



**THE THREE PILLARS
OF A
STRONG BEQUEST PROGRAM**

PG CALC WEBINAR

JANUARY 23, 2014

© All rights reserved

Presented by:

Gary M. Pforzheimer, President
PG Calc
129 Mt. Auburn St.
Cambridge, MA 02138
888-497-4970
gary@pgcalc.com

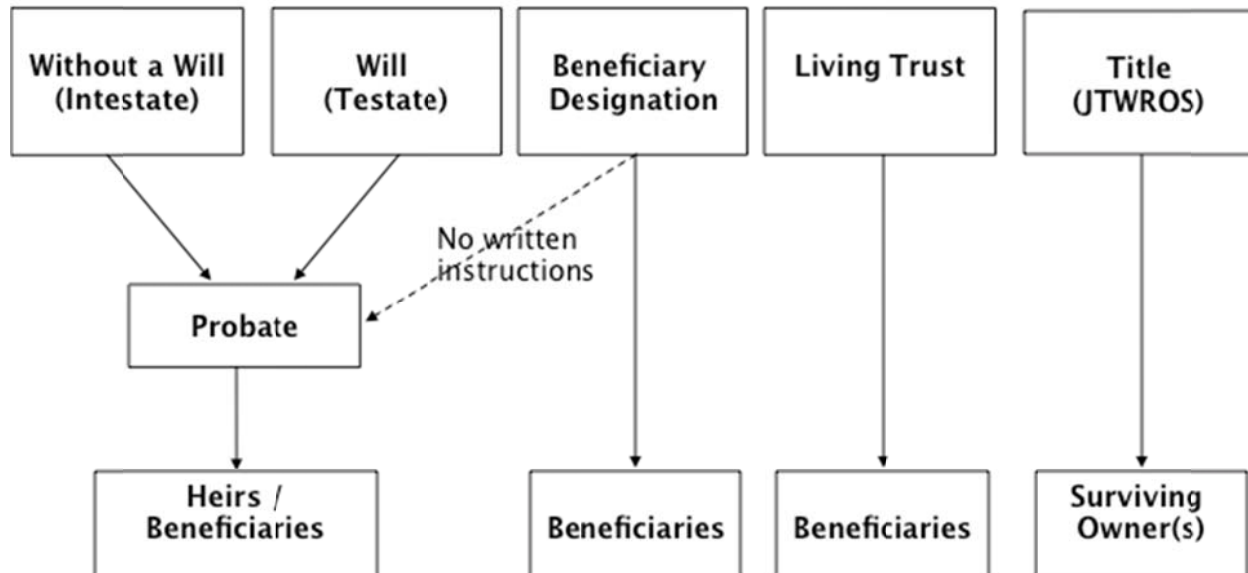
- I. Introduction 2**
- II. Effective Identification of Bequest Donors 4**
 - A. Increasing Awareness – Moving Suspects to Prospects..... 4**
 - B. Identification and Cultivating – Converting Prospects to Qualified Prospects..... 6**
 - C. Closing – Soliciting Qualified Prospects to Secure Gifts..... 8**
- III. Meaningful Engagement and Stewardship of those Donors..... 10**
 - A. Personal Stewardship 10**
 - B. Legacy Society and Group Activities..... 11**
 - C. External Benefits for Doing it Right 17**
- IV. Proactive Bequest Administration 18**
 - A. Communication 19**
 - B. Estate Administration Details 22**
 - C. Internal Recordkeeping and Measurement..... 27**
- V. Conclusion..... 30**
- APPENDICES:..... 31**
 - Appendix A: Arrangements Similar to Bequests..... 31
 - Appendix B: Types of Bequests and Sample Language 34
 - Appendix C: Sample Volunteer Handout..... 36
 - Appendix D: Sample Legacy Society Gift Intention Forms..... 39
 - Appendix E: Legacy Society Welcome Letters 42
 - Appendix F: Legacy Society Membership Certificates 44
 - Appendix G: PG Calc’s *Bequest Manager* Software Information..... 46
 - Appendix H: Action Timeline for Bequest Gifts 48
 - Appendix I: Bequest Administration Checklists..... 50
 - Appendix J: Reports from PG Calc’s *Bequest Manager*..... 54

I. Introduction

It's well known that about 80% of all planned gifts are charitable bequests, and that most come as an unexpected (but very welcome) surprise to the receiving organization. What is less well known is that an organized bequest program can help identify bequest donors before the gift is realized. This knowledge can drive improved stewardship efforts, resulting in both larger gifts and fewer unrealized bequests. And, improved bequest practices can increase the number and size of all bequests, even those that were not known prior to realization!

Among the reasons that bequests are the predominant source of planned gifts is that they occur after the donor no longer needs the assets to meet his or her own needs. Consequently, the donor has all remaining assets available for giving to charity and heirs. Bequests are also completely revocable and modifiable prior to the donor's death, which gives the donor the flexibility to change the terms of a charitable bequest, or revoke it entirely, at any time for any reason. These factors allow donors to be comfortable directing assets to charity in their will that they might not be comfortable donating in an irrevocable manner during life.

For the purpose of this paper and the accompanying Webinar, the term "bequest" is being used loosely to mean all manner of gifts at death. Some of the issues discussed pertain equally to all types (such as marketing and stewardship) and others are specific to gifts that need to go through the probate process. For more details on the different types of legacy gifts, see [Appendix A](#) and the flow chart below:



The financial uncertainty of the past few years has led many gift planners to focus on promoting bequests in response to would-be donors who have become nervous about making irrevocable gifts. While donors can change their mind, research has shown that the vast majority of bequest intentions become realized bequests. Hence, fundraisers can have confidence that once in the will few donors will remove a charitable bequest later in their lifetimes, especially if they are stewarded well by the charity.

This paper focuses on the three activities in which every successful bequest program excels: identification of bequest intentions, stewardship of known bequest donors, and proactive management of bequests in process. Its purpose is to help you learn or improve your knowledge of the core activities that make a bequest program strong in each area and hence strong overall.

Below are a few hard questions you may want to consider before you read this paper. They speak to the readiness of your program and depending on your comfort with your answers may help you assess how much work you need to do to have the strongest program possible. A word of caution: these are tough questions and most of the answers aren't found in this paper or in the live Webinar – getting a perfect score can be attained only through superb marketing, meticulous recordkeeping and fanatical practices. But don't be put off by the notion of understanding where you can improve your efforts; programs of all sizes and strengths can always get stronger.

- ✓ How many new bequest intentions have come in each year for the past five years?
- ✓ Do the numbers correlate with specific marketing initiatives, budget increases or cuts, and staff changes?
- ✓ How many leads for bequests do you have and is that number rising or falling?
- ✓ Can you project the present value of your existing bequest intentions (your pipeline)?
- ✓ Can you project your organization's bequest realizations over the course of the next five years (your cash flow)?
- ✓ Do you know the average age when an individual notifies you of a bequest intention?
- ✓ Can you recall some instances when a donor removed your organization from his or her will?
- ✓ What is the average length of time between learning of a donor's intention to leave a bequest and when the bequest is fully distributed?
- ✓ Is there evidence that your charitable gift annuity donors are more likely to make bequests than other donors?
- ✓ Do you know the percentage of realized bequests that were known of prior to the donor's passing?
- ✓ Do you know the average and median gift size of your nonprofit's bequest gifts?

II. Effective Identification of Bequest Donors

Not everyone wants to make a bequest to your organization but places with strong planned giving programs follow some straightforward paths to uncover the needles in the haystacks. One path is looking inside to ask your volunteers, mine your data, and look for the most likely people to give; then these folks should be the focus of your time and energy. Another way is to spread the word far enough and wide enough to get folks to self-identify. Either way, you want to catch people through what many call “the marketing funnel.”

The marketing funnel is a series of stages that, like a kitchen funnel, gets smaller and smaller as you go down. Much has been written on this subject and some experts recommend having as many as seven different stages to their funnel. For simplicity here we have three stages:

- At the top of the funnel you have a large group of people called Suspects. No one has the time or budget to market indiscriminately so there are some common sense filters applied before everyone in the world is contacted. You are successful reclassifying a Suspect to a Prospect when they have done something to attract your attention to them. Various industry-standard ratios apply, but for many organizations there can be as many as 100 or 1,000 Suspects for every Prospect.
- Prospects are in the middle of our three-staged funnel and the job here is to qualify them so that you spend your precious time and energy on those most likely to make a bequest. Qualified prospects either are found through awareness activities or are identified from within. Qualification can take many different forms but often you are working with 5-100 unqualified Prospects to get every qualified one.
- Prospects move to the Qualified Prospects stage when they raise their hand high enough to be called or are visited, at which point they are at the last stage of the funnel. Those that make a gift are the drips that come out of the funnel. Even though you are working with these Qualified Prospects at this stage you’re doing well to close one donor for each 5-10 you approach for a bequest.

A. Increasing Awareness – Moving Suspects to Prospects

When it comes to increasing awareness of the bequest program of your organization, the communications goal is to disseminate appropriate information to as wide an audience as possible. You want to get as many prospective bequest donors onto a more targeted list (prospects) so you can work to discover which ones are likely to make gifts (become bequest donors). Suspects aren’t the entire universe of living people and who they are often depends on the scope of the mission of the organizations. The number of suspects for any given nonprofit varies dramatically from charity to charity; for example, a national cancer center will have more suspects than a 40-year-old boarding school.

This stage of marketing largely entails identifying and attracting the attention of consistent annual fund donors, former/current volunteers or Board members, grateful patients, former students, former faculty members, and other likely planned gift prospects. You want to use the tools available to you to create connections with individuals of this profile and prepare them to be nurtured and cultivated toward a planned gift. It's likely that people in the organization other than the Development team will orchestrate the broad-based promotional activities that power the awareness stage of marketing, but to ensure that bequest suspects are motivated to become prospects you will have to make sure the message is one of long term needs and deep appreciation for loyal donors.

And unlike asking for general support, you have to overcome the fact that bequests are usually given only to a few of a donor's most cherished charities. Here are a few important ways to reach your audience and increase awareness:

1. Your Organizational Website

A keyword-rich and search engine-optimized website is a critical tool in this stage of marketing. Take, for example, individuals who are unaware of your organization, but are interested in services that fall within your capabilities. They're likely to go online and search using particular terms to engage in that particular community of interest. Say, for instance, that your organization is a university or a hospital conducting cutting-edge research of a specific type. You want to make sure your website is optimized in such a way that it attracts visitors on the basis of search terms they use to pursue the specific information they're interested in.

