Scholarship Established by Family of Renowned Woman Physician

Nearly a century after pioneering physician Rose Jannini earned her medical degree from Middlesex University, the circle of giving that allowed her to reach her dream of becoming a doctor has been extended to include Brandeis students pursuing medical careers.

Thanks to the financial support of her uncle, Rose attended Middlesex University, which was located on what is now the Brandeis campus before closing in 1947. In turn, Rose, who graduated in 1917 as part of the first class of Middlesex women graduates and went on to a distinguished career as a family physician, paid for medical school for a cousin’s child.

“Dr. Jannini was the recipient of my grandfather’s goodwill and she passed that on,” says Ralph Jannini, Rose’s second cousin. “It’s kind of a tradition in our family.”

Ralph’s grandfather, Raffaele Jannini, an Italian immigrant who owned a bustling liquor-importing business in Boston, funded Rose’s education. Rose built a thriving family medical practice in the Boston area and was honored by President Jimmy Carter and the Massachusetts Medical Society for her work. Rose died in 1986.

“She was a very pleasant, outgoing person and always took a great interest in our family,” Ralph remembers. “Dr. Jannini was always the person we consulted when a family member had a medical issue.”

Rose, who never married, wanted proceeds from her will to support religious, charitable, and educational endeavors, but she did not specify which organizations would receive money. Acting on behalf of the family, Ralph reached out to the Office of Development and Alumni Relations at Brandeis to confirm the connection between Middlesex University and Brandeis. Maggie McNeely, the archivist at Brandeis’ Goldfarb Library, discovered educational records, photos, and other documentation that proved that Rose attended and graduated from Middlesex. After confirming the link between Brandeis and Middlesex and learning of the University’s outstanding science programs in a meeting with Professor K.C. Hayes and John Lisman, the Zalman Abraham Kekst Professor of Neuroscience, the Jannini family decided to establish a scholarship at Brandeis.

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Living Well Without Running Out of Money

We’ve all seen it: a recreational vehicle with a gray-haired couple in the cabin and a bumper sticker on the rear that says, “We’re spending our children’s inheritance.” They probably have every intention of preserving something for their children. However, they feel no parental obligation to stay home and live frugally in order to maximize that inheritance. If living well requires using some of their capital, so be it.

Of course, spending capital may cause anxiety about running out of money. A retired couple may be willing to spend some of the children's inheritance, but they don’t want to overspend and risk becoming financially dependent on those children. It’s one thing to die broke; it’s quite another to go broke ten years before you die.

The issue, then, becomes how much you can withdraw from your retirement funds and investments on a sustainable basis without fear of running out of money. What you need to withdraw depends on your lifestyle and the inflation rate. What you can safely withdraw depends on your life expectancies and the investment returns on your assets.

How Long Can You Expect to Live?

If you retire in your early sixties, you can expect to live another 25 to 30 years. If you are already 70 and are in reasonably good health, your life expectancy is 15 to 20 years. As medical technology advances, those life expectancies are likely to increase.

As a result, retirement assets will have to stretch over a much longer period. While it is common for the number of retirement years to be one-half of the number of working years, those who retire while still in their fifties may actually spend more years in retirement than they did working. With all of these years stretching ahead of you, it is critically important to make sure your money lasts as long as you do.

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How Much Can You Safely Withdraw from Your Nest Egg?

You probably have three major assets: your residence, your retirement funds, and your personal investments consisting of cash, securities, and, perhaps, real estate.

How much can you withdraw each year from a combination of your retirement funds and personal investments without the risk of running out of money? Analysts have gone back to 1968 and calculated the probability that a person retiring that year would use up all resources over periods of 20, 25, and 30 years. They assumed that each year the individual would withdraw a percentage of the initial value of his or her assets and that the withdrawal would be regularly adjusted for inflation.

Of course, that period saw a prolonged bear market and high inflation before the recovery began. If both the stock market yields and the inflation rate that prevailed during most of the 1990s had continued, a person upon retiring could withdraw a much higher percentage of retirement funds and investments without worrying about exhausting them. However, financial markets are cyclical, as more recent changes in stock values and interest rates have reminded us. During economic downturns, the risk of running out of money is much greater, especially for those who retire early and withdraw high percentages of assets each year.

Guaranteed Income for Life

One way to ensure that you never run out of income is to establish a gift annuity. In exchange for a transfer of cash or securities, Brandeis University will pay a fixed sum of money to you or to you and another person for life. Those payments, which are backed by all of the assets of Brandeis, will continue for as long as you live and will not decrease when interest rates fall and the stock market declines.

