A Wealth Transfer Opportunity

Technical Report

to the

Central New York Community Foundation

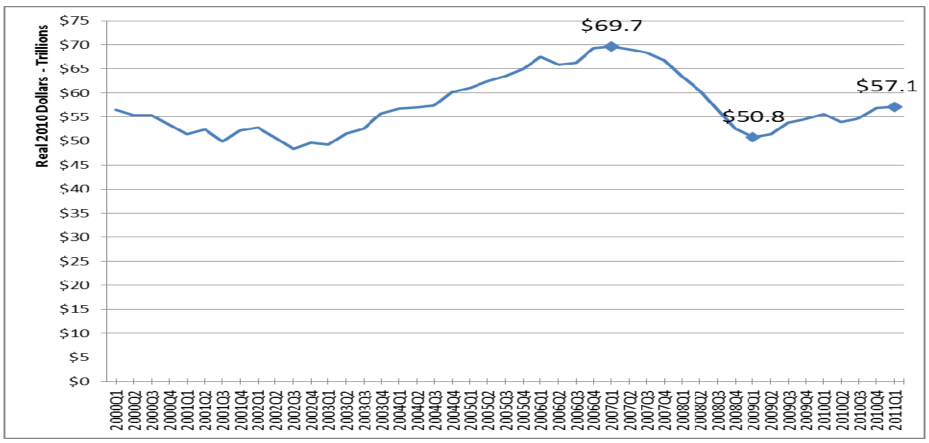
From the RUPRI Center for Rural Entrepreneurship

September 2011

Wealth in America

America is experiencing its most challenging economic downturn since the Great Depression. Challenges with government debt are rocking our national confidence. The Great Recession hit many American households hard and overall household related current net-worth declined from nearly $70 trillion prior to the crash to just over $51 trillion at the depth of the recession. Recovery has been slow, but steady and household wealth has grown by $6.3 trillion or 12.4%.

Recent Trends in the U.S. Household Net-Worth



Source: Board of Governors of the Federal Reserve System & Center for Rural Entrepreneurship, 2011

Bottom line, America remains a Nation with tremendous personal wealth. The potential for charitable giveback remains strong and is improving with each quarter. In 1999 Boston College in their landmark report [Millionaires in the Millennium](http://bit.ly/qFl2y9) (http://bit.ly/qFl2y9) captivated the Nation with their estimates of $41 to $136 trillion in household wealth transfer (1998-2052). A decade has passed since this work was released and a lot has changed. Earlier this year the RUPRI Center for Rural Entrepreneurship created a new set of Transfer of Wealth (TOW) opportunity scenarios based on the most recent demographic forecasts by the U.S. Census Bureau. These forecasts are rooted in likely population growth based on a range of assumptions about international migration.

Our new scenarios for TOW opportunity for the United States for the period of 2010 through 2060 range from a high of $91 trillion to a low of $43 trillion. Our most likely scenario estimates the TOW opportunity at $75 trillion. Assuming we set a giveback goal of just 5%, over the next five decades nearly $3.8 trillion in new community endowments could be built. These endowments could generate, once fully capitalized, nearly $200 billion annually in new grant making! In this new age of challenged government spending, this investment could prove critically important to the future of America's communities.

Don Macke – Ahmet Binerer – Deb Markley
RUPRI Center for Rural Entrepreneurship

Key Considerations

During our homework and early analysis we identified five overarching trends likely to shape and impact the TOW opportunity in the communities served by the four foundations that are part of this Project:

1. Population Changes
2. Economic Changes & Restructuring
3. Vacation, Second & Retirement Homes & Residents
4. Business Ownership
5. Implications of an Aging Population

We have conducted extensive research into each of these five key trends with respect to all the counties within the scope of this project. The following provides a summary of why these factors are potentially so important for defining the TOW opportunity on a community to community basis.

Population Changes. There is a strong correlation between wealth formation and transfer and the demographics of a community. For the communities in this study there are two particularly important demographic trends at work that have significant implications. First, many of the counties and communities in the study are experiencing slow or declining population change. Some are experiencing chronic and severe loss of young adults. This trend will reduce future demographic growth, potentially slow economic growth and lower rates of new wealth formation. The second demographic trend relates to the loss of higher net-worth retirees. Whether the relocation of this demographic is seasonal or permanent lessens the roots for potential giveback. Development of giveback patterns earlier in life and on-going communications after relocation are essential to retaining some or all of this giveback demographic over time.

Economic Changes & Restructuring. The world's economy is radically changing creating dramatic implications for America's economy. These changes have been at work for sometime in most of the communities included in this project. Loss of manufacturing, corporate offices and other sources of economic vitality and growth are part of the 1960s forward story of these and other industrial Northeastern communities. Evolution of these economies and adaptations to new economic relevance is dynamic and at work. Depending on how well individual communities economically re-invest themselves will determine how future wealth creation is realized. We assume in our work slower wealth formation compared to post World War II timeframes. However, we also assume that given the legacy assets (e.g., infrastructure, educational institutions, educated workforce, etc.) that economic renewal will be powerful trend line as we extend out over the next 50 years.