The best use of your website at this stage is for its content to attract prospects and advisors you don't already have in your database. A keyword-rich and search engine-optimized website will go a long way towards attracting these individuals organically.

2. Direct Mail

To support awareness, direct mail should be used to target a reasonably large but controlled audience. An example would be a mailing to the community in which your organization is located. Unlike for your annual fund, the recipients for direct communication about bequest gifts are almost always in your database, and they will likely reflect one of the key characteristics of a viable potential planned gift donor. During the Awareness Stage, your goal for a direct mail initiative is to motivate individuals who match the profile described in list below to establish and/or deepen their connection to your organization. Now is not the time to use direct mail as a solicitation tool, or at least it's not yet time to expect to achieve actual bequest intentions from individuals who lack a tight connection to your organization.

Possible market segments:

- Older donors;
- Those who have given consistently and over a long period of time;
- Retired staff and widows or widowers of retired staff;
- Former board members;
- Those with no heirs;
- Volunteers, and

- Those who may have an interest in endowing their annual gift.

3. Earned Media (Public Relations)

Building awareness for your organization by getting coverage through television, newspapers and/or radio is typically the responsibility of the marketing communications department or people in senior leadership. But you can leverage their activities on your own behalf. If your organization is receiving coverage for a specific achievement, make sure that individuals in your database who match the demographics of a planned gift donor are made aware of it. This includes ensuring that your entire planned giving team is kept informed of this type of coverage – so ensure you have processes in place to facilitate that type of internal communication.

4. Paid Media Advertising

For some organizations, it can make a lot of sense to advertise locally, nationally, and in some instances, even internationally. Like earned media, this is typically the domain of marketing communications. Recognize that those efforts are supporting your goals and contributing to your prospect recruitment process by solidifying the reputation of your organization and its mission over the long term.

5. Working with Professional Advisors

Professional advisors are a unique community. While they are unlikely to make their own gifts, you are reaching them because of their clients. If your organization doesn't already provide a newsletter specifically geared to professional advisors, it's certainly worth considering. Engaging professional advisors and working diligently to keep your organization top-of-mind with them is a good way to get prospects.

At every opportunity, make sure you are letting as wide an audience as possible know that your organization seeks and accepts bequests. After all, we've all heard stories and had experiences in which bequests come seemingly out of nowhere – indeed, it's often hard to say with certainty what the true motivation or “spark” for planned giving interest was. Don't fight this uncertainty – simply focus on getting your message spread to that wide audience. Keep in mind that a measurable response rate to awareness activities is typically minimal. But even if impact rates are hard to quantify, generating impressions at this stage of the process can be quite valuable.

B. Identification and Cultivating – Converting Prospects to Qualified Prospects

Many prospects will come from the Suspects group through the activities described above. But many will not. In fact, in some organizations make this the starting point in the funnel – not the middle. For example, a temple with 200 members over the age of 75 decided to focus on finding 18 volunteer leaders to make their own bequest intention and then cultivate three more people. While some awareness was part of the effort (a letter with a brochure to this group, a brochure left at the front entrance, and a revamped website) the development strategy group decided to identify from within and then begin to cultivate. Below are a combination of internal identification

techniques as well as more traditional cultivation activities designed to find and move Prospects to Qualified Prospects.

1. Your Organizational Website

To enable conversion opportunities, use forms that visitors can fill out to indicate they would like more information on a particular topic. Designing and maintaining a website with plenty of conversion opportunities (signing up for your newsletter, for example) is a good practice to do more than just awareness. It's an excellent idea to include descriptions of the different types of bequests as sample language (as shown in [Appendix B](#)).

2. Newsletters

Include content in your organizational newsletter that will attract readers to your planned giving Web pages. Examples include donor stories, gift types, benefits of various gift types, and investments your organization has been able to make with the support of planned gifts. Complement this content by giving readers as many ways as possible to reach out to you, including the URL of a landing page specifically designed to collect their contact details in exchange for more information.

3. Print communications

Include a response mechanism – a box to check and return, for instance – that provides access to information about planned giving:

- “Send me more information about bequests”
- “I would like to learn more about providing a gift and receiving income for the rest of my life”
- Always provide your Web address and an incentive to visit
- “Learn more (about this gift) at www.xyz.org”

4. Electronic communications

- Provide opportunities to exchange email/phone information for more details about other donors and gift types following stories about existing donors and testimonials
- Provide opportunities to sign up for planned gift messaging on a “Support Us” page
- Provide opportunities to enable broader permission on confirmation pages after any conversion – for instance, include a checkbox that says “Let me know about events in my area”

5. Your Board as a way of Identifying Qualified Prospects

Your board can be a critical catalyst for growing the circle of friends that support your charity. It can be an important force multiplier in identifying, cultivating, closing and stewarding planned gifts. Board members have access to peers, colleagues, and family members who are unavailable to development staff. While development staff typically have limited access to board members, they can and should leverage that access to their best advantage. There are a variety of roles that board members can play that will help you increase your prospect pool and close more planned gifts. At this stage, it's about the introductions.

It's important to understand the dynamics of asking board members for names of those likely to make a gift. These are their friends, business associates, and family members. Win their trust

that you will act appropriately and honor these important relationships. If you have successfully worked with a prospect identified by a board member, have them give a testimonial and describe how the process worked for them.

6. Rating and Screening

- Work with your prospect researchers to prepare lists of individuals who are either already donors or individuals known to your organization who might be likely donors and have the resources to provide financial support. A brainstorming session with board members can be a great way to discover connections between your board members and your prospects. Convene over lunch, dinner or cocktails. Don't gather in a conference room with blank pads of paper and expect to get much information. Open-ended solicitations for names are likely to be met with silence. Report back to your board on your progress with the prospects identified! Board members will conclude that their time was wasted if you don't show tangible progress with the information they provided.
- Work with Annual Fund staff to recognize planned giving potential in existing donors and start a dialogue with these donors that sets the expectation that they may be contacted regarding planned gifts (if they have no objections).
- Work with existing planned gift donors to identify planned giving potential in friends and family and start a dialogue with these individuals that sets the expectation they may be contacted regarding planned gifts (if they have no objections).

7. Development Staff Training

Work with annual fund staff to identify planned giving potential in existing donors and target those individuals to obtain permission to connect with them. Encouraging other staff members to "tip you off" to a planned gift opportunity multiplies prospect contacts. Suggest staff listen for references to all of the following:

- Illiquid assets, such as real estate
- Multiple financial goals
- Ties to family or closely-held business
- Concerns about providing for heirs
- Assets producing no income
- Retirement planning
- Desire to make a major gift

C. Closing – Soliciting Qualified Prospects to Secure Gifts

As an aside, it's clear that this step is the one that is actually omitted for about 70% of bequests because fundraisers are unaware of them until they are received and there never is an actual close. Which is why the previous two marketing steps are so essential. However, understanding how to get to "yes" with a donor is a very satisfying activity as known bequests are usually larger and more likely to remain in force at death than unknown ones. Furthermore, getting a commitment leads to your ability to steward that donor and potentially convert some or all of the revocable bequest into an irrevocable life income arrangement or an outright gift during lifetime.

When you have that small group of Qualified Prospects, the tools of the trade become much fewer. In selling widgets online all you need is a good shopping cart and sometimes the offer of free shipping and this step takes care of itself. But for getting a known bequest intention the hard part has just begun.

1. Use your Board to Solicit Gifts

Involving board members in gift solicitations will result in more and larger gifts. They have a degree of influence over their peers that development staff will never have. Board members are generally reluctant to ask for money, unless it's part of their job description. However, there are a number of things you can do to address these concerns and put your board members at ease:

- Recognize board member reluctance. Validate your board member's reluctance to solicit gifts. Prepare the board member to respond to questions from prospects about the board member's own financial commitment.
- Demystify the process. Role-playing can help ease a board member's fears and misunderstanding about the process. You can use successful solicitations as a script for your role-playing.
- Accept board member limitations. Board members will express reluctance to address certain topics and may want to impose limitations on your contact with their identified prospects. To build trust, you must acknowledge and accept these limitations.

Engage your board to value, encourage and make their own planned gifts. No amount of marketing will improve your fundraising results as much as having your board involved in the planned giving process.

A sample "Frequently Asked Questions" document used to help volunteers can be found in [Appendix C](#).

2. Your Website

As noted in the section about cultivating, it makes sense to have enough information on your website to move people through the process of becoming educated and just as importantly to take some action. In addition to sample language, many organizations find it helpful to have bequest intention forms on their website (such as those found on [Appendix D](#)).

3. Time to make "the ask."

For many gift planners, it's hard to recognize the right time to make "the ask." This is both an art and a science. The correct time to ask is "when it feels right." Because of the anxiety of the solicitation, it's easy to put off the ask in an endless cycle of cultivation moves. Rather than do that, it is incumbent on you to develop both a solicitation strategy and a target date.

Elements of nurturing and education such as visits, calls, and emails should continue. If a person in this stage of interest is not local, it's ideal to either travel yourself, if possible, or

select a representative of your organization (alumna, former patient, former person served) to meet with the donor on his or her home turf. This stage is far more personal than the others and, as such, your methods will necessarily assume a one-on-one approach, whether the contact is done in person, via email, or on the telephone.

4. Overcoming Objections

Despite the nurturing you've done and the education you've provided during a prospect's progress through the funnel, he or she may ultimately decline your request for a bequest. Take a page out of a sales textbook and be ready with answers or "scripts" to common objections. The intent isn't to talk somebody into a gift plan that isn't right for them, but rather to be prepared to respond to common obstacles. First, determine the "true" objection to the gift. Second, identify the source of the prospect's objection. Why does the donor think he or she doesn't want to or can't make the gift you solicited? Third, determine if the prospect is refusing to make any gift at all. Would the donor consider a gift of a different amount or at a different time?

There is one overarching rule about content when looking for bequests - always bring the discussion back to how a planned gift advances the mission of your organization. At the end of the day, conveying your mission is the most critical messaging of all you do from the time of initial awareness through to cultivating and soliciting.

III. Meaningful Engagement and Stewardship of those Donors

The purpose of the previous section was to discuss how to find donors who are planning to make a gift of any kind upon their death. This next section begins where that left off and is about the process of keeping these donors so happy they will keep you in their estate plans and just possibly tell a friend!

