiscal year, our private support for the Campaign has increased by 33%. We are seeing a lot of gifts, as Alex mentioned, also coming in and a lot of discussions about people making leadership gifts. I do want to say thank you. There are a number of people on the call today that have made leadership gifts and also have made them since the last Committee meeting. We have got about 11 gifts that are over \$100,000 or more that have come in, since the last Committee meeting. I just wanted to say thank you to all of you who supported, and really supported, different

parts of the Campaign, as you can see up on the screen where we are \$131 million in capital projects. Of course, that is \$125 million from the state. Endowment, we have got \$24 million, and then annual operating, which is membership. Some restricted giving, basically what comes in and feeds the budget is about \$25 million of that. Of the endowment, there is about \$14 million of the endowment, or \$15 million of it is unrestricted which then can be used towards the state match. A number of people have said their gifts are unrestricted at this point, but they will restrict them. Planned giving, we received \$15 million in commitments for planned or deferred gifts. Remember, our target for the Campaign out of the \$365 million was \$48 million. That is why today we have got our Campaign consultants on to talk about deferred giving. One, to give you all some tools to use when you are talking to prospects and also to think about people who might be candidates for a deferred gift. We have got our consultants that are going to talk about that in a few minutes. Overall, membership actually is flat, and kind of surprising because we have thought, like most places, we would be significantly down. We really banked on *Sunken Cities* being a driver for membership, and our special exhibitions really do drive membership. We had anticipated 225,000 visitors. I think we are going to end up somewhere in the neighborhood of 80,000 or so. That hurt, in terms of our membership. Really, to be flat I feel good about it. The only caveat I want to say is that remember, we did extend people's memberships by four months while we were closed. Over the next couple months, we are going to start to see those folks who were extended, where their memberships are starting to lapse, so we have got a lot of strategies in place to really talk more about philanthropy and less about benefits. We are going to put a lot of work into trying to make sure that we can renew our members. The good news is that our leadership membership levels, the upper levels, were actually up in terms of numbers of members in dollars. The place we are really hurt is just in the general membership, which is down about \$300,000. That is where we are slightly down in membership there. At this point, we are cautiously optimistic about where we are and feel good about it.

As I mentioned, we had over 11 leadership gifts since the last Committee meeting. I would like to highlight, at this point, just to show the kind of the breadth of which people are supporting different priorities. Remember, we talked about before that Jill and Monroe had made a leadership gift and are going to name a gallery that will focus on African and African American art within the 21st century galleries in the new wing. We had mentioned that they made the commitment, but we had not announced where the designation was. Jill and Monroe, thank you so much for that. That obviously then counts towards the state match, so your gift then will actually get two dollars for every dollar. That is fantastic. We really appreciate it. Elizabeth Locke and John Staelin, as Monroe mentioned at the last meeting, have made their Campaign commitment. We are in discussions with Elizabeth and John. One of the things that they are going to have a portion of their gifts support would be to endow the Associate Curator of American Decorative Arts. That is currently a position that Susan Rawles is in. Again, I think these are two really nice examples of gifts supporting two different aspects of the Campaign. Thank you very much for that. We sent out materials to everybody, and you should have gotten them last week, that gives each of the case statements for the priorities, as well. Those were just completed about a month ago, and we want to make sure that you all had a copy of them. The naming opportunities are within those as well. If you need more copies to give to people, please let me know, but we just wanted to make sure that you had some deeper dives on each one of the priorities and to see what the materials look like. We were going to try to email them to everybody, but then, once we looked at it, it gets kind of wonky on the email. It is really pretty difficult to do that, so that is why I wanted to get some copies in your hand. If you need more copies or have any questions about them, please let me know.

In terms of overall dollars, where we are for the year, we are actually at 90% of our goal for the year.

So halfway through the year we are at 90% of our goal. Also, unrestricted we are at 110% of the goal for the year to-date. Again, between membership and those two numbers, we feel pretty good about where we are. Again, thanks to all of you for your help with both the Campaign gifts, as well as membership and all the other things that you are doing for us. I think we included a list of the Committee members in the materials we sent out and, as you can see, we just have a great Committee in terms of diversity and throughout the Commonwealth. That was one of our big goals, was to make sure that we had people in every area of Virginia, not just to focus on Richmond. You can see from the size of the Committee and where we are throughout the state is great for us and really helps with our strategy. Again, thank you to all of you for your help and your support and for being on the Committee and what you do for VMFA. Any questions? No? With that, we figured that you probably would have an interest in a little more detail on the Building Committee and what is going on there. I am going to turn it over to Michael.