Vacation, Second & Retirement Homes & Residents. While some residents are leaving (e.g., young & old) others are locating to certain communities within this geography. There are remarkable rural and natural resource assets that make some communities very appealing for vacation, second and retirement homes. Some will be seasonal residents and others will eventually make their new homes their permanent residence. For those communities where this trend is active and likely to grow, this represents a significant giveback potential. People root and evolve affinity, even in seasonal homes. Many of these "new" residents have wealth and the potential for giveback. Fully understanding the nature of this trend and the potential for this demographic of potential donors to giveback is important.

Business Ownership. The number one pathway to personal wealth in the United States and World today is through entrepreneurship and business ownership. Business ownership not only creates wealth for those owning and operating businesses, but for family members and others who invest in such ventures. The wealth footprint of business ownership is far larger within and outside the communities of residence. Not all entrepreneurs are successful or wealthy. But on average the CNW of self-employed is about $1.7 million (2007 data, moderated in the Recession and then recovered during the Recovery). Understanding business ownership and entrepreneurship can help engage a key potential donor group including both owners and investors.

Implications of an Aging Population. Our first trend addressed several downside demographic trends. There is also an upside demographic trend that at least for the study period, represents a significant giveback potential. With an aging population there is a rise in household wealth overall. For those aging in place where there are strong community connections, the potential for small to massive gifts are real and intensify with an aging population. Understanding this demographic trend locally can help target development efforts and increase the potential for giveback, endowment building and strategic grant making.

There is one additional consideration that primarily impacts the communities of the Community Foundations of the Hudson Valley (i.e., Dutchess, Putnam & Ulster Counties) – New York City. These three counties and many of the communities within them are directly in the footprint of New York City. Compared to most other counties in New York State, these counties include a relatively high concentration of high net-worth households. As New York City grows and prospers this trend is likely to accelerate. As our 2010 CNW values and 50-year TOW estimates indicate, there is above average giveback potential in this region due to its relationship with wealth creation in New York City.

In the following sections we share information on the number of potential high net-worth households for 2010 employing research secured from ESRI of Chicago. In this case these are households with $1 million or more of current net-worth.

Central New York Community Foundation

The service area of the Central New York Community Foundation includes the counties of Cayuga, Cortland, Madison, Onondaga and Oswego including the City of Syracuse. Estimated CNW for households in this five county region is estimated at over $57 billion in 2010. The 10-year TOW opportunity is estimated at nearly $22 billion. Assuming a 5% endowment capture goal is realized about $1.1 billion could be added to the philanthropic sector with the ability to sustain upwards to $55 million in annual grant making over time. The 50-year potential is massive with an estimated TOW opportunity of over $240 billion. A 5% capture rate would generate $12 billion in additional endowments with grant making potential of over $600 million annually. All demographic groups have potential for giveback, but we estimate there are presently nearly 19,000 high net-worth households with significant giveback potential.

A key to the future of this region and its philanthropic potential is tied to Syracuse and its environs. Syracuse is a community with a rich history and a tradition of innovation. It has important legacy institutions with the potential to stimulate and enable economic renewal and significant new wealth formation. Our TOW scenarios assume moderate economic renewal within this region and associated new wealth formation. A key legacy institution for this region is Syracuse University. Higher education institutions, particularly research institutions, offer unique long-term development opportunities. New wealth is created through creativity and innovation. The opportunities for technology transfer to the private and non-profit sectors can lead to new generations of ventures that can stimulate new cycles of economic and social prosperity. Additionally, these institutions draw human talent to a region offering the opportunity to enhance demographics, diversity and inject new ideas. Capture of TOW opportunities could provide critically important new financial resources necessary for economic and social innovation and renewal.

The following five figures provide summaries of key indicators for the counties within this Foundation's service area.

Changes in population and demographic structure are important drivers for both future wealth creation and transfer. The population forecasts we are employing in this work are provided by Cornell University. These have been modified to reflect changes in the 2010 Census and to provide out year forecasts.

Figure 4 – Cayuga County

		U.S.	Foundation Area	Cayuga County
Results	Current Net-Worth (in Billions)	$28,065.2	$57.5	$4.5
	Per Household (in Thousands)	$235.0	$188.9	$147.7
	10 Year Transfer of Wealth (in Billions)	$6,162.74	$21.95	$1.78
	Per Household (in Thousands)	$51.5	$72.1	$58.0
	50 Year Transfer of Wealth (in Billions)	$75,089.08	$240.33	$21.33
	Per Household (in Thousands)	$628.0	$789.5	$697.0
Macro Trends	Population (annual % Δ, 2000-2010)	1.1%	-0.07%	-0.3%
	Employment (annual % Δ, 2000-2010)	0.5%	-0.04%	0.02%
	Per Capita Income (annual % Δ, 2000-2010)	2.4%	2.6%	2.4%
	Percent of Employment in Sector (2010)			
	Health Care	13.9%	15.8%	15%
	Manufacturing	6.3%	9.3%	12.2%
	Retail Trade	11.4%	11.7%	12.1%
	Educational Services	9.6%	16.3%	14.6%
	Professional/Technical	10.4%	4.9%	3.5%
	Percent of Employment in Sector (2010)			
	Office/Administration	13.6%	12.9%	11.1%
	Sales	11.4%	11.5%	10.3%
	Management	9.5%	8.3%	7.6%
	Education/Library	6.8%	9.7%	8.8%
	Health Practitioners	5.7%	6.7%	5.6%
CNW Indicators (2010)	2010 Average Household Income	$70,173	$57,726	$55,387
	2010 Median Household Income	$54,442	$47,894	$47,574
	2010 Per Capita Income	$26,739	$23,061	$22,250
	2010 Average Value: Owner Housing Unit	$220,131	$151,362	$144,791
	2010 Median Value: Owner Housing Unit	$157,913	$128,986	$119,967
	Percent of Households with $200k Income	3.5%	2.1%	1.0%
	Percent of Households with $500k Income	0.4%	0.1%	0.05%
Key Characteristics (2010)	2010 Total Population	311,212,863	775,364	79,417
	2010 Total Households	116,761,140	304,413	30,610
	2010 Median Age	37.0	37.9	40.0
	Percent of Education Attainment for Pop 25+			
	Less than Associate Degree	64.2%	61.5%	73.1%
	Associate Degree	7.7%	11.3%	10.6%
	Bachelor's Degree	17.7%	15.8%	9.7%
	Graduate Degree	10.4%	11.3%	6.6%
	Percent of Vacation Homes in 2009	3.5%	2.7%	6%
	Percent of Groups Quarters Population	2.7%	4.1%	5.7%