A. Personal Stewardship

The stewardship process begins at the moment the non-profit is informed of the bequest expectancy, not necessarily when the development officer finds out. While often it is the development officer who is the first to know, this is not always the case. Make sure to train other staff, volunteers, and Board members so that if they are the first to be notified, they know what to say and whom they should relay the information to for follow-up. Think ahead of time about what you want their response to be and devise a system for timely referrals.

Determine what the follow-up will be and how you will manage donors once you are notified of their bequest arrangement. Have your "thank you/welcome" packet at the ready, having already thought through the wording and signatory of the letter and prepared the reply form. Know who will acknowledge and thank the donor for what.

For example, once notified, a non-profit might take the following steps:

- Contact the donor within 24 hours to personally thank him or her and set up a visit, if possible.
- Send a thank you/legacy society welcome letter with a gift notification form (if you don't already have one filled out). This is done by the development officer within two to four days of notification. See [Appendix D](#) for sample forms and [Appendix E](#) for sample letters.
- Have the President/CEO or an appropriate Board member contact the donor and thank him or her. This could be by letter or by phone. Many non-profits look for ways to involve their board members in the fundraising process and this is an ideal activity for doing that. If your board member is amenable, a phone call can be more gratifying and offers the opportunity for them to hear firsthand why donors support the non-profit. This should be done within two weeks of notification.
- Enter the gift information into your donor database and/or *Bequest Manager* so it can be readily tracked.

Before making the first call, take a moment to look at your database and learn about your donor. Has the donor given recently? Check on patterns of giving. Has the donor given over a long period of time?

When you call, thank the donor personally not only for the bequest but also for yesterday's gift, for last month's gift, or for loyal and longstanding support in general. Also, be sure to thank the donor for sharing with you information about the bequest. In addition, you should:

- Emphasize respect for confidentiality.
- Mention that the donor is now eligible to be a member of your legacy society by virtue of the bequest. If no such society exists, don't worry. Say that you will try to keep the donor involved in things that are going on.
- Emphasize that the donor can choose his or her level of involvement.
- Assure the donor that the gift is important no matter how small (or how contingent!).
- Make clear that you can help ensure the donor's wishes are carried out and that you are a resource and would welcome any questions.

Once a donor has been welcomed into a charity's community of bequest donors, the relationship should continue to grow. Indeed, the focus now shifts to deepening that relationship through ongoing contact by cards, phone calls, and personal visits. In addition, these individual activities are strengthened by group activities as discussed in the next section.

B. Legacy Society and Group Activities

A legacy society is not an absolute necessity for a planned giving program. Stewardship can certainly be done through the usual means without one. However, it has become a best practice in planned giving for several reasons. A legacy society:

- formalizes stewardship and ensures that it happens. Too often planned giving donors fall between the cracks at a non-profit and the only time the donor hears from the non-profit is a thank you upon notification (sometimes not even that!).
- creates an identity and, if done correctly, helps the donor feel a part of something special. Seeing themselves as a part of like-minded community helps reinforce their gift decision and makes them good about arranging it.
- provides the means of recognizing your bequest donors. What does it say if a non-profit offers all sorts of giving levels, clubs, and recognition opportunities for donors of outright gifts but is silent for those who name the non-profit in their estate plans? While some donors will say they do not want the organization to make a fuss (ask if they are being completely honest), many others like the attention.
- can be a very useful tool for initiating planned giving conversations and promoting bequest gifts generally.

So if a non-profit is intent on increasing its number of planned gifts, it should most often look to the day when it will establish a legacy society of its own. Here are some considerations that come into play in doing so.

1. Membership - Be Inclusive

Legacy societies add value by providing a mechanism for deepening and strengthening the relationship planned giving donors have to your non-profit. This will result in the retention of what are otherwise revocable gifts, the arrangement of additional planned gifts (as well as outright ones) by individual members, and an increase in the size of these gifts. There is only an upside to being as inclusive as possible and very little, if any, downside.

This means that all bequest donors should be counted as members, regardless of gift size or if it is contingent. By including a non-profit in his or her estate plans, the donor has shown a commitment to the non-profit and a desire to leave a legacy. Beyond being the right thing to do, greater contact and stewardship through a legacy society will help small gifts to grow and contingent gifts to become certain gifts.

While it is a very good idea to eventually obtain a copy of the gift documentation, or the relevant portion thereof, do not make this an initial requirement. Instead, focus on having something in the file that is written and memorializes the gift. Next best to the actual gift documents is a “gift notification form” that provides basic information about the gift (including an approximate indication of gift size), notes any restriction as to use, and gives permission to be recognized publicly. However, any written indication from the donor should be acceptable, be it an email message, a letter, or the like. If it is an oral commitment and no gift notification form is forthcoming, compose a letter to the donor that expresses your understanding of the gift.

It serves both the donor and the non-profit to make sure that:

- the intended organization is identified correctly, which is especially important for non-profits with different branches or offices
- you can meet any gift specifications or restrictions, and
- any possible confusion down the road is minimized.

2. Offer Meaningful Membership Benefits

A core component of any legacy society is the benefits that will be offered. These are designed with several goals in mind: to let the donor know that the non-profit is grateful for their estate gift, to help a donor feel part of a special group, to encourage donors to reveal their estate gift plans, and to provide opportunities for personal stewardship. *The key is for the non-profit to offer enough to achieve some or all of these goals but at a level that is sustainable given the level of committed internal resources.*

There are some more or less standard benefits offered by non-profits that help achieve the goals stated above. How many of these should be offered is a function of staff time and budget. Think about providing quality over quantity and limiting yourself to providing only those benefits that you can do well. Devote some time to thinking about how these “bread and butter” benefits might best reflect your non-profit and the mission your donors feel so strongly about.

- **Donor recognition.** Publish names of donors in printed materials, on the website, and in e-mail. List names in a physical space and recognize donors at public events or ceremonies.
- **Membership certificate.** Membership certificates may seem mundane and may not resonate with all of your donors. However, a certain group of donors will be very touched to be recognized in this way, with some proudly displaying the certificate at home. This is a low-cost benefit and so there is little reason not to offer it.

The key is to have the certificate look nice, be on quality paper, and be signed by high level leadership, commonly the Board Chair and/or the President/CEO. See [Appendix F](#) for a sample certificate.

- **Memento.** Some non-profits have a memento of membership. These token gifts can remind a donor of your non-profit and serve as evidence to others that he or she supports your organization. Design something that will remind donors of your non-profit each time they see the item, and ideally is useful to the member. (Remember that your target audience is older persons who are very likely in a downsizing mode and do not need more “stuff.”)

Having said all this, the caveat is that what item or items work best will vary between non-profits and their different donor compositions. Take some time to think about what will resonate best with your donors and reflect your non-profit’s character. Ask your legacy society members and prospects on a regular basis what they would most value.

- **Invitations to other events.** Look for opportunities to include legacy society members in other important events at your organization. This is a very low-cost way to steward your donors and underscore the importance you attach to their estate gift.

- **Unique Benefits.** The greater challenge (and fun) is to think about offering one or two benefits that are unique to your organization, or that would be uniquely valued by your donors. For example, a hospital, might offer concierge services to get access to specific physicians or clinical programs. Here is a list of some ideas:
 - Name listed in annual report and other publications, on donor walls and website
 - Invitation to an annual legacy event, usually lunch or dinner, with CEO/President/other leadership of the organization
 - Invitations to other events-annual gala, major donor stewardship events, receptions, briefings from leadership or key staff, etc.
 - Legacy society certificate, lapel pin, or membership card
 - Featured story in a newsletter, on website or other planned giving materials
 - Discounted parking
 - Cards for birthdays or various holidays
 - Behind the scenes tours
 - Boxed greeting cards with designs pertinent to the organization
 - Special parking privileges
 - Access to campus libraries
 - Invitations to “special experience” wishes (Make-A-Wish)
 - Custom books with mission related photos and quotes (Make-A-Wish Washington and Alaska uses Snapfish, an online photo sharing and products site, to make a “Wish Kid’s” book with wish quotes and photos at a modest cost. Snapfish can also be used to create invitations or cards with images from your organization. See: <http://www.snapfish.com/snapfish/fe/photo-books>)
 - Backstage tours (performing arts organizations)
 - Invitations to watch rehearsals, classes
 - Special edition music CD (from a public radio/jazz station)
 - Wine release parties (College Wine Academy)
 - Invitation to judge student project presentations
 - Event with scholarship or grant recipient(s)
 - A bush or flowering shrub planted on the grounds of the non-profit, in the member’s honor

3. Recognize Donors

Public recognition offers the double advantage of recognizing donors while building awareness about your program. If donors are reluctant, let them know that public recognition is, in many ways, a second gift to your non-profit as it may inspire others to be equally generous. For many donors, this latter point is an appealing reason to be a member of the legacy society.

Look for as many opportunities, with donor permission of course, to recognize your donors as you can. At a minimum, integrate them into the recognition given to other donors at your organization.

- If you have a physical donor recognition wall, add a section for the legacy society.
- Include them in donor listings in the annual report and other non-profit publications.
- If the non-profit has a planned giving newsletter, highlight new members on a periodic basis.
- Include them on the non-profit's website.
- Send periodic e-mails announcing the newest members of its legacy society.

4. Hold a Dedicated Legacy Society Event

Try to offer some type of event during the year that is for legacy society members only. Donors enjoy the chance to meet and mingle with like-minded people and it helps build a sense of a special community especially dedicated to the future of the non-profit. With this in mind, the primary goal of the event should be to recognize and thank your members and convey to them a feeling of special status. A secondary goal is to educate your donors about the activities of your organization and create a greater level of involvement.

This does not necessarily have to be a large annual event. The key is to make it be as big or as small as your non-profit can sustain, focusing on the quality of the experience. It might be something relatively simple such as coffee with the President or perhaps a tour of a new facility. If smaller groups are more manageable, offer small group meetings with the President (coffee, lunch) at different times during the year (the number will depend on the number of possible attendees). This gives flexibility to you as well as to your donors, who may not otherwise be available if a single date is chosen.

A few years ago, a YMCA sought to replace its annual Heritage Club Dinner with a “series of more varied, intimate and cost-effective events.” They gave members the opportunity to choose from a myriad of “Heritage Club donor appreciation events” instead of the single dinner, some of which were unique to the Heritage Club members and some of which were existing events.

While an annual event just for legacy society members is not a necessity, for most non-profits it is a good goal to aim for. Make the event important and have board members and the executive director attend. These leaders should convey the strength, momentum, and future plans of your organization and recognize the impact deferred gifts of society members will have. Daytime events are usually preferable to nighttime; if the time is kept to 1½ hours, legacy society members who are working will be able to attend.