Michael Taylor: Thank you very much, Tom. Great to see everyone on this call. As Alex said, it is January, but it is not a slow time. We have been very excited about the expansion. We had the tremendous news about the state funding which really allowed us to put out the RFP, the request for proposals. The good news is, we had a wonderful response. We advertised it widely. We wanted to get a lot of strong applications. We ended up receiving 30, which is a very high number. It is an international array of applicants. There are applicants from the United States, but elsewhere. We are now going through careful review and scoring, so that we are going to move through the first phase and get to interviews. Our goal is to have an architect under contract and an engineering firm, as well, under contract by the end of April, which is a very doable timeframe as far as we are concerned. We have a wonderful Building Committee of Trustees. It is led by Tom Papa who is doing a great job. It has also been really wonderful to have the support of the state. Cindy Norwood and Curt Manchester of the Attorney General's Office are keeping us out of trouble and making sure that we are following all the rules. I see Monroe nodding his head, because we were on a call today and this has been really wonderful. Also, our consultant Steve Pancham is doing an amazing job of giving us the right advice, the right counsel as a wonderful project manager. We have got a dream team assembled. We are very excited to get the architects here to look at the project. That is my update.

Tom Gutenberger: Great. Thank you, Michael. At this point, what I would like to do is turn it over to Eileen Donahue and Bonnie Devlin with Washburn and McGoldrick. Many of you have seen Bonnie before at our Campaign meetings, and as you know, they are our Campaign consultants. In my conversations with them, in terms of what they are seeing, trends throughout the country, as well as with other clients, and planned giving being a priority for us. Celia and Birch are heading that effort up in terms of the Campaign Committee on planned giving. We had a really great session about three weeks ago or so, with all of our gift officers, that Celia and Birch participated in that Eileen and Bonnie ran for us, in terms of planned giving. After that, we thought it would actually be really helpful to share that same type of information with you all. Bonnie, with that I am going to turn it over to you and Eileen.

Bonnie Devlin: Wonderful. Thanks, Tom. Good afternoon, everyone. We are so pleased to be with you this afternoon. First of all, I just wanted to say, congratulations on the great success in the Campaign. Alex, it has been smooth sailing so far, and I hope the wind is always with you on this Campaign. Planned giving will be one of the ways to help provide that, as we go forward. We are happy to have a chance to talk a little bit about one of the ways in which people can both increase their gifts and use different kinds of assets to stretch what they are doing on behalf of VMFA. We

wanted you, as the Campaign Committee members, to be equipped with some of the same knowledge that staff has and be able to understand who might be good prospective donors for planned giving to the museum. With that I will start, and Eileen will join in a little bit later. I just want to say a couple words about Eileen. Eileen is an attorney and a former judge and has worked for almost two decades in the field of gift planning. She is an expert also on non-cash assets. I think, as you will tell, she is very knowledgeable and also is able to present it in a way that helps all of us understand it. I think you will enjoy her remarks.

I want to just set a little bit of context for you. One of the things that we have learned as we have had an opportunity to work with VMFA is that planned gifts are not new. It is a long standing tradition. One of the ways in which planned giving donors have been recognized has been through the Glasgow Society. Right now, there are over 150 individuals and couples who have made a planned gift to VMFA. We are really glad to see the presence of a legacy society. It is one of the things that we look for in terms of a good overall advancement program. We know that many of the museums with whom you benchmark yourselves also have these kinds of societies. Just to give you an idea, for example, the Philadelphia Museum of Art has 272 individuals and couples in their legacy society. The Cleveland Museum of Art has 269 and the Houston MFA has 103. This is a tool that you can use. You have a great start on this and this is something that you can continue to see increase over the course of the Campaign. The Campaign is, as Tom already alluded to, really relying on a significant portion of the funding to come from planned gifts. As he just said, almost \$15 million in planned gifts so far, and most of those have been given for endowment. That is what we would expect to see. It is wonderful to have some unrestricted endowment to be able to use in all sorts of flexible ways and 54% of all the endowment dollars received so far are from planned gifts. It will be really important to achieve the \$105 million endowment goal, and in fact the entire \$365 million goal, to reach that \$48 million. We have to say that during this time in the past year during the Pandemic, we have seen many planned gifts across the institutions we work with [indecipherable]. It has been this way for a couple of different reasons. Something like a Pandemic often makes us all think about our own mortality and want to get our own affairs in order. So people have made a lot of decisions about that that include their legacy gifts. Also, it has been a way during a time when people are continuing to have some concerns about the market, even though it has continued to go up quite a bit this year, to be able to include that in the ways in which they choose to make their philanthropic gifts. Certainly, we have seen that in addition to great activity in donor advised funds. So with that context I would like to turn it over to Eileen to talk with you about some good pointers to know as volunteer leaders about gift planning right now. Eileen?