Figure 5 – Cortland County

		U.S.	Foundation Area	Cortland County
Results	Current Net-Worth (in Billions)	$28,065.2	$57.5	$2.5
	Per Household (in Thousands)	$235.0	$188.9	$135.1
	10 Year Transfer of Wealth (in Billions)	$6,162.74	$21.95	$1.15
	Per Household (in Thousands)	$51.5	$72.1	$62.7
	50 Year Transfer of Wealth (in Billions)	$75,089.08	$240.33	$13.15
	Per Household (in Thousands)	$628.0	$789.5	$717.8
Macro Trends	Population (annual % Δ, 2000-2010)	1.1%	-0.07%	-0.1%
	Employment (annual % Δ, 2000-2010)	0.5%	-0.04%	-0.5%
	Per Capita Income (annual % Δ, 2000-2010)	2.4%	2.6%	2.5%
	Percent of Employment in Sector (2010)			
	Health Care	13.9%	15.8%	16.6%
	Manufacturing	6.3%	9.3%	10.4%
	Retail Trade	11.4%	11.7%	10.5%
	Educational Services	9.6%	16.3%	20.3%
	Professional/Technical	10.4%	4.9%	3.4%
	Percent of Employment in Sector (2010)			
	Office/Administration	13.6%	12.9%	11.7%
	Sales	11.4%	11.5%	9.8%
	Management	9.5%	8.3%	8.8%
	Education/Library	6.8%	9.7%	10.4%
	Health Practitioners	5.7%	6.7%	5.2%
CNW Indicators (2010)	2010 Average Household Income	$70,173	$57,726	$51,728
	2010 Median Household Income	$54,442	$47,894	$43,224
	2010 Per Capita Income	$26,739	$23,061	$20,772
	2010 Average Value: Owner Housing Unit	$220,131	$151,362	$136,179
	2010 Median Value: Owner Housing Unit	$157,913	$128,986	$119,669
	Percent of Households with $200k Income	3.5%	2.1%	1.0%
	Percent of Households with $500k Income	0.4%	0.1%	0.05%
Key Characteristics (2010)	2010 Total Population	311,212,863	775,364	48,305
	2010 Total Households	116,761,140	304,413	18,325
	2010 Median Age	37.0	37.9	35.3
	Percent of Education Attainment for Pop 25+			
	Less than Associate Degree	64.2%	61.5%	63.7%
	Associate Degree	7.7%	11.3%	13.1%
	Bachelor's Degree	17.7%	15.8%	13.2%
	Graduate Degree	10.4%	11.3%	10.0%
	Percent of Vacation Homes	3.5%	2.7%	2.4%
	Percent of Groups Quarters Population	2.7%	4.1%	7.2%