The best programs are those that are mission related versus estate or financial planning type themes. This is illustrated by a medical center that featured their head of Thoracic Oncology, who described to the audience what they were able to accomplish and gave them a feel for the

patient interactions. Secondary were some low-key references to philanthropy and donors woven into these remarks.

You may want to consider having legacy society member(s) help plan the event and promote it. This can result in better ideas for the program and increased attendance. The event invitation could be from the donor volunteer, particularly helpful if it is a recognized name.

5. Don't Limit Stewardship to Once a Year

While an annual gathering can be a very important part of stewarding your legacy society members, don't make it the only activity. Some of the very best stewardship, provided that time permits and the donor allows it, is regular ongoing personal contact through correspondence, visits, and phone calls. At a minimum, seek to have a personal visit or substantive phone call with each member of your legacy society once a year. If your legacy society is too large to do this, enlist the aid of volunteers – perhaps Development Committee members or general Board members. Or look to have this duty shifted to the portfolios of major gift officers if that is an option at your organization. They might be able to do these visits as a part of other visits they are making in the area, places where you might not have an opportunity to go. Some donors are reluctant to meet. This is where having a reason to visit such as a delivery of the membership certificate, pin, or memento can be helpful.

Some non-profits like to send Thanksgiving cards; one prefers to send New Year greetings while another sends Valentine cards (sent by the Planned Giving Committee of the Board). Birthday cards are a special way to stay in touch, if you know the donor's birthday. (Actively collect this information.) A radio station intends to start sending a holiday card along with a box of chocolates each year.

Consider personally thanking legacy society members when they make annual gifts, as most will do, with either a call or a hand written note. Once again, Board members or executive staff could be most helpful in this endeavor.

A wonderful stewardship activity is to ask a legacy society member to be interviewed about their relationship with the non-profit and what motivates their giving. This might be for a newsletter article, a testimonial on the website, or perhaps a printed marketing piece (or all of these!). This activity has a double benefit as it brings the donor closer to the non-profit while also providing one of the best means of inspiring others to give. An estate planning attorney recently shared that she was very touched when an organization she donates to asked her for such an interview. Even though she is unsure if she wants to agree to do this, the fact she was asked was meaningful to her and appreciated.

Some non-profits send "insider reports" of some nature to their members. These are intended to offer unique information or perspective about the non-profit that members wouldn't receive in another mode.

Under the discussion about membership benefits, it was mentioned to extend invitations to other events in the organization where appropriate. This will leverage efforts already taking place internally, give your members greater choices, and reinforce the message that their gift is important to the organization. When seating the legacy society members, mix them in with other donors rather than seating them separately. Planned giving donors typically like to interact with other donors and the two groups can influence each other. Major gift donors are exposed to planned giving and planned giving donors may be inspired to increase their outright gifts.

Have a means of distinguishing the legacy society members from others at the event. Something as simple as stickers on nametags (either color coded or ones made with the legacy society logo) will help donors feel special and will be a conversation starter – others will ask what the sticker means and how they can be members, too.

Recognize and acknowledge the legacy society members at the event, if appropriate. If a donor is being recognized for reaching a certain outright giving level, be sure to mention if they also have a planned gift.

The tendency is to think in terms of organization wide or ‘standard’ donor events. However, there may be opportunities to tie invitations more directly to a donor’s particular area of interest. Make sure planned giving donors are on the invitation list for any separate events or gatherings a particular program or unit might be having.

A corollary to inviting donors to events whenever possible is to include legacy society members in focus groups, surveys, regional gatherings, “coach’s tours,” task forces, and the like. All of these activities help expose them to your non-profit and its work, reinforce their gift decision, and possibly lead to larger gifts than anticipated, both deferred and outright, all at no (or little) additional cost.

C. External Benefits for Doing it Right

Effective bequest administration brings with it a number of “side” benefits, in terms of creating good will among heirs of the donor; other supporters of the organization; additional charitable beneficiaries of the estate (if relevant); attorneys and other professional advisors; and “the public” at large. In this regard, the following are ways for a charity to honor the donor and appear worthy of the gift in the eyes of others:

- make sure the gift arrives in a timely way;
- make sure the distribution is correct;
- make sure the donor’s wishes are carried out and the gift is used appropriately (check for ambiguities, conflicting directions – make it your job to represent the donor’s interests within your institution);
- include biographical information in your files; make sure it is available to the recipients of the gift;
- if applicable, name the fund or account after the donor;

- publicize the gift as an inspiration/example to others;
- show supporters and others that the gift is well used and appreciated;
- talk enthusiastically about the gift to your governing board; and
- keep relatives and the person or entity administering the estate informed about any fund that may have been created through the bequest and about the recipients of distributions from the fund.

In particular, you can be a source of comfort to bereaved relatives and friends. Many people are surprisingly grateful for your interest.

Also, how you respond to a notice informing you about an estate gift is a good indication of the responsiveness and effectiveness of your organization. This is an opportunity for important exposure to the advisor community. Respond quickly and enthusiastically. *Remember that comparisons may be made.* Provide tax identification numbers, and assist in any way you can. Furthermore, take advantage of this opportunity to tell advisors of the services your organization can provide, such as providing sample bequest language and preparing illustrations for life income gifts.

Testimonials travel far! A more-than-just-satisfied donor may well play a hand in modifying behavior of others. To inspire another is a gift that gives twice – once for the actual monies toward the mission and the other as an example for others to follow.

The above several pages contain lots of details about what you could be doing for your bequest donors in order to give an idea of the range of possibilities. However, not all non-profits will do all of these activities. The goal should be to pick the number of activities that can be handled on a consistent basis and will be most meaningful to your donors. In order to achieve as much as possible, start with the small things and look for ways to integrate your bequest stewardship into activities already going on at your non-profit. With just a limited effort you will start to see results.

Good stewardship serves to strengthen a donor's relationship with your organization and is a vital part of a bequest program. The hope is that both "new" and "uncovered" bequest donors will, as a result of recognition and good stewardship, *at least* continue to keep the provision in their estate plans and *at best* a) increase the level of their bequest, b) make additional planned gifts or c) accelerate their gifts by implementing life income plans or by making outright contributions.

IV. Proactive Bequest Administration

Whereas a bequest made through a beneficiary designation or living trust should take relatively little time to be distributed, a bequest made through a will is going to be subject to probate. Probate is essentially an unpredictable process. Not only may assets be hard to track down, difficult to value, or hard to sell, but often there are unforeseen creditor issues and family disagreements. Moreover, the details associated with the process will differ considerably, depending on which state's law governs.

Regardless of the type of gift at death, however, the communications task and the measurement / reporting challenges exist equally. This section will address these two issues first before getting into the nitty-gritty of the best practices for collection through probate.

A. Communication

One person or office at the charity should be in charge of monitoring bequest gifts, and periodic reminders should be sent internally to ensure that everyone in the organization knows to whom this responsibility has been assigned.

Good communication will reduce the risk of misunderstandings and inefficiency. In the case of a pecuniary bequest or in the case of a typical specific bequest, you may only have to anticipate the timing of the distribution. In the case of a residuary bequest, your antennae should be up because there will be many check-ins along the way!

If legal issues arise, the charity's legal counsel should be able to advise the organization as to whether legal action should be taken. Obviously, it is best to avoid litigation if possible, due both to the cost and perhaps more importantly to the potential for adverse publicity. On the other hand, the charity, like the person or entity administering the estate (usually called the executor/executrix or the personal representative and abbreviated PR for the rest of this paper), has an obligation to the donor to see that his or her wishes are carried out properly (more on this later). In any event, a charity will likely need to consult its legal counsel whenever there is ambiguity with regard to the wording of the bequest provision, the potential for a will contest, or a situation in which the person or entity administering the estate is not doing what he/she/it is supposed to be doing.

Also, if charities in addition to your own are beneficiaries of the donor's estate, consider:

- sharing resources, knowledge, and costs;
- joint representation if you need legal counsel and your interests are not adverse; and
- designating one charity to act as agent for the entire group.

1. Initial Response

Just as it is important to respond promptly and professionally when notified of a gift intention, it is similarly important to do so when notified that a gift has matured. This is true for not only for revocable trusts and complex estate gifts, but for simple beneficiary designations as well.

How you respond to a family member's or advisor's notice informing you about an estate gift indicates to them the importance your non-profit attaches to such gifts and their overall management. Respond promptly and provide any requested information. Take advantage of this opportunity to tell advisors of the services your non-profit can provide to future clients, such as providing sample bequest language and preparing illustrations for life income gifts.

Send a letter to surviving family members and/or close friends. Express your condolences and your appreciation for the decedent's gift. If you had interactions with the donor while he or she was living, mention these to underscore how important the decedent was to the non-profit. You can gently ask if they would like to share information about the decedent and his or her connection with your non-profit. Remember that this will be a difficult time for the family member or friend and words of kindness and interest about their loved one will be greatly appreciated. The letter should most definitely have a personal tone (versus a form letter); consider a handwritten note or card.

Send a letter to the PR. Often the PR will be a family member or close friend, in which case the letter will include both thanks and condolences. If the PR is a professional fiduciary, the letter will be more of a thank you for the services they will be rendering in administering the estate. Also include in the letter contact information for your internal bequest administrator and encourage them to work directly with that person as the estate moves along. In addition to expressing gratitude for the gift, it should include:

- Non-profit's legal name and taxpayer ID number
- Completed IRS Form W-9
- IRS Tax Exempt Letter (501(c)(3) letter)
- request for a copy of the will, if it was not provided initially by the PR
- request that all future estate correspondence be directed to your bequest administrator (include complete contact information!)
- request for an inventory when prepared
- inquiry as to family members and/or friends so that you may be in touch and express condolences on behalf of your non-profit

2. Practice Good Stewardship

In addition to these initial letters sent upon notification of the matured gift, send thank-you letters after every partial distribution and after the final distribution. Be sure to include information on how the gift will be used, which is especially important if the decedent specified a particular purpose. It is a good idea to indicate to the PR and family that it is standard practice to publish bequest donor names and that you would like to do so in this case. This will help flush out any objections that might be made *before* the deed is done.

If the gift was directed to endowment, determine the level of interest the person has in receiving future endowment reports. Even if the gift was unrestricted consider sending a thank-you letter a year or so after the donor's passing with some general report. One medical research institute sends "Research Highlights" that are produced each year, with a letter saying that such achievements are possible because of gifts like the one received from their loved one.

