Celebrating Harvard Law School: Past, Present and Future

Every new academic year brings a renewed feeling of excitement and commitment to the Harvard Law School campus. This year, 561 first-year JDs, 181 new LL.M. candidates, and seven scholars beginning their S.J.D. studies arrived on campus, joining our returning students. As always, it was wonderful to see our hallways, classrooms, and courtyards brimming with their energy and enthusiasm.

The Law School also welcomed alumni back to campus to reconnect with old friends and to inspire our students. For example, Greg Stohr ’95, Supreme Court reporter for Bloomberg News, came to speak about “Covering the Supreme Court,” and Secretary of the Navy Ray Mabus ’75 delivered the 2015 Disabled American Veterans Distinguished Lecture at the Law School. In September, Supreme Court Associate Justice Elena Kagan ’86 (who of course

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was not only a student here, but also a professor and our former Dean) returned to help Dean Minow welcome our 1Ls and to teach a reading group on the Supreme Court's 2014 term. In October, Associate Justice Anthony Kennedy LL.B. '61 spoke to students about problems in the American criminal justice system. Our students greatly value their interactions with alumni, and we’re very grateful, on their behalf, for your ongoing engagement as alumni of the Law School.

On a sunny, crisp October weekend, over 600 HLS alumni and guests arrived on campus for two very special events. As the Classes of 1955, 1960, 1965, 1970, 1975, 1980 and the Emeritus Club gathered for Fall Reunion 2015, they joined more alumni and friends at a Gala Celebration to help launch the Harvard Law School Campaign for the Third Century, which seeks to raise $305 million in support of students and faculty, clinical education, new and innovative research, and the continued enhancement of the Law School’s campus. We were fortunate to have so many of you here for this festive and inspiring weekend.

In launching our Campaign, HLS is joining in with the University-wide Harvard Campaign. Our Campaign for the Third Century is named in recognition of the Law School’s upcoming bicentennial, which we will celebrate during the 2017-2018 academic year. Like our Reunions, the Campaign is an opportunity not only to honor our history, but also to look to the future.

Many alumni began the weekend by visiting classes and touring the Law School’s newest building: the Wasserstein Hall, Caspersen Student Center, Clinical Wing complex (WCC). This building has truly transformed our campus, bringing students and faculty together in what Dean Minow has called the Law School’s new living room. This transformation continues in new outdoor spaces that connect the Law School’s buildings and create new gathering spaces for our community.

Throughout the weekend, attendees enjoyed thought-provoking panel discussions and meaningful presentations from faculty, current students, and alumni leaders. In many different ways, these speakers and guests reflected on leadership, innovation, access, public service, and justice—five themes that are the hallmarks of our Law School, as well as priorities for the Campaign.

MAKE A DIFFERENCE, MAKE A BEQUEST

Each year, the Law School receives important financial support from testamentary gifts made by alumni and friends in their wills, trusts, and retirement plans. These gifts help us continue and enhance our mission of educating world leaders and of advancing the education, research, and practice of law. Testamentary provisions may be for a specific dollar amount or a percentage of your residuary estate.

If you are including the Law School in your testamentary plans, we recommend you use the following language:

\[ \text{I give (________ dollars/________ percent of the residue of my estate) to the President and Fellows of Harvard} \\
\text{College, a Massachusetts educational, charitable corporation, for the benefit of Harvard Law School to be used for its general} \\
\text{purposes (or for a more specified purpose, e.g., financial aid, clinical education, the Library, etc.).} \]

Alumni and friends who include the Law School in their estate plans are recognized with membership in the Oliver Wendell Holmes Society, which carries the name of one of our most distinguished graduates. Justice Holmes taught at the Law School before serving on the Supreme Judicial Court of Massachusetts and the United States Supreme Court.

Bequests can be tailored to your interests. Please contact Charles Gordy, Director of Planned Giving, at 617-496-9265 or cgordy@law.harvard.edu for assistance.
Creative Planning with Real Estate

One of the best-kept secrets about real estate is how it can be creatively used in your charitable planning. For example, it's possible to make a gift of real estate that also provides a lifetime income for you, and to make a gift of property while retaining the right to use that property during your lifetime. A gift of real estate is an option worth exploring.

Real Estate: New Planning Opportunities

There are many types of real estate: your primary residence, a vacation home, a farm, inherited property, undeveloped land, commercial property, or rental property. As you consider how a gift of real estate might fit in your plans, ask yourself some important questions:

• Is your house or property more than you need at this point in your life?
• Has your property appreciated in value so that its sale would trigger a substantial capital gains tax?

If you answered “yes” to one or more of these questions, you may want to consider the tax and financial advantages of a gift of real estate to Harvard Law School. A charitable gift of real estate offers many advantages—and it can be structured in ways to benefit you as well as the Law School. Here are some of the more attractive strategies that have proven advantageous to many of our donors.