Figure 6 – Madison County

		U.S.	Foundation Area	Madison County
Results	Current Net-Worth (in Billions)	$28,065.2	$57.5	$5.3
	Per Household (in Thousands)	$235.0	$188.9	$202.3
	10 Year Transfer of Wealth (in Billions)	$6,162.74	$21.95	$1.94
	Per Household (in Thousands)	$51.5	$72.1	$74.4
	50 Year Transfer of Wealth (in Billions)	$75,089.08	$240.33	$23.90
	Per Household (in Thousands)	$628.0	$789.5	$914.9
Macro Trends	Population (annual % Δ, 2000-2010)	1.1%	-0.07%	0.1%
	Employment (annual % Δ, 2000-2010)	0.5%	-0.04%	0.2%
	Per Capita Income (annual % Δ, 2000-2010)	2.4%	2.6%	2.7%
	Percent of Employment in Sector (2010)			
	Health Care	13.9%	15.8%	13.6%
	Manufacturing	6.3%	9.3%	10.2%
	Retail Trade	11.4%	11.7%	10.8%
	Educational Services	9.6%	16.3%	19.1%
	Professional/Technical	10.4%	4.9%	4.8%
	Percent of Employment in Sector (2010)			
	Office/Administration	13.6%	12.9%	12.3%
	Sales	11.4%	11.5%	11.1%
	Management	9.5%	8.3%	9%
	Education/Library	6.8%	9.7%	10.3%
	Health Practitioners	5.7%	6.7%	5.8%
CNW Indicators (2010)	2010 Average Household Income	$70,173	$57,726	$61,907
	2010 Median Household Income	$54,442	$47,894	$49,712
	2010 Per Capita Income	$26,739	$23,061	$24,288
	2010 Average Value: Owner Housing Unit	$220,131	$151,362	$167,899
	2010 Median Value: Owner Housing Unit	$157,913	$128,986	$140,152
	Percent of Households with $200k Income	3.5%	2.1%	2.1%
	Percent of Households with $500k Income	0.4%	0.1%	0.2%
Key Characteristics (2010)	2010 Total Population	311,212,863	775,364	70,018
	2010 Total Households	116,761,140	304,413	26,125
	2010 Median Age	37.0	37.9	38.6
	Percent of Education Attainment for Pop 25+			
	Less than Associate Degree	64.2%	61.5%	60.6%
	Associate Degree	7.7%	11.3%	12.8%
	Bachelor's Degree	17.7%	15.8%	15.8%
	Graduate Degree	10.4%	11.3%	10.8%
	Percent of Vacation Homes in 2009	3.5%	2.7%	5.0%
	Percent of Groups Quarters Population	2.7%	4.1%	7.5%

Figure 7 – Onondaga County

		U.S.	Foundation Area	Onondaga County
Results	Current Net-Worth (in Billions)	$28,065.2	$57.5	$39.6
	Per Household (in Thousands)	$235.0	$188.9	$215.9
	10 Year Transfer of Wealth (in Billions)	$6,162.74	$21.95	$14.68
	Per Household (in Thousands)	$51.5	$72.1	$80.1
	50 Year Transfer of Wealth (in Billions)	$75,089.08	$240.33	$152.65
	Per Household (in Thousands)	$628.0	$789.5	$833.0
Macro Trends	Population (annual % Δ, 2000-2010)	1.1%	-0.07%	-0.05%
	Employment (annual % Δ, 2000-2010)	0.5%	-0.04%	-0.04%
	Per Capita Income (annual % Δ, 2000-2010)	2.4%	2.6%	2.7%
	Percent of Employment in Sector (2010)			
	Health Care	13.9%	15.8%	16.8%
	Manufacturing	6.3%	9.3%	8.1%
	Retail Trade	11.4%	11.7%	11.5%
	Educational Services	9.6%	16.3%	16.1%
	Professional/Technical	10.4%	4.9%	5.8%
	Percent of Employment in Sector (2010)			
	Office/Administration	13.6%	12.9%	13.6%
	Sales	11.4%	11.5%	12.3%
	Management	9.5%	8.3%	8.9%
	Education/Library	6.8%	9.7%	10%
	Health Practitioners	5.7%	6.7%	7.4%
CNW Indicators (2010)	2010 Average Household Income	$70,173	$57,726	$66,343
	2010 Median Household Income	$54,442	$47,894	$53,357
	2010 Per Capita Income	$26,739	$23,061	$27,129
	2010 Average Value: Owner Housing Unit	$220,131	$151,362	$175,220
	2010 Median Value: Owner Housing Unit	$157,913	$128,986	$145,961
	Percent of Households with $200k Income	3.5%	2.1%	2.6%
	Percent of Households with $500k Income	0.4%	0.1%	0.2%
Key Characteristics (2010)	2010 Total Population	311,212,863	775,364	456,176
	2010 Total Households	116,761,140	304,413	183,257
	2010 Median Age	37.0	37.9	38.5
	Percent of Education Attainment for Pop 25+			
	Less than Associate Degree	64.2%	61.5%	56.4%
	Associate Degree	7.7%	11.3%	11.6%
	Bachelor's Degree	17.7%	15.8%	18.4%
	Graduate Degree	10.4%	11.3%	13.6%
	Percent of Vacation Homes in 2009	3.5%	2.7%	0.9%
	Percent of Groups Quarters Population	2.7%	4.1%	3.0%