Consider inviting the PR, family/friends, and/or the attorney to the annual legacy society event that occurs during the year of the final distribution, as your budget will allow. Remember that serving as PR can be a difficult and often somewhat thankless job and that recognition and celebration of their efforts will be greatly appreciated.

If it is physically feasible, invite the PR to visit your non-profit, receive a tour and meet staff, and gain a first-hand look at how the decedent's gift will be used. As the first few months are particularly busy ones for a PR (and potentially quite emotional as well), it would be best to wait to extend the invitation until three months or so after they notify you of their appointment. If the PR is a family member or friend, chances are that they too have an interest in your non-profit or would be open to developing one. If the PR is a professional fiduciary, this is an opportunity for your non-profit to shine and for you to establish (or strengthen) a relationship with a key advisor. Establishing a personal rapport can be particularly helpful when your non-profit is a residual beneficiary, named to receive a piece of property you would prefer be sold on your behalf, and/or there are difficult assets in the estate to be dealt with.

3. Set up a Tickler System

It is very important that you have a system for monitoring progress and reminding you of important dates. The idea is to follow-up sufficiently so that the gift is received as quickly as possible but not at inappropriate times or to the point of unwarranted annoyance. One professional fiduciary said she welcomes frequent contact from charities but cautions development officers to tickle contacts appropriately and check their notes before calling. In other words, don't call for an update a week after the last call, when the PR said nothing would happen in the estate for a least a month!

On average, most estates will take nine months to a year to complete. If the estate is of sufficient size to be subject to estate tax, it usually takes 16-18 months to administer the estate due to the filing of an estate tax return.

You also don't want to miss an important legal deadline such as the time period for objecting to a final accounting or disclaiming a gift. There are software packages, including *Bequest Manager* by PG Calc, that are designed specifically to help manage the process for each estate gift. See [Appendix G](#) for more details on *Bequest Manager*.

One important date to keep in mind if the bequest is of a specific piece of property is the "Disclaimer Date." Any beneficiary may decide that it does not want to receive particular property it has been left in the will, e.g., real estate located next to a Superfund clean-up site or a collection of black velvet paintings. It may give up its rights or "disclaim" this property and never be in the chain of title. This right must be exercised within a particular time period, often within nine months of the decedent's date of death.

Some PRs are very open to contact from charities and the other beneficiaries while others are more private and don't wish to be contacted. Check with the estate attorney first to see what the preference of the PR is. They can help you gauge the appropriate level of engagement and contact in a particular situation, and guide you as to the better party to communicate with.

While realizing each estate will be unique, and timing will depend heavily on the PR, the ease with which heirs can be located, the type of assets, etc., some general timing guidelines are:

- specific bequest – review 5-6 months after notification. For smaller specific bequests attorneys will generally advise their clients to distribute at four months or soon after expiration of the creditors claim period. If this is not the case, tickle for review at the 9-12 month mark.
- residual bequest – review 5-6 months after notification to receive a copy of the inventory. Review 5-7 months after that to make sure that the estate is closing.

If the estate must file a federal estate tax return, calendar the final review for about 18 months after notification. With residuary bequests, attorneys will generally advise their clients to wait to distribute until after the federal estate tax return has been filed and the IRS has signed off on the return. A PR has nine months from the date of death to file the federal estate tax return but in almost all cases they will request the available extension of six months, for a total of 15 months. Then there is a three- to four-month wait for final IRS approval and sign-off.

In between the initial check and the final check you will want to be in fairly frequent contact. Exactly how often depends on the nature of what is in the estate and what stage it is in, e.g., you might be in contact on a weekly basis during the time real estate is being sold. One non-profit was the residual beneficiary of artwork, which the PR decided to place for auction with Sotheby's. In that case they tickled the file to check-in a few days after the auction date to see what the outcome was.

See [Appendix H](#) for a more detailed Action Timeline.

B. Estate Administration Details

The following is an overview of documents and processes that you will typically see in an estate administration. The names of the documents will differ from state to state as well as the time periods within which action must be taken. You should take the time to acquaint yourself with the practices and rules of your state or the state where the probate is being handled, if different.

1. Notice of Appointment/ Letters of Administration/Letters Testamentary

The process usually begins with a notification from the attorney for the estate or from the PR that the donor has died and a gift has been left to the charity. Very often, a copy of the will accompanies this notice. If it does not, you should request it, as all beneficiaries and heirs under the will have a right to receive a copy. Sometimes, the attorney or personal representative is uncooperative; in that case the will is a matter of public record and you can obtain a copy at the appropriate courthouse (usually filed in the county of the decedent's last residence).

With a living trust there will not be a formal notification but rather a letter from the trustee or the attorney for the trustee.

2. Inventory and Appraisal/Valuation

In most states the PR is required to file a detailed Inventory and Appraisal (or Inventory and Valuation). This inventory should list all property owned by the decedent including real estate, bank and brokerage accounts, personal property, etc., and place a value on these assets. The time period within which this document must be prepared varies from state to state – some require it within 30 days of the PR's appointment. If a non-profit is a residual beneficiary, it is generally entitled to a copy of the inventory.

While this is most relevant for a residual beneficiary, an inventory can also be helpful in the case of a specific bequest. Because it provides a value for the total estate, it will indicate if there are sufficient assets to pay all of the specific bequests. If not, the specific bequests are usually reduced proportionately; check the appropriate state statute if this is a concern. It will also give an idea of the timing of distributions. While there may be sufficient value such that the actual distribution is not in question, if liquid assets are insufficient the PR will need to sell adequate illiquid assets and it will take longer for a distribution to occur.

3. Final Accounting and Petition for Discharge

To close an estate, the PR must file a final accounting and Petition for Discharge with the court. This must be filed within a certain period after the PR is appointed, often 12 months from the date letters are issued. This petition typically contains statements:

- that the PR has fully administered the estate;
- that all claims which were presented have been paid, settled, or otherwise disposed of;
- that the PR has paid or made provision for taxes and expenses of administration;
- showing the amount of compensation paid or to be paid to the personal representative, attorneys, accountants, appraisers, or other agents employed by the PR and the manner of determining that compensation;
- showing a plan of distribution that includes:
 1. a schedule of all prior distributions;
 2. the property remaining in the hands of the personal representative for distribution;
 3. a schedule describing the proposed distribution of the remaining assets; and
 4. the amount of funds retained by the personal representative to pay expenses that are incurred in the distribution of the remaining assets and termination of the estate administration.

Any objection to the accounting and the plan for final distribution must be filed within a certain time period, often 30 days. The PR should distribute assets in accordance with this petition promptly after the objection time period has passed.

4. Notice to Creditors

Something you won't see, but which affects the timing of distributions is the Notice to Creditors provided by the PR. If the creditors are known, they are served with individual notice. However, the PR must also publish a general notice to creditors. Typically, creditors are allowed a three- to four-month time period in which to file a claim. No distributions will be made before this time period passes.

5. Files and Checklists

Open a new file for each estate gift. Combine it with lifetime files for the decedent if they exist. Use checklists for opening and closing files, and prepare an estate file information sheet (samples provided in [Appendix I](#)).

An estate file should contain the following information:

- a copy of the final will or living trust document, with any amendments (“codicils”) or restatements
- copies of all other legal documents and notices received
- the Inventory and Appraisal (if it is a trust, a listing of assets or some other information regarding the value of the trust)
- copies of all accountings
- copies of checks and associated paperwork
- copies of correspondence sent and received related to the gift

6. Residual Gift Consideration

- Taxes.

In most wills where there is a named charitable beneficiary, a clear direction is included as to which portion of the estate should bear the taxes.

When taxes are allocated to the residue of the estate, and the residue includes both charitable and non-charitable bequests, the document should specify whether the taxes are to be allocated entirely against the share of the non-charitable beneficiary or if the charitable beneficiary is to share in the tax burden.

If there is no direction in a will as to how taxes should be paid, then the PR and attorney will have to look to state law to determine how taxes should be allocated. Many states have adopted the Uniform Estate Tax Apportionment Statute. Under this statute in general, each beneficiary bears the share of estate tax proportionate with the beneficiary's interest in the estate. Shares qualifying for charitable (or marital) deduction are not allocated any part of the estate tax liability.

- Fees

Some states have a statutory framework for probate fees. In states where there is no such framework, it is especially important for beneficiaries to know what is customary and, in particular, what is deemed by the court to be “just” and “reasonable.”

The representative of the non-profit should be prepared to discuss both with the PR and the attorney how payment of fees will be made and the level of detail that will be provided in statements. The PR may be asked to provide a detailed statement of the time spent and services performed. Certainly, it is best to alert the parties to the fact that you, as the non-profit’s representative (acting also on behalf of the decedent), are paying attention to the subject of fees at the very beginning of the probate process. Hopefully, this will prevent surprises and awkwardness down the road.

In Washington State, fees charged by the PR must be “reasonable.” One professional fiduciary in Seattle relayed this about typical charges in that area:

Lay-PRs	\$40-\$70/hour
Professional fiduciaries	\$150-200 per hour
Banks	percentage of the estate

In one estate, the Declaration of Completion of Probate, with the final accounting, listed \$80,000 as the fee to the PR. A diligent development officer at the benefitting charity (residual) thought this figure was too high and requested the underlying detail. It turned out that the PR was claiming payment for services provided to the decedent prior to her death. At a minimum such a charge needed to be explicitly put before the court for approval. The court dismissed it as an impermissible charge and the gift to charity consequently increased significantly.

- An Uncommunicative PR

Be confident that as a beneficiary you are entitled to be kept informed of the progress of the estate administration. In particular, the PR should respond promptly to your request for a copy of an inventory. Check your statutes to find out if there is a specified amount of time given to the personal representative to gather this information and what obligations exist to provide it to the beneficiaries.

- Personal Representative is Also Attorney

The governing document may spell out how the PR is to be compensated and how legal fees are to be charged. If the document is silent on the subject, it would not be inappropriate to expect the PR/attorney to keep track of time separately depending on which hat is being worn – the personal representative hat or attorney hat. Some states prohibit the estate attorney from also serving as the PR.