Maximize Your Tax Deduction through an Outright Gift

An outright gift of real estate entitles you to an income tax deduction for the full fair market value of the property as determined by a qualified appraisal (subject to annual deduction limits). Furthermore, you avoid potential capital gains taxes that may be owed if you sold the property instead. Of course, donated property must be readily marketable so that Harvard Law School can put the proceeds of your gift to work for our charitable purposes, and there is due diligence that the University must perform if it is going to take title to a piece of real property.

Turn a Vacation Home into an Income Stream

There certainly are advantages to owning real estate. But sometimes the downside of property ownership begins to outweigh those advantages. Property taxes, maintenance and upkeep, marketability, and legal concerns—all can detract from the enjoyment of real estate you own.

One particular type of property that often falls into this category is a vacation home. At some point, owners of second homes often ask, “Does it make sense to own and maintain a property that is seldom or never used?”

If you would like to convert your vacation home into an income-producing asset, consider donating it through a charitable remainder trust. The trustee will sell the property without incurring a capital gains tax. The sale proceeds will be invested to create an income stream, and you will receive a partial current income tax charitable

TAX-FREE CHARITABLE GIFTS FROM IRAS MADE PERMANENT

The ability to make tax-free gifts from IRAs has been made permanent. If you are 70½ or older, the newly enacted federal legislation enables you to make a gift directly from your IRA to Harvard Law School.

The withdrawal will not be included in your taxable income and can be applied toward your annual Required Minimum Distribution (RMD).

Qualifications:

• You must be 70½ or older when the gift is made
• You can make IRA gifts up to a total of $100,000
• The transfer must be made directly from the IRA administrator (e.g., Vanguard, TIAA-CREF, or Fidelity)
• Transfers cannot be made to gift annuities, CRTs, donor advised funds, or private foundations

For more information, including sample letters you can provide to your IRA administrator or trustee, contact HLS Director of Planned Giving Charles Gordy at cgordy@law.harvard.edu or 617-496-9265.

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AT A GLANCE: THE CHARITABLE REMAINDER TRUST

Donating real estate to a charitable remainder trust (CRT) is relatively simple in concept. You irrevocably transfer the property to the trust. Under the trust agreement, Harvard will serve as trustee after the real property has sold. Harvard:
• Invests the property given in trust
• Pays a specified annual income to you and/or another beneficiary (or beneficiaries) for life or for a specified period of years, and
• Distributes the property to Harvard Law School at the end of the trust term.

When you transfer property to a charitable remainder trust, you are eligible for a federal income tax deduction based on the present value of what is expected to go to Harvard Law School at the end of the trust term.

Planning Flexibility

One of the most important characteristics of a charitable remainder trust is its flexibility. You may reserve a fixed-dollar income (e.g., $20,000 a year for life) or an income that will vary (e.g., 5 percent of the annual value of the trust assets). The fixed-income version is called a charitable remainder annuity trust (CRAT); the variable-income version is a charitable remainder unitrust (CRUT), which is better for real estate if that is your funding asset.

Funding the Trust

You can fund your charitable remainder trust with cash, securities, real property, or other marketable assets such as artwork and collectibles. Low-yielding, highly appreciated assets are good choices to fund the trust because a gift to a charitable remainder trust does not incur the immediate capital gains taxes that you would have realized if you had sold the property outright.

Here’s How to Find Out More

There are many planning options available with charitable gifts of real estate. These options may provide an effective way to deal with potential taxes, management burdens, and selling headaches while providing a major gift to Harvard Law School. To learn more about these options and what makes sense for you, please contact us by phone, email, or mail via the enclosed reply card. We will be glad to help you plan a gift that is both charitably and financially rewarding.

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deduction for your gift. The trust can be set up to pay a lifetime income to you and to other beneficiaries chosen by you—there is great flexibility in designing the payout. When the trust terminates, the remaining assets held by the trust are donated to Harvard Law School.

The substantial advantages of donating property such as a vacation home through a charitable remainder trust can include:
• A significant gift to Harvard Law School
• A partial income tax deduction
• Avoidance of immediate capital gains tax
• Annual income for life
• Removal of a large asset from your gross estate for federal estate tax purposes

A Gift of Real Estate Requires Careful Planning

Planning a gift of real estate requires time and attention to detail. The first step for such a generous gift is to speak with your advisors as well as a representative of our development team. Together we can explore the advantages of different options in your particular circumstances.

There are a number of factors to consider when donating real property. For example, the IRS requires a qualified appraisal to substantiate the value of the deduction you will claim for your gift, no matter how you make the gift to the Law School (outright, bargain sale, life-income gift, etc.). Also, the property will require standard inspections, possibly including environmental and zoning reviews.
HLS Alum Neil Chayet is Special Speaker at Emeritus Club Reunion Breakfast

Harvard Law School alumnus Neil Chayet, host of “Looking at the Law,” and president of Chayet Communications Group, was the guest speaker at a breakfast for the HLS Emeritus Club at Reunion Weekend this past fall. Emeritus Club members are HLS alumni who have already celebrated their 50th reunion.