You can outlive the income from every other kind of investment but not the money you receive from an annuity. Because of distribution requirements, you may eventually exhaust your IRA or other retirement fund, but an annuity keeps on paying. What’s more, a gift annuity continues to work even after you are gone by advancing the mission of Brandeis.

Example: Aaron, 68, retired two years ago and plans to start taking distributions from his IRA this year. He and his wife, Eva, also 68, decide that a gift annuity would cover their basic household expenses, so they contribute $200,000 of stock purchased for $120,000 and paying a dividend of only 1%.

Your payments will not decrease if interest rates fall or the stock market declines.

They will receive $8,800 in annual payments jointly, and when the first of them dies, payments will continue undiminished and without delays of probate to the survivor. During their joint life expectancy, payments will be taxed as follows: $1,751 as ordinary income, $2,820 as capital gain, and $4,229 tax-free. Thereafter, payments will be fully taxable.

They receive a charitable deduction of $43,464 that results in tax savings of $12,170. Although a portion of their payments is taxed as capital gain, there is no tax when they transfer the stock. Had they sold the stock, the entire gain would have been taxable in the year of the sale.

How Much Is Required for a Gift Annuity?

The minimum required for a gift annuity at Brandeis is $10,000, although many Brandeis donors establish annuities of $25,000 or more. Some people start by contributing the minimum and then, as
Immediate Gift Annuity Rates for Selected Ages

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<td>85</td>
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We would be pleased to give you rates for other ages and to calculate your charitable deduction. Please enter the appropriate information on the attached reply card.

their circumstances permit, they fund additional gift annuities. There is no maximum contribution level, but you should always retain sufficient assets under your control to cover extraordinary expenses. In most cases, annuities are funded with either cash or securities.

How Does Brandeis Benefit from a Gift Annuity?

After satisfying the payment obligation to the beneficiary(ies) of your gift annuity, we use the remaining portion of your contribution for University purposes. As with other gifts to Brandeis, you can designate the purpose for which your contribution is used. Annuity gifts help secure our future and make long-range planning possible.

Do Gift Annuities Have Disadvantages?

A gift annuity does not protect you against inflation. While payments never decrease, which is good when interest rates fall and stocks drop in value, if prices rise your payments will have less purchasing power.

Whatever the sources of your retirement income, you should be concerned about inflation. Your income in the early years of retirement may be quite adequate but may fall short later on if it doesn’t keep pace with inflation. That is why many people, even after retirement, keep a portion of their investments and IRA assets in stocks.

Advantages?

Although a gift annuity does not offer inflation protection, there are compensating factors: Annuity rates are higher than the percentages you would likely draw from a retirement plan or investment portfolio, and your payments are favorably taxed.
“My goal was to see that we followed her wishes,” Ralph says. “I think she would have been pleased to know that she is supporting outstanding Brandeis students.”

Brandeis recognized the Jannini family’s support at the annual luncheon of the Sachar Legacy Society, which is comprised of individuals who have made the University part of their estate plans. President Fred Lawrence presented Ralph with a Sachar Legacy Society certificate.

“Dr. Jannini received her education here on this campus and launched a distinguished medical career; now, through the generosity of the Jannini family, young people will have an opportunity to follow that same path,” Lawrence says. “I think this closes the circle and permits us to go forward in a powerful way.”

Since its founding in 1948, Brandeis has gained a reputation for possessing the research might of a large research university coupled with the intimacy of a small liberal arts college. Brandeis is regarded as a national leader in the sciences, particularly in the biomedical area.

“I like to think of Brandeis as a small school with a big-time flavor,” says K.C. Hayes, a biology professor emeritus and co-inventor of Smart Balance. “We’re really delighted to have this scholarship for students, allowing them to have the opportunity to work alongside scientists who are making wonderful discoveries.”

The initial recipients of the Dr. Rose Jannini Scholarship are Eduardo Keane ’14, a biology major from Miami, and Lanxin Li ’13, a biology and studio art double major from Shrewsbury, Mass. Both are planning to attend medical school.

“I am very grateful for the support of the Jannini family,” Li says. “Without the financial help that it provides, I wouldn’t be able to accomplish my educational goals and pursue a career in medicine. To me and to my family, education is the most valuable thing you have in life.”

“To me and to my family, education is the most valuable thing you have in life.”