- Non-cash Assets

When it is a residuary gift, the PR will most commonly sell the asset, unless the charity has requested an in-kind distribution. If it is a specific property gift, more often the default is for the PR to distribute the property to the charity. If you prefer it be sold and the proceeds distributed, discuss this with the PR. Often times the PR will be willing to do this, as long as any fees associated with the sale are charged solely against that asset and not the estate generally. Also, another beneficiary may be interested in receiving that piece of property and would be willing to pay its value to the non-profit.

7. Restricted Gifts

If the donor has restricted the gift in a way you cannot fulfill, think about the closest use you can make of the gift and talk with the estate attorney and the PR. Under the legal doctrine of *cy pres* (a French term meaning “as close as possible”), the court has the authority and flexibility to fulfill the donor’s wishes as nearly as possible in cases where their instructions cannot be followed to the letter. Your state may also have a non-judicial means of resolving the issue. The question there is whether the State Attorney General needs to be involved and approve any agreement the PR and the beneficiaries might reach. Bottom line: do not assume that you must automatically decline the gift. (This would be a good time to consult legal counsel.)

8. Review Documents

You should carefully review all documents you receive and give them serious consideration. One non-profit was told there would be insufficient assets to make a distribution. Soon thereafter it received a copy of a court filing that showed on page two an estimated value of the estate that would have more than covered their bequest. However, this was missed on review and nothing further was pursued regarding the gift.

Many people working in planned giving have legal degrees. However, if you are not among these “reformed lawyers,” don’t let the legal nature of the documents intimidate you. Feel confident that upon careful reading you will understand them and that if you don’t, you can ask the estate attorney or PR for an explanation, or consult your back-up sources.

Don’t waive your right to a detailed accounting; don’t sign a receipt or release or indemnification until you have actually received your bequest. Don’t sign a waiver for the Notice of Filing of Declaration of Completion of Probate, until you have seen the Declaration of Completion of Probate.

9. Ancillary Probate

If a decedent owns real estate in a state or county other than the one in which he or she resides, an ancillary probate will be necessary to arrange the transfer of ownership of the property to those entitled to it and pay taxes and debts due in the other state or country.

As noted earlier, it is best practice to have one person designated within the organization to be the point person for matured bequest gifts. Will that same person be the one authorized to sign various probate documents on behalf of the non-profit? If not, who will be?

Decide what type of approach your non-profit will take with regard to the bequest administration process. Will it be aggressive in pursuing gifts or take a softer, more “understanding” approach? This choice will present itself time and again as you decide how much information to request, how often to be in touch, how strenuously to question actions by the PR or attorney, and how much to push for early or partial distributions. For many organizations a less aggressive stance is preferred, with the desire to maintain a positive image and goodwill outweighing a possible delay in receiving the gift. Remember, however, that you have a duty to advocate for the deceased person and to see that their final wishes are carried out properly. This may require some pushback if the PR is dragging her heels or a residual gift is being unjustly diminished.

Establish a process for getting answers to questions you have along the way. Who can you turn to if help is needed to understand the documents received – in-house legal counsel, a senior planned giving colleague, a knowledgeable board member, or an estate planning attorney willing to help on a pro-bono basis?

Decide ahead of time when it is appropriate (and perhaps required) that you seek outside legal counsel. You should seek legal counsel whenever there is a will contest; any ambiguity regarding the nature, size, or terms of the bequest; or the PR is not doing what she should be doing. They can help you decide when taking some type of legal action is warranted and advisable. Sometimes the matter can be resolved with a phone call or letter, but in some instances a filing with the court may be necessary. If you have a question that entails legal counsel, be sure to confirm the timeline for responding – remember, often you have a limited number of days to respond before losing your right to object.

C. Internal Recordkeeping and Measurement

Determining the success of a bequest program takes time. The sooner you start thinking about what information you would like to have and how to arrive at it, the better. Good data collection and tracking mechanisms are essential as are proactive analysis and reporting.

Analysis and measurement enables an organization to learn from the past and make better decisions in the present, plus it informs future actions. Various measures of a bequest program can be organized in four groups:

1. determine if the program is growing over time (the most common analysis done),
2. determine a profile of those donors most likely to make a bequest gift to your non-profit,
3. build support for your bequest program and activities, and
4. help forecast future results.

How extensively you analyze your data will depend in part upon the size of your program and the robustness of the data collected, as well as your internal staff resources. Also, some measurements

would be done annually while others would be done on a periodic basis, say every five to ten years.

Here are some measures to think about doing - choose the ones that are most meaningful and doable at your non-profit, and start to collect data now that will be necessary to your future desired analysis.

1. Is your program growing?

Track these numbers from year to year:

- Number of realized bequests. Helpful to differentiate between the types of bequest gifts - wills, living trusts, beneficiary designation (further differentiated by IRA, other retirement plan, insurance, bank or brokerage account).
- Dollar amount of realized bequests. Differentiated as above.
- Average bequest amount. This can be done in several ways, with the most appropriate way depending on how the figure will be used
 - an all-gift average
 - an adjusted average. Disregard outliers – both large and small – prior to computation. Leaving in unusually high numbers will skew your average unrealistically high and many small gifts will cause the average to be understated.
 - calculate on a year-to-year basis for comparison over time.
 - calculate for a period of five to seven years. This helps minimize the volatility in gift size from year to year.
- Median bequest amount. The median figure is the halfway point – half of received bequests are larger than this amount and half are smaller. It gives a reality check to your average bequest figure and helps correct for outlier gift amounts. The calculation options are the same as for average bequest size.
- Type of bequest (pecuniary, specific, residual).

2. Who Is Most Likely to Make a Bequest Gift to Your Non-Profit?

By looking at who has made bequest gifts in the past you can develop a profile of who is most likely to arrange new bequest gifts. This will help prioritize and focus cultivation efforts, help direct your marketing and make it more effective, and assist others in their efforts to refer good prospects to you. Some characteristics to look at for your “typical” bequest donor:

- Age (at time gift arrangement made)
- Gender: male or female
- Marital status: single, married, or widowed

- Family: children, siblings
- Location of residence
- Past giving history (very important characteristic to measure)
- Personal involvement with the non-profit (i.e., volunteer, employee, or recipient)
- Attendance at donor recognition event(s)
- Number of charities named in the will/living trust

3. Build Support for Your Bequest Program and Activities

- Compare the size of each realized bequest gift to the donor's total lifetime gifts to your non-profit.

Because a non-profit usually does not know the total value of a donor's estate, that would be taken out of the equation and the analysis would just be a straight comparison of estate giving to annual giving for each bequest donor.

- Compare the size of the realized bequest gift to the donor's *average* annual gift to your non-profit. This is the same analysis as above but entails looking at the estate gift compared to one year's giving.
- Try to measure the impact of bequest stewardship.
 - Average size of annual gifts from donors before and after notification (when a donor joined the legacy society could be used as a proxy date)
 - Additional planned gifts made after notification
We know anecdotally that some of the value provided by a bequest program is that it opens the door with the donor to stewardship, cultivation, and additional gift discussions. Given what it means for a donor to put your non-profit in their estate plans, along with their loved ones, it seems only common sense that those donors with the means will be open to making additional planned gifts. How much stronger this position would be if there were numbers behind it.
 - Increase in size of planned gifts before and after notification.

One non-profit received an e-mail from a donor couple that belonged to their legacy society. The charity had increased their level of contact and the couple had attended one legacy society lunch and planned to attend the next one. They wrote:

"[We] had our estate plan updated in the last month and, of course, we continue to include [Charity] for our part in the future of the [Charity]. I will say that we deleted half of the previous recipients of bequests in our will to simplify and to have the chance to make more impact on the organizations that we truly love and support."

Once again, how great it would be to be able to quantify such increases!

- Average size of realized bequests from those who notified the non-profit versus those received from unknown bequest donors.

4. Project Future Cash Flow

Often, a non-profit would like to know what is “in the pipeline.” In other words, what dollars are coming down the road and when might they be expected to arrive. With good data collection and reporting capacity, you can easily produce these reports around anticipated cash flow:

- Amount expected to be received per year, based either on estates in progress or bequest expectancies or both
- Amount expected to be received per year on a present value basis using different assumed rates of return
- Amount expected to be received per year using different mortality assumptions
- Amount expected to be received per year adjusted for by a probability of receipt percentage

A good software program can perform these calculations, virtually instantaneously, and allow alternative scenarios to be run and compared easily. See [Appendix J](#) for sample reports of projected bequest distributions from PG Calc’s *Bequest Manager*.

V. Conclusion

By including your non-profit in her will or living trust, a donor has elevated your organization to the same status as family, friends, and other loved ones. With diligent gift administration, you can ensure that the donor’s desire to make a difference is realized as fully as possible. And with careful analysis and reporting you can help ensure that these stewardship and administrative activities are done as well as possible and will continue to be supported by your non-profit. Transparency and a genuine appreciation of accountability are important throughout the whole administration and reporting process.

The processes and technology described in this paper will move reactive programs to proactive programs, and support even actively managed programs in their efforts to reach the next level - more bequest gifts, often of a larger size, and the means to obtain the full value of bequests that were intended for them.

Find donors. Treat them right. Get what you deserve.

Be effective in the identification of your donors; be meaningful in engaging and stewarding them through their lives; and be proactive in the administration of their gifts. Each of these components is necessary for a successful bequest program. Strong programs ensure that each donor’s decision is a life-affirming one and the bequest remains in place, perhaps even growing in the process.

APPENDICES:

Appendix A: Arrangements Similar to Bequests

Charitable gifts can be made upon death in quite a few ways that resemble bequests. In particular, they resemble either pecuniary or specific bequests, in that what the donor is doing is specifying that either a certain sum of money or a certain asset (or group of assets) is to go to charity upon the donor's death. The main difference is that the gift is not structured through a will or a living trust. In some cases, the gift can even be contingent.

The likely donors for these types of gifts will generally be the same as for bequests. Accordingly, promoting them will involve essentially the same approach as with bequests. One possibility would be to emphasize bequests but then allude to other arrangements that share various characteristics with bequests. An alternative would be to develop somewhat distinct marketing plans for each type of gift, in recognition of the fact that some, e.g., gifts of assets remaining in an IRA, will be more common and entail different considerations than others, e.g., commercial annuity contract designations. Likewise, many of the same recognition and stewardship aspects of bequests will also apply in the case of the alternatives.

Here are the basic options:

1. Pay/Transfer on Death Accounts

A "pay on death" account involves the donor instructing a bank to pay to a charity all or a portion of what remains in an account when the donor dies. A "transfer on death" account entails the donor giving essentially the same instruction to a brokerage firm with regard to investments held in the account at the time of the donor's death. The particulars of each arrangement will depend on the bank or brokerage firm in question.