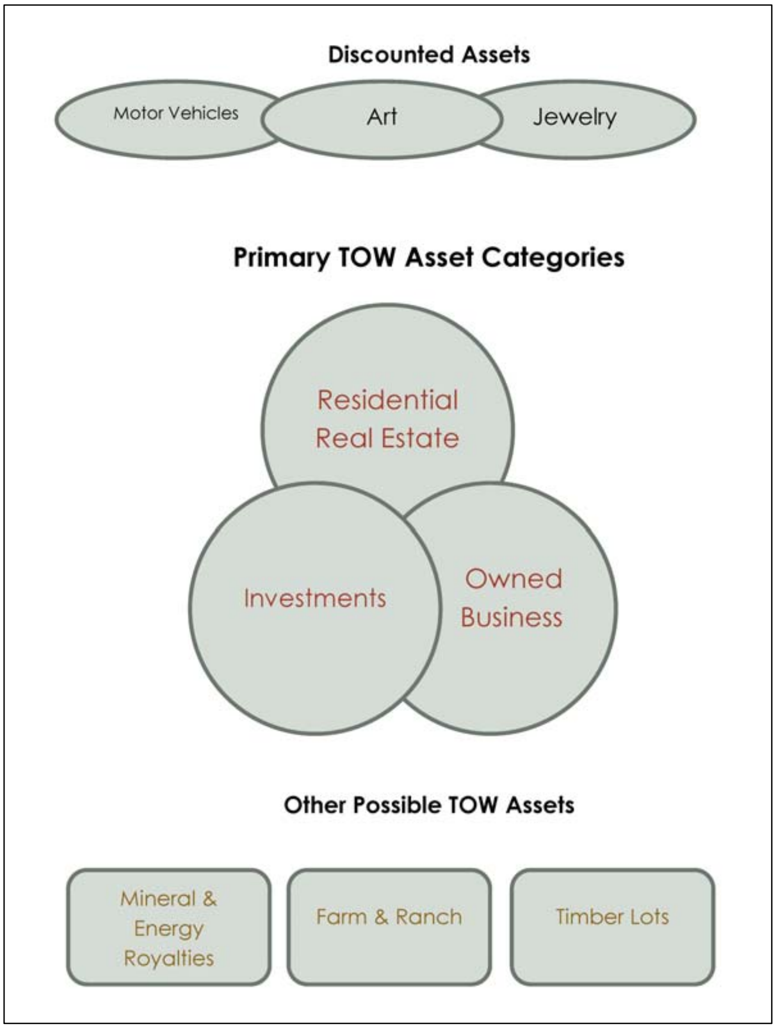
Figure 8 – Oswego County

		U.S.	Foundation Area	Oswego County
Results	Current Net-Worth (in Billions)	$28,065.2	$57.5	$5.6
	Per Household (in Thousands)	$235.0	$188.9	$122.4
	10 Year Transfer of Wealth (in Billions)	$6,162.74	$21.95	$2.40
	Per Household (in Thousands)	$51.5	$72.1	$52.1
	50 Year Transfer of Wealth (in Billions)	$75,089.08	$240.33	$29.29
	Per Household (in Thousands)	$628.0	$789.5	$635.3
Macro Trends	Population (annual % Δ, 2000-2010)	1.1%	-0.07%	-0.1%
	Employment (annual % Δ, 2000-2010)	0.5%	-0.04%	0.0%
	Per Capita Income (annual % Δ, 2000-2010)	2.4%	2.6%	2.4%
	Percent of Employment in Sector (2010)			
	Health Care	13.9%	15.8%	13.4%
	Manufacturing	6.3%	9.3%	11%
	Retail Trade	11.4%	11.7%	12.9%
	Educational Services	9.6%	16.3%	15.3%
	Professional/Technical	10.4%	4.9%	2.9%
	Percent of Employment in Sector (2010)			
	Office/Administration	13.6%	12.9%	12.6%
	Sales	11.4%	11.5%	10.1%
	Management	9.5%	8.3%	5.9%
	Education/Library	6.8%	9.7%	8.8%
	Health Practitioners	5.7%	6.7%	5.5%
CNW Indicators (2010)	2010 Average Household Income	$70,173	$57,726	$53,265
	2010 Median Household Income	$54,442	$47,894	$48,602
	2010 Per Capita Income	$26,739	$23,061	$20,868
	2010 Average Value: Owner Housing Unit	$220,131	$151,362	$132,723
	2010 Median Value: Owner Housing Unit	$157,913	$128,986	$119,181
	Percent of Households with $200k Income	3.5%	2.1%	0.9%
	Percent of Households with $500k Income	0.4%	0.1%	0.03%
Key Characteristics (2010)	2010 Total Population	311,212,863	775,364	121,448
	2010 Total Households	116,761,140	304,413	46,096
	2010 Median Age	37.0	37.9	37.2
	Percent of Education Attainment for Pop 25+			
	Less than Associate Degree	64.2%	61.5%	72.4%
	Associate Degree	7.7%	11.3%	9.4%
	Bachelor's Degree	17.7%	15.8%	11.5%
	Graduate Degree	10.4%	11.3%	6.7%
	Percent of Vacation Homes in 2009	3.5%	2.7%	6.0%
	Percent of Groups Quarters Population	2.7%	4.1%	4.1%

Methodology and Use of This Report

Figure 15 provides a visual presentation of household related wealth assets in the United States.