—Lanxin Li ’13
Please return the card above to receive your free booklet.
In the last 64 years, Brandeis University has benefited from the vision and commitment of individuals who have included the University in their estate plans. More than 500 alumni, parents, Brandeis National Committee members, and friends are currently members of the Sachar Legacy Society, named in honor of Dr. Abram L. Sachar, founding president of Brandeis.

The Sachar Legacy Society honors and recognizes individuals who have indicated that Brandeis is in their will, have established a charitable gift annuity, have created a charitable remainder trust, or have set up a pooled income fund or other planned gift. These donors to Brandeis realize the merit and strength of gifts that will provide for the future of this young institution of higher learning.

To become eligible for Sachar Legacy Society membership, an individual simply informs the University in writing that Brandeis has been included in his or her estate plans.

If you would like more information about becoming a member of the Sachar Legacy Society, please contact the planned-giving office at 1-800-333-1948, ext. 64135.
Fred Lawrence moved to Waltham over the summer, becoming the only Brandeis president to live in the same city as the campus. The president and his wife, English professor Kathy Lawrence, left their Cambridge apartment for a home on the second floor of the Watch Factory, a historic renovated building along the Charles River. With his new apartment less than a mile from Brandeis, Lawrence often walks between home and campus, especially on Shabbat, when observant Jews abstain from driving.

Christopher Bedford was named the Henry and Lois Foster Director of the Rose Art Museum at Brandeis. Formerly chief curator of exhibitions at Ohio State University’s Wexner Center for the Arts, the native of Scotland who grew up in England and the United States has a reputation as a visionary thinker about the engagement of art and the role of museums in society. At 35, he is among the youngest museum directors in the United States.

Two Brandeis researchers—Michael Rosbash, the Peter Gruber Professor of Neuroscience and the director of Brandeis’ National Center for Behavioral Genomics, and Jeffrey Hall, professor emeritus of biology—have been awarded the prestigious Massry Prize for their groundbreaking studies of the molecular basis of circadian rhythms. The professors’ work has provided important insights into the brain, health, and sleep disorders. The prize includes a substantial honorarium; nine previous recipients have gone on to receive the Nobel Prize.

Six recent Brandeis graduates received Fulbright grants for the 2012-13 academic year to further their studies and contribute to the international community. The students are working in China, Sweden, Turkey, South Africa, India, and Nepal. The prestigious Fulbright program is designed to foster understanding between the people of the United States and other countries, to exchange ideas, and to help find solutions to shared international concerns.
Nearly 300 people visited campus to hear keynote speaker Anita Hill, professor and senior advisor to the provost, at the annual Sachar Legacy Society luncheon. The event was hosted by Dr. Sherwood '55 and Judith Lack Gorbach '58. President Fred Lawrence recognized the family of Dr. Rose Jannini for helping to establish a scholarship fund in her honor. The Legacy Society is comprised of individuals who have included Brandeis in their estate plans.

Ralph Jannini (left) receives a Sachar Legacy Society certificate in honor of his late cousin, Dr. Rose Jannini, from President Fred Lawrence.
How a Gift Annuity Can Reduce Tax on Social Security

Many recipients of social security are concerned about the tax status of their benefits. In the past, up to one-half of social security benefits was subject to tax if the beneficiary's income from other sources—including tax-exempt income—exceeded certain base levels: $25,000 for single individuals and $32,000 for a married couple filing jointly. Since 1994, up to 85% of benefits can be taxable if provisional income—adjusted gross income (AGI) plus tax-exempt income plus one-half of social security benefits—exceeds $34,000 for singles and $44,000 for couples.

One characteristic of the gift annuity should be of interest to anyone concerned about this tax provision. Because a portion of each payment is considered a return of principal, this portion is not added to a person's AGI in determining whether the base levels of provisional income have been exceeded.

Exchanging some of your present income-producing investments for a gift annuity can lower your adjusted taxable income and, consequently, reduce the taxable portion of your social security benefit. Our office would be pleased to provide a financial illustration showing the benefits of a gift annuity for your personal situation.

Next Steps

Are you wondering what your best next step is? Maybe you'd like more information, or maybe you'd like to speak to us directly. Here are a few options:

1. **Call us** at 1-800-333-1948, ext. 64135.
2. **Visit us online** at http://givingto.brandeis.giftplans.org/.
3. **Return the reply card** for a copy of our free booklet.
4. **E-mail us** at plannedgiving@brandeis.edu.
5. **Join the Sachar Legacy Society.** Contact us to learn more.