2. Insurance Product Beneficiary Designations

The types of products include life insurance policies of various kinds of commercial annuity contracts. The donor simply completes and returns to the insurance company a form designating that a charity receive all or a portion of the death benefit associated with a life insurance policy or the remaining contract value, if any, associated with a commercial annuity.

3. U.S. Savings Bond Designations

Either through a bank or directly with the U.S. Treasury Department, the donor designates that the proceeds of a new or existing savings bond be paid to a charity upon death. There are different types of savings bonds. In some cases the proceeds will consist solely of the donor's principal, whereas other bonds will result in a distribution of both principal and accrued interest.

4. IRA and Qualified Retirement Plan Designations

A donor can designate that a charity receive all or a portion of what remains in an IRA (regardless of the type of IRA) or in most qualified retirement plans, such as 401(k) and 403(b) plans. The custodian of the account simply furnishes the donor with a form that can be completed and returned to the custodian.

Generally, all of these gifts are even easier to arrange than bequests, as the documentation is simpler and less formal than a will or a living trust agreement. This is true with respect to both making the initial arrangement and modifying or revoking the arrangement (provided – as in the case of a bequest – that the donor still has adequate legal capacity at the point any change is made). For its part, a charity will typically find any of these gifts to be easier to administer, in that distributions are not subject to the delays and potential complications associated with the probate process. Of course, upon receipt of its gift, the charity will still have the same ongoing stewardship responsibilities in terms of carrying out the donor's wishes.

Moreover, several of these bequest alternatives feature a tax benefit not applicable in the case of bequests. This will be so for any asset containing “income in respect of a decedent,” or “IRD” for short. If the donor was either the owner or beneficiary of something which, had he or she remained alive, would have been a source of payments that would have been taxed to him or her as ordinary income, then that asset is an IRD asset. If, upon death, others then become entitled to receive such previously untaxed amounts, those payments constitute IRD.

Most distributions from an IRA made after the IRA owner has died are common examples of IRD with respect to every dollar distributed. (The only exceptions are distributions from a Roth IRA or distributions attributable to contributions of after-tax dollars made by the decedent to some other type of IRA.) The same can hold true for most qualified retirement plans. In the case of certain commercial annuity contracts and savings bonds, some of what is distributed will be IRD, with the rest being nontaxable principal.

The good news for charities is that by virtue of their tax-exempt status, no income tax will be due on any IRD they receive. This means that if a donor's estate plan calls for benefiting both individuals and charities upon death, it is most efficient from a tax standpoint to draw upon IRD assets (to the extent they are available) in making charitable gifts and to earmark other assets for individuals. Not all donors are aware of this fact, so charities need to keep up, and perhaps even step up, their efforts to spread the word.

An additional feature that distributions of IRD to charity share with bequests is deductibility of the distributions for estate tax purposes. Nevertheless, given the likelihood that fewer and fewer estates will be subject to estate tax in the years to come, it is the income tax aspects of distributing IRD to charity that should receive primary emphasis.

Thus, if a donor wants to leave \$25,000 to a favorite charity and \$25,000 to an individual, it's generally preferable to leave assets such as IRA funds to the charity, with other assets, such as cash

or securities, left to the individual. The opposite approach would also be fine with the charity although not as good for the individual.

Note: In the case of an IRA, what a charity is usually designated to receive is a percentage of the assets remaining in the IRA when the donor dies. While it is also possible – as in the example in the preceding paragraph – to designate a particular sum (provided the IRA continues to hold at least that amount by the time the donor dies), estate planning lawyers generally advise that the sum be expressed as a fraction, the numerator of which is the sum itself and the denominator of which is the total value of the IRA.

Despite all of the forgoing, there can be times when it is advisable for the donor's estate to be the recipient of IRD. Normally, this will result in the IRD being taxable to the estate. Fortunately, it is possible for a donor's will to direct that the administrator of the estate draw first on IRD assets in making any charitable bequests. Such language will generally allow for the IRD to be recognized by the charitable beneficiaries, rather than by the estate. Here is an example of language a will might contain:

“To the fullest extent possible, this gift shall be paid out of ‘income in respect of a decedent’ as that term is defined in the Internal Revenue Code. If such ‘income in respect of a decedent’ as valued for U.S. estate tax purposes is insufficient to pay this bequest, then it shall be paid to the extent necessary out of the general assets of my estate.”

In short, while IRA beneficiary designations and various testamentary gifts other than bequests are fairly easy to arrange, a donor should – as always – be encouraged to consult with his or her advisors regarding the appropriateness of a contemplated charitable gift in terms of the donor's overall estate plan.

Appendix B: Types of Bequests and Sample Language

There are several forms a bequest can take, and sample bequest language is helpful to have to offer people who indicate that they are considering a bequest commitment. The language can be a discussion point to explain to the donor the benefits of and the differences between, for example, a gift of a specific dollar amount and a gift of the residue of the estate (or a percentage thereof). More importantly, the conversation offers an opportunity to learn more about the donor's interest in the charity's mission. Donors are usually grateful for an interested and knowledgeable listener and are appreciative of estate planning tips and language you or they can provide their attorney.

Below are the basic ways a bequest can be structured, along with applicable specimen bequest provisions. Any sample language a charity actually furnishes a donor or a donor's attorney should first be approved by the charity's legal counsel.

1. Pecuniary Bequest – This is simply a certain sum of money.

"I give the sum of _____ dollars (\$_____) to ABC Charity, which has a federal tax identification number of _____ and a current address of _____, or its successor organization."

2. Specific Bequest – In this instance, the donor is leaving the charity a particular asset or assets, such as real estate, securities, jewelry, works of art, etc.

"I give [100 shares of XYZ Corp. stock/my guitar collection/the real estate legally described as follows] to ABC Charity, which has a federal tax identification number of _____ and a current address of _____, or its successor organization."

3. Residual Bequest – This is a gift of all (or perhaps only a portion) of what remains of a donor's estate after any pecuniary or specific bequests have been made and debts, taxes, and other estate expenses have been paid.

"I give all [alternative: _____ percent (___%)] of the residue of my estate to ABC Charity, which has a federal tax identification number of _____ and a current address of _____, or its successor organization."

4. Contingent Bequest – This is a pecuniary, specific, or residual bequest that takes effect only under certain circumstances.

"If my spouse does not survive me, then I give _____ to ABC Charity, which has a federal tax identification number of _____ and a current address of _____, or its successor organization."

Regardless of how a bequest is structured, a donor is free either to allow the charity to use the gift in its complete discretion or to require the charity to use it in some particular way.

- Unrestricted Use
.... *“to be used for such charitable purposes as the governing board of ABC Charity may determine.”*
- Restricted use
.... *“to support medical research in the field of cardiology,” “for student financial aid,” “for producing television programs on matters of local interest.”*
- Establishment of an endowment
“Provided that at the time of my death this gift meets ABC Charity's minimum funding requirement for an endowed fund, this gift shall be (i) entered into ABC Charity's books and records as the (NAME OF DONOR'S CHOICE) ENDOWMENT; and (ii) held, invested, administered, and distributed in accordance with ABC Charity's policies as they apply over time to similar endowed funds. This gift may, for investment purposes, be merged with any of the investment assets of ABC Charity. Distributions from the endowment shall be used to [specify purpose, if any; otherwise indicate that distributions may be made without restriction].

“If, at the time of my death, this gift does not meet the minimum funding requirement for an endowed fund, it shall be [option 1: held for current use consistent with the purposes set forth above] [option 2: added to an existing endowed fund that benefits _____].”

Useful as well is a power-to-vary provision:

“If, as determined by the governing board of ABC Charity, it becomes inappropriate or impractical to use this gift for the specific purpose stated above, then the governing board may, in its discretion, redesignate the purpose of the fund and any distributions therefrom, provided that the fund shall bear the name of _____ and the amended terms shall adhere as closely as possible to my original intent for this fund.”

Note: Even when an endowment is established through a bequest, it is also a good practice – assuming the charity learns about what the donor has in mind – for the donor and the charity to execute a separate endowment agreement. In this regard, a provision such as the following could be included in the agreement:

This endowment shall be established or supplemented with bequests or other testamentary charitable gifts that [donor] may make for this purpose, including the designation of life insurance proceeds, individual retirement account proceeds, as well as with employee benefit plan proceeds or gifts from other persons designated for this endowment. All funds received by ABC Charity from any sources (including but not limited to bequests, life insurance proceeds, individual retirement account proceeds, and employee benefit proceeds) as a result of the death of [donor] shall be subject to the terms of this agreement.

Appendix C: Sample Volunteer Handout

Frequently Asked Questions about Bequests at Temple Israel

In addition to this FAQ document, please find an example of a letter sent to members of the Congregation over 75 years of age last fall and the Ner Tamid brochure, which was also sent at that time and is in the process of being gently updated with current names and images. As of now the only information on the website, at <http://www.tisrael.org/nertamid.asp>, is contact information for Melissa and encouragement to join the Ner Tamid Society. We will be beefing this up soon.

Below are some of the most frequently asked questions by volunteers looking to solicit bequest gifts. Some are universally asked and some are specific to TI. If you have any more questions please call Gary Pforzheimer at during the day in the evenings at home or send an e-mail to gary@pgcalc.com anytime.

Fun fact: 95% of people put charities in their will because they have a relationship with the charity, not for other reasons such as their lawyer suggested it or they're trying to avoid taxes. And that's why reaching out to people personally is so important. Many bequest donors don't make a gift every year, although many do, but all have an interest in seeing their money (legacy) doing good at the Temple long after their death.

Are all Bequests done through a will?

No. As mentioned below, Revocable Living Trusts and various forms of Beneficiary Designations are just as effective ways to pass money to charity at death. It all depends on what kind of planning and documentation the donor already has. For some, the notion of changing a will seems like an obstacle; our job is to let our donors know that if they want to make a gift at their death we are very appreciative and want to work with them, and/or their counsel, to make it happen. For most of this note the word "bequest" is about the concept, not the specific form.

How does a Codicil work and how does one execute that in Massachusetts?

A Codicil is a fancy term for an amendment to a will. If done correctly, and usually by the same attorney who drafted the will or has a copy of the will, it can be a simple way to change beneficiaries or adjust how charity can benefit from an estate without having to change the whole will. The Codicil must meet all of the same legal requirements as a will or living trust and should be drafted by a competent estate planning attorney and signed in the presence of witnesses. If a donor wants you to give an opinion on whether he/she can simply write up a Codicil themselves and clip it to their will you might want to be bold enough to discourage that shortcut.