Eileen Donahue: Thank you, Bonnie, so much. If we could talk a little bit about some of the types of planned gifts so that as you consider your own contributions to the success of the 365 Campaign, both as donors and volunteers, we are hoping that you will keep in mind the real goal of gift planning is for donors to achieve their individual personal and financial and philanthropic goals. Often through a planned gift that is an excellent way to enable donors to do that. It often enables donors to give a gift that may be larger than they had originally contemplated or thought that they were capable of giving. We are going to take a very inclusive view of what constitutes planned gifts. They can include a very wide array of giving opportunities that help donors meet their goals. I am sure, as most of you know, the most common and probably the most impactful type of planned gift for most charitable organizations are bequests. A donor may include a provision for VMFA in their will or trust, or they may designate it as a beneficiary of a life insurance policy or a retirement plan, such as an IRA or a transfer on death account. In addition to bequests, there are a number of gift arrangements that can also provide a donor with a stream of income during their lifetime, in return

for their having made a charitable gift. These are often referred to as life income gifts. Two of the most common are charitable remainder trusts and charitable gift annuities. I know we are going to hear later from Birch about his experience working with VMFA on doing retirement planning using gift annuities. His story really is very compelling and a great example of how planned gifts and life income gifts, in particular, can benefit both the charity and donor. Gifts made directly from retirement accounts during a donor's lifetime, known as qualified charitable distributions or IRA rollovers, have become very popular as a giving vehicle for donors who are age 70 1/2 because the law provides that you can make distributions directly from your IRA to a charitable organization without having to take those funds into income and pay income tax on them first. It has been an opportunity that has been around for a while, but it has become and remains, a very popular way of giving for donors who are eligible to take advantage of that. As Bonnie mentioned earlier, donor advised funds, which I am sure you are aware, are funds that are established at a public charity from which a donor can make grant recommendations to charitable organizations on their own timetable, but receive a charitable contribution deduction at the time that they make gifts into the donor advised funds. DAFs, as they are referred to, have become one of the fastest growing and most popular vehicles for philanthropic giving. Non-cash gifts are becoming increasingly important as a component of successful fundraising campaigns. We will come back to talk a little bit more about non-cash assets in a moment and explore them in more detail.

For now, I would like to just point out and talk a little bit to all of you as volunteers about who are the types of individuals that might be the most likely to make a planned gift to the Campaign. They are the loyal members and dedicated volunteers like yourselves. Long-term, consistent donors of even relatively small amounts, members who are at a certain level of membership, individuals who are single, married couples without children or have adult children who are already provided for or have their own wealth, are often also very good candidates to make planned gifts. Women, women control more of the financial pie than ever before, and the percentage of women that are wielding wealth is only going to rise in the years ahead. Many women will inherit wealth twice, from their parents or other family members, and then perhaps from their spouses or partners. Forbes has predicted that women will inherit 70% of the \$41 trillion in intergenerational wealth that is expected to change hands over the next 40 years. The philanthropic influence of women is likely to be amplified given that so many also play a key role in facilitating the education and involvement of other family members in their philanthropic giving. I think it is really important to keep in mind that age is not necessarily a factor. There are many gift opportunities that can be very attractive for younger donors and donors at all age levels.

When you think about why a donor might be interested in making a planned gift, it often can be a specific event or circumstance that may prompt a donor to consider a planned gift. As Bonnie mentioned earlier, perhaps they are working with their attorney to create or update their estate plan, which is happening with greater frequency since the start of the Pandemic. But other life events, such as retirement or planning for retirement or the sale of a business or another major asset, such as real estate, can certainly make a planned gift attractive to certain donors at certain times in their lives. Certain planned gifts, like I mentioned earlier, with life income gifts can increase the donor's income or help them diversify their portfolio of assets or help them provide financial support for other family members and fill those other personal types of needs. Tax savings is another attractive incentive for some donors for planned giving. I will point out, because I am sure many of you are already familiar, that in addition to reducing income taxes through the ability to take a charitable deduction, donors may avoid capital gains taxes by donating assets that have appreciated in value. Right now, with many people holding appreciated securities in their portfolios, that may be a very

attractive giving option without having to recognize capital gains when making a gift of those appreciated assets. For those individuals who are subject to federal estate tax, gifts to charity through their estate can make the estate eligible for a 100% charitable deduction, so that can also be a very attractive way of giving. We should note that our new President as of today, Joe Biden, has proposed some significant changes to U.S. tax policy. Those changes may impact in a positive way some of these incentives for planned gifts. Definitely it will be something that we will be looking at and keeping an eye on and watching in the weeks and months ahead.