“Looking at the Law,” which airs nationwide every weekday on CBS Radio as it has for the last forty years, is designed to address questions about the law and life and to provide guidance as well as a commonsense, practical approach to the law. Mr. Chayet has written and broadcast more than 10,000 features, reporting on legal decisions in an entertaining and informative manner. Every radio feature, each a minute long, is pulled from a multi-page legal decision. “A case is just a story,” Mr. Chayet says. “I simply tell the story of the case and usually end with a twist or a pun. For example, in a Washington state case, 5,000 pounds of marijuana seized as evidence was burned on a barge in Puget Sound and no tern was left un-stoned.”

Chayet Communications Group, Inc. builds coalitions to address issues of public policy in areas that include health care reform, mental health services, energy, and communications. Mr. Chayet is a frequent lecturer on topics at the intersection of health sciences and the law, and is the author of four books.

Mr. Chayet drew on his longtime experience hosting “Looking at the Law” and building coalitions to speak with the 60 attendees at the Emeritus Breakfast on the subject of conflict—its causes and some ways for addressing it. “There can be a lot of both positive and negative energy in conflict,” he said.

He suggests pausing when faced with a conflict. “We should press the pause button and press it frequently,” he said. “Thinking about things overnight can be helpful. You might know in the morning how to better handle something.”

“When you point your finger at someone, there are three fingers pointing back at you,” he continued. “Looking at things from another perspective can open up a whole new world.” He said that how you approach people right in the beginning matters. “Tell people how you feel versus what they are. Thinking ‘maybe I am not right about this’ opens up a whole new world. Put yourself in their shoes. You will learn to see things through their eyes.”

Mr. Chayet is now teaching a course on conflict for undergraduates at Tufts University, using law, psychology, and spirituality to help students understand and deal with the root causes of anger and conflict.

Mr. Chayet’s talk addressed conflict in the psychological and spiritual realms, including the psychological roots of guilt. “You often become angry at the person you feel guilty towards,” he said. “We have to project or deflect on the person who made us feel guilty.” Mr. Chayet spoke of emotional intelligence and its importance in leadership. He also talked about the important role arbitration and mediation have come to play in many court cases—versus acrimonious court settlements where “a good settlement is where everyone leaves the table equally unhappy.”

“At least open the dialogue,” Mr. Chayet recommended to parties involved in a conflict. “Remember everything that could have been said, has been said, but since no one was listening, it all has to be said again.” Mr. Chayet ended by speaking about what he referred to as the “3Hs: humanity, humility, and humor,” concluding with a quote from Philo of Alexandria: “Be kind, for everyone you meet along the road is fighting their own great battle.”
Michael Cooper ’60, pictured with Dean Minow, was awarded the Harvard Law School Association Award, which honors extraordinary and sustained service to the legal profession, to the public good, and to Harvard Law School. Mr. Cooper was a Litigation Partner at Sullivan & Cromwell from 1968–2003 and now serves as Of Counsel. He has long been active in public interest organizations, serving as Co-Chair of the Lawyers’ Committee for Civil Rights Under Law, President of the Legal Aid Society, and Chair of the board of Pro Bono Net. Additionally, Mr. Cooper led a task force of the New York City Bar Association studying employment opportunities for the formerly incarcerated. He also chaired the Legal Services Project, which sought permanent funding of civil legal services to the poor. He has been a devoted volunteer to HLS for three decades, serving on the Dean’s Advisory Council, Reunion Gift Committees, the HLSA of New York City, the HLSA Executive Committee, the Langdell Society, the Setting the Standard Campaign’s New York Regional Committee, and the HLS Visiting Committee, and he has chaired the HLS Annual Fund.

These panels and presentations covered a wide range of topics, from corporate governance and public service to international human rights and disruptive innovation in the legal profession. At panels on food law, cyberlaw, and veterans law, attendees had a terrific opportunity to hear from current students who are working in three of the Law School’s clinics. With 29 clinics and 11 student practice organizations operating this year, HLS continues to provide students with more clinical opportunities than any other law school. During their time here, 75% of our students participate in a clinic, and while they gain hands-on experience, they also make a difference in the communities they serve. In another fascinating presentation, Dean Minow moderated “HLS Thinks Big,” a TED-like talk in which 5 HLS professors presented their research.

At the Gala to launch the Campaign, Harvard President Drew Faust, Dean Minow, and an array of guests illuminated what the Law School means to us and to the wider world. For her part, Dean Minow reminded Campaign guests that Harvard Law School—a “start-up” in 1817—has a long tradition of innovation, memorable teaching, public service, outstanding scholarship, and the recruitment of exceptional students, but must always continue to ask hard questions. “We recruit, educate and guide the next generation of leaders—for this country and for the world,” she noted. “Harvard Law School will play a vital role in changing how we teach, learn, and lead, imagining and realizing solutions to the hardest problems. With your help, Harvard Law School is ready.”

We hope this look at what has been happening on campus will remind you of what Harvard Law School has meant to you. We invite you to make a difference by taking advantage of the various options detailed in this newsletter for making a planned gift in support of Harvard Law School and the future leaders we are educating here today.

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