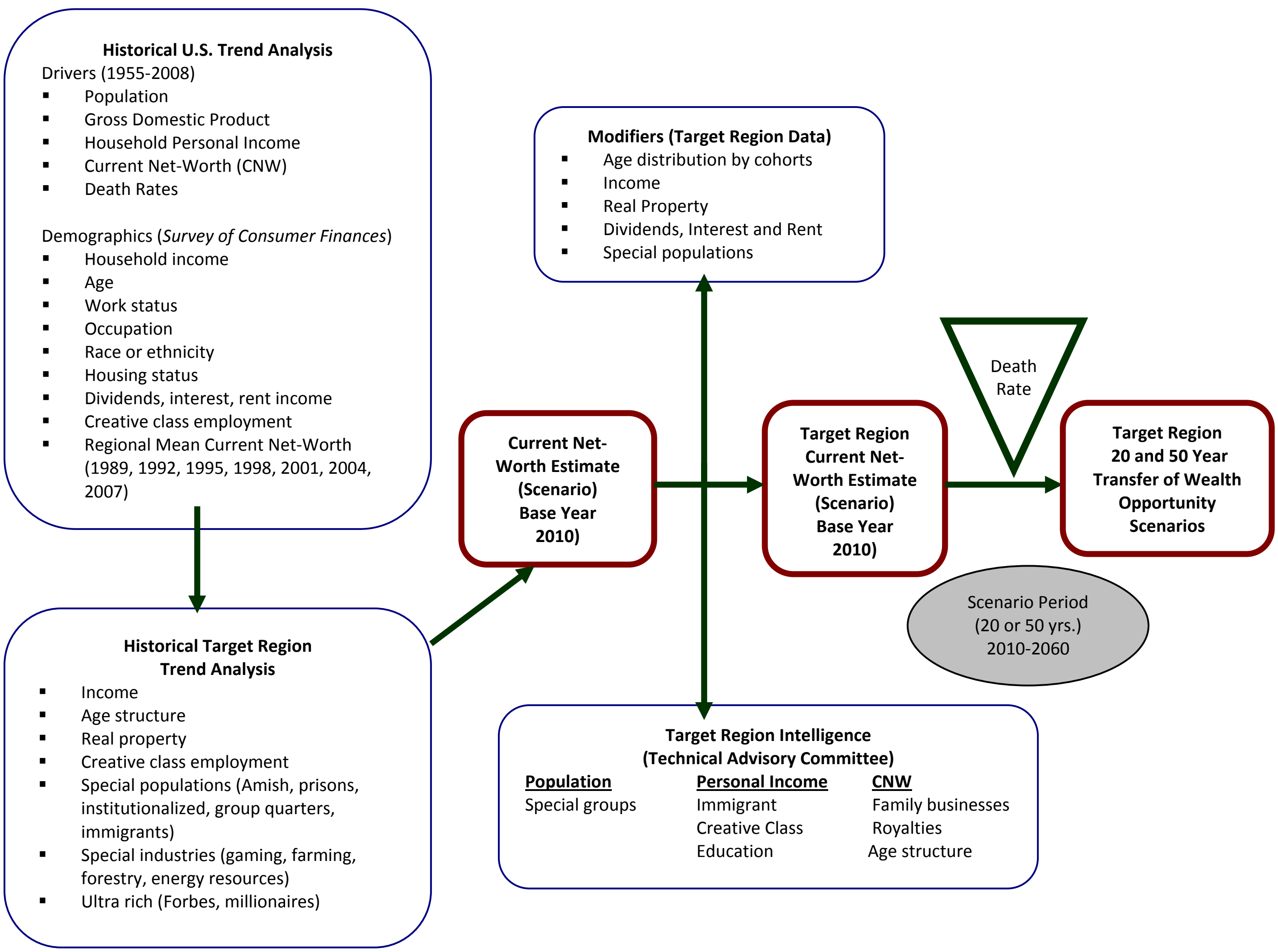
Figure 15 – Household Related Wealth Assets



There are certain assets often defined as "non-financial assets" that are hard to value or depreciate quickly. These include motor vehicles, art and jewelry. In our CNW and TOW analysis we fully discount these assets from our TOW opportunity scenarios. For most communities there are three primary or core household assets categories – residential real estate (including vacation, second & retirement homes), investments like stocks and bonds and ownership in businesses. These assets are discounted in our TOW estimates based on what share of these assets are likely to be available for giveback. America is a very diverse landscape and depending upon the region there are other household assets that can come into play including mineral and energy royalties, farm and ranch real estate and ownership of timber and other natural resources. These assets come into play in those communities where they are important.

Figure 16 provides an illustration of our CNW and TOW scenario model. This figure highlights the basic factors we consider for the estimating process. It is not possible to predict what the TOW opportunity will be, particularly 50 years into the future. We also cannot predict actual giveback rates. We can generate conservative and reasonable scenarios of "likely futures" that can estimate potential for charitable giveback. Our estimates are very conservative and may well underestimate the actual giveback potential.

Figure 16 – Illustration of Methodology Used



The earlier Boston College work provided predictions of likely giveback. We have chosen to not focus our analysis on this kind of estimate. We believe that by focusing on the TOW opportunity and motivating communities to increase philanthropic development, the actual giveback rate can be influenced. We know from actual field experience this is true. This analysis can raise awareness about the potential for giveback, endowment building and grant making capacity. As awareness is raised motivation is increased to act on this remarkable opportunity already present in our communities.