The other question with planned gifts is what to give besides cash. Obviously, the majority of gifts are made in the form of cash and checks, or even credit cards for smaller gifts, but it is estimated that as much as 80% to 90% of individual wealth is held in assets, other than cash or readily marketable securities. For tax and financial and personal reasons, donors are increasingly looking to explore the possibility of making charitable gifts of property, such as real estate, closely held stock, other types of business interests, and art and other types of personal property. Of course, every charity will want and need to be very selective and conduct their due diligence before deciding whether to accept a non-cash gift, especially if it is a significant one, and determine whether the rewards of accepting a gift of that nature outweigh the risks. There can be risks, obviously, but it is definitely a growing area of opportunity, one that donors and charities will be looking for, especially in terms of being in a fundraising campaign, such as the one that you are currently in.

That concludes a crash course in planned giving, but really I am hoping that that at least will provide you with some ideas about the types of planned gifts, the types of individuals who may be interested in donating planned gifts to the 365 Campaign, and what kinds of circumstances may exist for making planned gifts attractive. Tom should I hand this back over to you to introduce Birch? I know you mentioned that we had done a session with all of the Advancement staff and some of the volunteers. Celia and Birch gave some great examples of their own personal experience with planned gifts to VMFA, and I am sure that the rest of the Committee will enjoy hearing about that.

Tom Gutenberger: Great. Thanks, Eileen. As Eileen said, I mentioned earlier that Celia and Birch are heading up our planned giving effort for the Campaign, so we thought it would be good, in terms of making sure that we do not go over time, we have asked one of them to give a little information about why they made their gift and how. Birch is going to give us some information on what he had done. I do not think Birch actually needs any sort of an introduction. You all know Birch and how generous he has been to the museum. I will turn it over to you, Birch.

Birch Douglass: Thank you, Tom. My planned and deferred giving journey started back in 2000 with the museum when I did a deferred gift annuity. I did a deferred gift annuity, which is where instead of having the annuity come in currently, I deferred it until age 65 thinking that I might need to enhance my retirement income if I retired at age 65. Well, I continued to do that for six or seven subsequent years, building up a stream of dollars to help me in retirement if I needed it. I was also, at the same time, helping the museum by making a gift. Gift annuity proceeds go straight to the VMFA Foundation. As an annuitant, I am just the general creditor of the Foundation, whereas with charitable remainder trust, it is the trust itself one looks to for payment. I did those annuities mainly because I did not think I could afford to just make outright gifts of that amount. It was at that time, better than a bequest, because this way the money actually got in the hands of the Foundation. It knew it had it, whereas bequests can always be changed or people can lose their assets. Then the museum can be on the short end of the stick. That worked just fine. When we came along with a top 10 Campaign, I felt and the development officers felt, that I needed to make a little more of a

commitment than simply doing another deferred gift annuity. What I did was I had my planned gift that would involve installments paid out over five years, plus a bequest. There was about 10 times the amount of those installments. Of course, all along one continues to give to the annual fund, and I began using the qualified charitable distributions for most of my annual fund gift. Then finally last year, as part of the current Campaign, I did another gift and bequest agreement with the largest portion of the bequest part being paid out of my IRA. As Eileen mentioned, using IRA funds is a good source for satisfying a planned gift, because like at death then it is excluded from your estate because of the charitable estate tax deduction. Also, charity does not pay income tax on the IRA. Whereas if I left it to my estate or to a family member thinking they would in turn give to charity, it would incur an income tax when it was paid out of the IRA. While I am on my soapbox, I want to mention to all of you that my philosophy is that everyone who serves on a board, be it our Trustees and Directors or if you are involved in some other charitable organization, should be thinking that they have at least a moral obligation not only to make current gifts, but also do planned giving. One of the things that as we all call on people as part of this Campaign, do not stop by just getting a commitment to enhance a current gift, even if it is to the Campaign, try to get a planned gift in there too. A bequest is the easiest way. As in the information that Bonnie and Eileen shared with us, that is the easiest way to do it. There is a large share of what all charities get in terms of planned gifts. That is my spiel.

Tom Gutenberger: Thank you so much, Birch. We appreciate it, and thanks for all your help. Celia, you as well. I will turn it back to you, Eileen and Bonnie, just to wrap up this piece of the meeting.

Bonnie Devlin: I just want to review briefly for you the resources that you have available to you. They are quite considerable. They are really very helpful. First of all, you have your wonderful Planned Giving Sub-Committee members who have made planned gifts themselves and understand how they work. They can be great companions with you, if you want to chat with a potential donor. I know they are willing to do that and give testimony. That is so important. The planned giving website, which is part of the giving website on VMFA, has some great information for you, if you want to brush up on any of the things Eileen talked about. There are also videos for each of the different ways to make planned gifts on that website so take advantage of those there. You can watch them over and over again. If you want to be able to really school yourself in some of these terms, there is a beautiful brochure, "The Glasgow Society: Create an Artful Legacy". As Birch just very convincingly said, everyone should have a planned gift component of their giving, in addition to their current gifts. A nice goal for the Committee would be to have everyone be a member of that society also. Then you can very easily encourage others to do so and share that brochure with them when appropriate. On the staff, Erin Sheets is your point person on all gift planning matters, but I can tell you that all of the development officers are knowledgeable and very interested in helping you with these kinds of gifts. Of course, Tom himself has always been, as long as I have known him, a big proponent of using planned gifts as a way to increase and stretch your giving and to be able to do more than perhaps you originally thought possible. With that, we are happy to take any questions. With that, that will also complete our formal presentation.

Tom Gutenberger: Great. Thank you, Bonnie. Any questions for Eileen or Bonnie?

Celia Rafalko: If I could just add on to all of the excellent information we have already had and thank you, Birch, for your comments. I think we cannot really underscore how important it is for people to think about amplifying their gifts and acting as ambassadors for the museum to explain to other people how they can amplify their gifts, because it is a message that really resonates with

people. The museum means a lot to many, many people who do not feel like they can be a big donor, and this is how they can.

Tom Gutenberger: Thank you, Celia. Thank you very much. Again you and Birch, thanks for your leadership in this part of the Campaign. With this, what I want to do is turn the meeting over to John and Elizabeth.

John Staelin: Thank you. Elizabeth and I say hello to everybody. I certainly want to thank Eileen and Bonnie for that excellent presentation. I know we learned a lot and plan to go to the website and learn more. Of course, Birch, for your presentation there and how generous you are and also how well you can explain all this so well. Celia, thank you for your support. If people have questions on all of this, Tom Gutenberger, obviously, is there and Erin Sheets. They are willing to guide you through the process for your own information. Then, also if you know people that you think would be interested in this, they are the people you should talk to and get to know. They will be happy to contact any friends or acquaintances you have about any of these issues. In terms of next steps, next meeting, and so on, we have not got a specific date for the next meeting but my guess is it will be in the April or May time frame. That is what we are shooting for. It would be nice if it could be in-person. Given all that we are reading these days, I am not sure that will happen, but we can certainly hope that is the case. Between now and then, the liaisons will be talking to each of you regarding the list that they are putting together, the names that you are giving them, and give you opportunities to critique all that as donations and other things come in. They will be asking you to write thank you notes. It is easy to do. It is one of these things we all are not as good at as we should be, but it really means a lot to people that they not only give and the museum sends them the formal thank you, but for you to do that [indecipherable]. As one very good friend of mine once said, "You can never thank people too many times." We encourage you to do all of that. I also want to mention Jayne Shaw, at this time. Her official last day is the end of this month.

Tom Gutenberger: She is on the call.

John Staelin: If everybody will take themselves off of mute for one moment after I finish and thank Jayne for many years of wonderful service. She is a gracious lady. We love her dearly, and we certainly wish her success. Those are my comments. Everybody take yourself off mute for one moment and thank Jayne. Then we will turn it over to Monroe.

The Committee unmuted in order to applaud.

Jayne Shaw: It has been a pleasure and a privilege, thank you.

Monroe Harris: Jayne, we are going to miss you a lot. We hope that you have a wonderful retirement and come back anytime and visit with us.

Jayne Shaw: I will, thank you.

Monroe Harris: I think that is it. Thank you all for your attention. Thank you for your support and have a great rest of the day. We are adjourned.

Meeting adjourned at 4:56pm.

Transcribed by: Stephanie Cooperstein
Executive Administrator to the Chief Strategy Officer and Deputy Director of
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