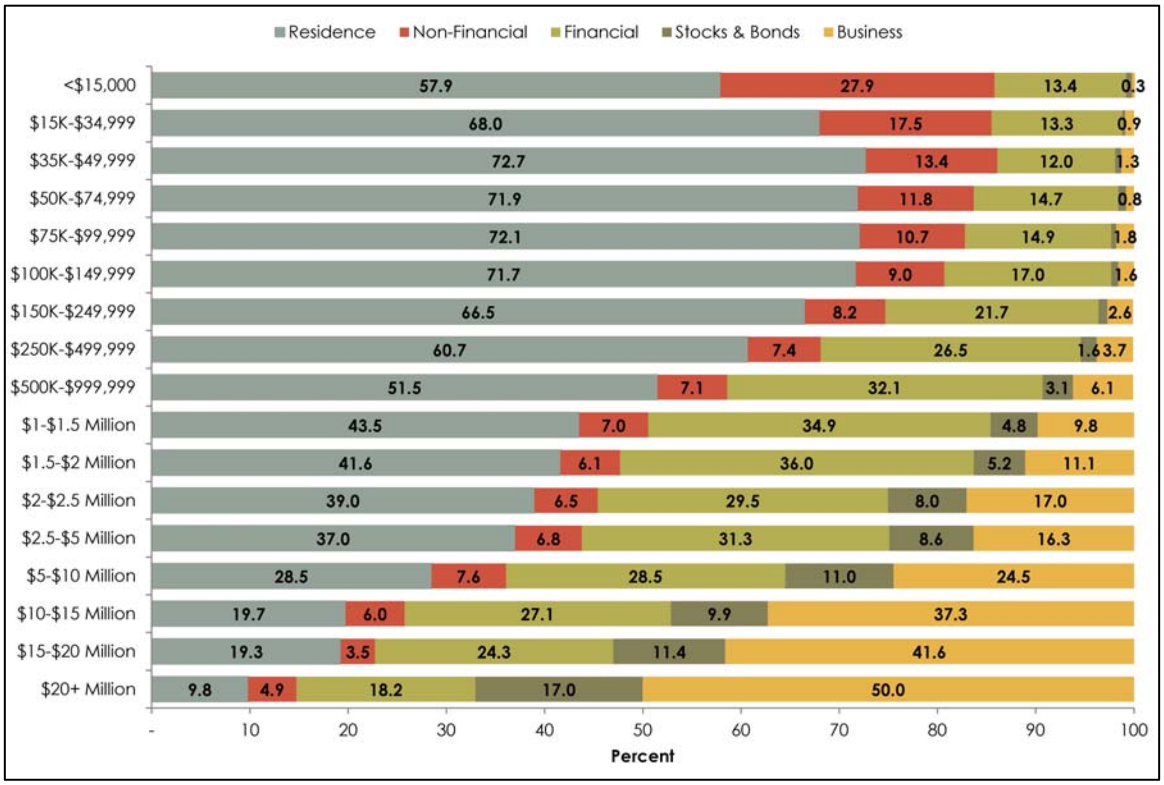
Within our Electronic Library for this Project we have included a paper that provides a more detailed description of our Methodology. Additionally, we have included a paper titled Wealth in America that provides insight on wealth holding and formation in the United States.

Most households giveback to their communities, making donations of time and funds to their churches, local schools and assorted other causes and charities. Giveback is a wildly held cultural tradition in the United States. U.S. and state laws encourage giveback through assorted tax advantages and charitable incentives. Encouraging broad-based giveback is important to most communities. However, the potential for significant charitable giveback is shaped by wealth capacity. Higher net-worth households simply have greater capacity to giveback because they control more wealth. We have prepared analysis on the distribution of assets by type.

Figure 17 provides a graphic illustration of how the asset mix changes with High Net Worth (HNW) households nationally. While this mix of assets will vary somewhat from geography to geography and vary significantly from wealth holder to wealth holder, the overall pattern is likely to be consistent as we move from national patterns to New York and to foundation areas. For those HNW households with CNW levels of under $5 million a significant portion of their wealth is concentrated in residential real estate, with lesser amounts in financial investments and businesses. Clearly the housing bubble and the Great Recession have reset valuations and significantly impacted this asset component. This reality is reflected in our projections.

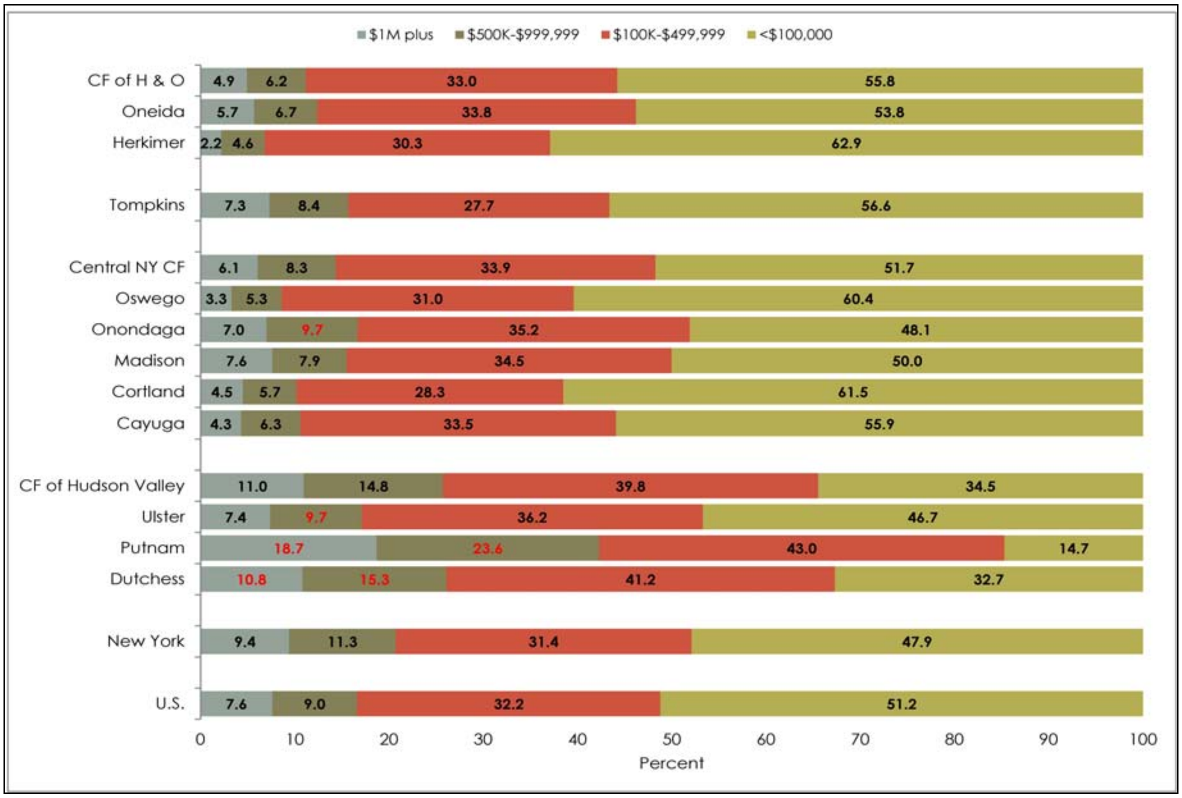
Within the $5 to $10 million group, the allocation of assets is more equal between residential real estate, financial investments and businesses. As we progress to ever higher net-worth households, business holdings surpass financial investments, residential real estate and stocks and bonds ownership. While losses have occurred with the Great Recession in financial investments like stocks, there has been a relatively strong recovery particularly among active traders or higher net-worth investors. The impact on business holdings has been mixed. For those who failed during or following the recession there have been significant losses, and these are likely to be permanent. However, for those businesses that made it through, many are actually stronger with higher valuations today. This mix of impacts will average out somewhat within the entire portfolio of HNW households. Within the cohort, there will be a wide range of good and bad impacts.

Figure 17 – Distribution of Assets



Source: The Federal Reserve Board, Survey of Consumer Finances, 2007
*Financial assets include all financial assets but exclude stocks & bonds.
**Non-financial assets include all non-financial assets but exclude residence and business.

Figure 18 – Household Current Net-Worth Shares



Source: ESRI, 2010 Data, January 2011 & RUPRI Center for Rural Entrepreneurship, August 2011.

Discounting Household Current Net-Worth (CNW)

We discount the CNW to better reflect the actual philanthropic opportunity by eliminating assets that are unlikely to become available for giveback. For example, for 2010 we estimate Tompkins County's CNW at $7.4 billion. Had we not discounted the estimate would have been nearly $15 billion.

Center for Rural Entrepreneurship

energizing entrepreneurial communities

The RUPRI Center for Rural Entrepreneurship is the focal point for energizing entrepreneurial communities where entrepreneurs can flourish. Created in 2001 with founding support from the Kauffman Foundation and the Rural Policy Research Institute (RUPRI), the RUPRI Center is located jointly in Nebraska and North Carolina. The RUPRI Center's work to date has been to develop the knowledge base of effective entrepreneurship practices and to share that knowledge through training and strategic engagement across rural America. Working with economic development practitioners and researchers, the RUPRI Center conducts practice-driven research and evaluation that serves as the basis for developing insights into model practices and other learning. The RUPRI Center is committed to connecting economic development practitioners and policy makers to the resources needed to energize entrepreneurs and implement entrepreneurship as a core economic development strategy. To learn more about the RUPRI Center, visit www.energizingentrepreneurs.org.

rupri

The Rural Policy Research Institute (RUPRI) functions as a national scientific research center, identifying and mobilizing teams of researchers and practitioners across the nation and internationally to investigate complex and emerging issues in rural and regional development. Since its founding in 1990, RUPRI's mission has been to provide independent analysis and information on the challenges, needs, and opportunities facing rural places and people. Its activities include research, policy analysis, outreach, and the development of decision support tools. These are conducted through a small core team in Missouri and Washington DC, and through three centers, ***including the Center for Rural Entrepreneurship****, and a number of joint initiatives and panels located across the United States. RUPRI was created as a joint program of Iowa State University, the University of Missouri, and the University of Nebraska, and is now housed at the Harry S. Truman School of Public Affairs at the University of Missouri. To learn more about RUPRI, visit www.rupri.org.*

TOW Transfer Of Wealth

The Inter-Generational Transfer of Wealth (TOW) analysis is a service of the RUPRI Center for Rural Entrepreneurship. Original founding support to develop our TOW analysis was provided by the Nebraska Community Foundation (NCF). For more information about NCF, visit www.nebcommfound.org. Subsequent and ongoing support for the RUPRI Center for Rural Entrepreneurship and our TOW Analysis is being provided by RUPRI and regional funding partners. The authors of this study include Don Macke (Project Leader), Ahmet Binerer (Research Analyst), and Dr. Deborah Markley (Editor).