How about if someone has a Living Trust?

If a donor mentions that this is a part of their estate plan you can certainly work with that. The Living Trust, like a will, governs the distribution of the donor's assets at death.

Does TI accept Life Insurance?

Life Insurance gifts come in a few flavors, and in the main if someone has an existing, paid-up policy that he/she doesn't need (that is, children are grown etc.) then making TI the beneficiary of

that policy is an excellent way for him/her to leave a legacy. It can be done in several ways, the easiest being to have the donor change the beneficiary designation to TI. But there are other things that can be done including making TI the owner and you should call Gary. We do not encourage donors taking out new policies just to make a charitable gift.

What are other examples of Beneficiary Designations?

In addition to making TI the beneficiary of a life insurance policy, a donor can designate all or a portion of their retirement accounts (such as a 401(k) or an IRA) or any other financial account such as a savings account or brokerage accounts.

Retirement accounts like an IRA already require the plan holder to name a beneficiary. It's easy to request a beneficiary designation form and direct that TI receive whatever is left in the account at the donor's death. There are tax benefits for donors to have retirement assets go to charity instead of family. Even if both family and charity are involved in the will, retirement assets are the worst thing to pass to family as the family has to pay the deferred income tax on the inheritance. The account holder can also use a beneficiary designation to direct that their brokerage or bank accounts transfer directly to TI upon their death and not go through probate.

Keep in mind that a beneficiary designation whether through life insurance, retirement accounts or other financial accounts is not an all or nothing proposition. If a donor is concerned about disinheriting an heir or benefitting multiple charities, they can divide those gifts among multiple beneficiaries, just as in a will.

Can a bequest be restricted?

Yes, but restrictions should be discouraged for two reasons. One, TI discourages restricted current gifts anyway for reasons clear to all of us. Second, even if the restriction works today it might not in 50 years and so it doubles the chances that the donors' wishes will be hard or perhaps impossible to honor. If a donor has a strong desire to fund a specific program or aspect of the Temple, the donor should work with TI to put their preferences clearly in writing, and also to allow a future Board to redirect their gift to Endowment if the purpose is no longer possible.

What happens if a bequest is unrestricted?

Unrestricted bequests are deposited in TI's Permanent Endowment and income from the gift is spent according to the same policies that govern all expenditures from the Permanent Endowment. Current policy and a TI By-Laws specify that unrestricted bequests over \$1,000 must be credited to the Permanent Endowment.

What are the most popular forms of a bequest via a will?

A provision for charity to be included as a contingent beneficiary is very popular, especially for younger donors. In this case, charity gets paid out only if one or more people who would otherwise be first in line are no longer alive or for other contingent reasons. Residual bequests allow donors to divide their estates among heirs in specific amounts and gives charity whatever might be left. Finally, some donors prefer to designate a fixed sum (or items of property such as real estate), and others wish to give a percentage of their estate to charity.

What language should they use?

The most important information to provide the donor and/or the estate planning lawyer is the full legal name of the Temple, which is Congregation Adath Israel in Boston, Suffolk County, Massachusetts. You don't want people just saying "Temple Israel" because that could and probably would be misinterpreted at death. In addition their gift, whether by will, living trust or beneficiary designation, should include TI's Federal tax identification number 04-XXXXXXX and current address of 477 Longwood Ave, Boston, MA 02215. This information ensures there is no confusion as to whom the donor intended to benefit.

Do we have to see a copy of their bequest?

No way. That is, we don't need to see a copy. Are there reasons to do so? Yes! The most important one is to make sure that they have correctly identified TI in a totally unambiguous way to a probate judge and executor, especially if they die outside the state. The second reason is to help ensure their wishes can be carried out if they impose any restrictions on the use of their gift. Since we are not in any kind of Campaign there's no credit being given that would require proof, so anyone who says we are in their will or a beneficiary of any assets at death should be thanked and then immediately becomes part of the Ner Tamid Society.

Appendix D: Sample Legacy Society Gift Intention Forms

[LOGO]

LEGACY SOCIETY GIFT NOTIFICATION FORM

Type of Gift. I am pleased to become a member of the ABC Charity Legacy Society by making the following type of legacy gift to ABC Charity:

- I have included ABC Charity in my will or living trust.
- I have named ABC Charity as beneficiary of a life insurance policy.
- I have named ABC Charity as beneficiary of a retirement or other financial account.
- I have arranged a trust, annuity or other planned gift for the benefit of ABC Charity. *[If you offer charitable gift annuities, list gift annuity as a separate item to choose.]*

Purpose of Gift. My gift is to be used for the following purpose:

- Unrestricted (use where needed most) *[Program Area]* *[Program Area]*
- I have attached a photo copy of the relevant portion of my will, trust or other planned giving document.

Amount of Gift. The approximate amount of my legacy gift will be \$ _____.

Recognition of Gift.

- I am happy to have my name listed as a member of the ABC Charity Legacy Society. My name should appear in ABC Charity publications as follows (please include your spouse if you would like):

Name(s) _____

- Thank you, but I/we wish to remain anonymous

Name _____

Address _____

Phone _____

So we can send wishes of the day, will you let us know your birthday? ____/____/____

E-mail address _____

Signature _____ Date _____

Please return to: [Contact Information]



401 Mercer Street • Seattle, WA 98109 • 206.728.6463 TEL • 206.443.6691 FAX • KCTS9.org

KCTS 9 LEGACY CIRCLE INFORMATION FORM

____ I am pleased to accept membership in the Legacy Circle on the following basis:

- ____ I have included KCTS 9 in my will or living trust.
- ____ I have named KCTS 9 as beneficiary of a life insurance policy.
- ____ I have named KCTS 9 as beneficiary of a retirement account.
- ____ I have arranged a trust, annuity or other planned gift for the benefit of KCTS 9.
- ____ I have made other arrangements to include KCTS 9 in my estate (please describe) _____

My name should appear in the Circle's records as follows *(please include your spouse if you wish)*:

Name(s) _____

- ____ I wish to remain anonymous.
- ____ I do not wish to be a member of the Legacy Circle.

Please verify we have your correct address and add your phone number and email address if you'd like to receive limited special invitations and announcements by email. We will never sell your name or address.

Address _____

Phone _____

E-mail _____

Signature _____ Date _____

If you would like any additional information or if you have any questions, contact Sara Elward, Manager of Gift Planning at (206) 443-6730 or selward@KCTS9.org.

INFORM | INVOLVE | INSPIRE

JDRF BETA Society Member Profile

 Increase  Decrease  Print  Share

The BETA Society – Member Profile

Please fill out the form below to send us your member profile to be welcomed into the BETA Society.

Please note: All highlighted and starred (*) fields are required.

Name(s): *	<input type="text" value="Required"/>
Date of Birth:	<input type="text"/>
Date of Birth (Spouse):	<input type="text"/>
Address: *	<input type="text" value="Required"/>
City/State/Zip: *	<input type="text" value="Required"/>
Telephone:	<input type="text"/>
E-Mail:	<input type="text"/>

Please check one:

- JDRF may include my (and, if applicable, my spouse's) name in the BETA Society listings. (Neither amount nor designation, if provided, will be included on the listing.)
- I am honored to be included in the BETA Society; however I prefer to remain anonymous. Please do not include my/our name in the BETA Society listings.

Please tell us, in confidence, more about your estate provision for the Juvenile Diabetes Research Foundation.

I have named the Juvenile Diabetes Research Foundation as a beneficiary of my:

- Will/Trust
- IRA or Retirement Plan
- Life Insurance Policy
- Charitable Trust
- Donor Advised Fund

Other (please specify):

Appendix E: Legacy Society Welcome Letters

University of Washington Legacy Society Welcome Letter



April 12, 2012

Ms. Sara Elward
527 – 26th Avenue
Seattle, WA 98122

Dear Sara:

Thank you for your future gift to KUOW. We truly appreciate your thoughtfulness and generosity. I am grateful for all that you are doing on behalf of public broadcasting!

As a result of your commitment, we are pleased to welcome you as a new member of the *Henry Suzzallo Society*, a university-wide recognition society established to honor and thank individuals like you who have made a future gift. The names of Henry Suzzallo Society members are published in our annual Report to Contributors, so unless I hear otherwise from you, we will include your name among our thoughtful supporters.

You may know that we have an annual appreciation event for Suzzallo Society donors. These events allow members to learn about an area of the University they may not be familiar with and to enjoy a lecture or performance by a faculty member. Our events usually are held in the summer, so please watch for your invitation later this year.

I have really enjoyed getting to know you through Friends of UW Libraries and WPGC. If you have any questions about the Suzzallo Society, please feel free to contact me at 206-685.3289 or at amyscott@uw.edu. Thank you again for your gift to KUOW.

With warm regards,

A handwritten signature in blue ink that reads 'Amy Scott'.

Amy Scott
Associate Director, Planned Giving

Enclosures

KCTS Legacy Circle Welcome Letter



401 Mercer Street - Seattle, WA 98109 - 206.728.6463 TEL - 206.443.6691 FAX - KCTS9.org

January 1, 2012

Sara Elward
401 Mercer St
Seattle, WA 98109

Dear Sara:

It is with great pleasure that I welcome you to the *KCTS 9 Legacy Circle*, which recognizes those individuals who have decided to include KCTS 9 in their estate plans. You join many others who have made a financial commitment to support our efforts by giving in this way and we are truly grateful. Your generosity will help KCTS 9 deliver quality programming that enriches and educates viewers for years to come.

Our Legacy Circle honors those who have chosen to support KCTS 9 through a bequest, a life insurance policy, an annuity, a trust or other gift, such as a retirement plan beneficiary designation. This allows us to thank you as one of our benefactors during your lifetime. There are no dues or other obligations, but as a member, you will be our guest at various events and receive special informational mailings. Also, if you are willing, your name will be listed with other Legacy Circle members in our Annual Report. And you will receive the monthly *Start at KCTS 9* viewer guide as well as a 20% discount at The Channel 9 Store.

Enclosed you will find a copy of our Legacy Circle information form. Please complete the form and return it in the enclosed envelope. If you are willing, we would also appreciate it if you would include a copy of that portion of your will or other gift documentation that pertains to KCTS 9. That would enable us to review the wording to make sure your gift can be used in accordance with your intentions. The information you provide will be held in strictest confidence.

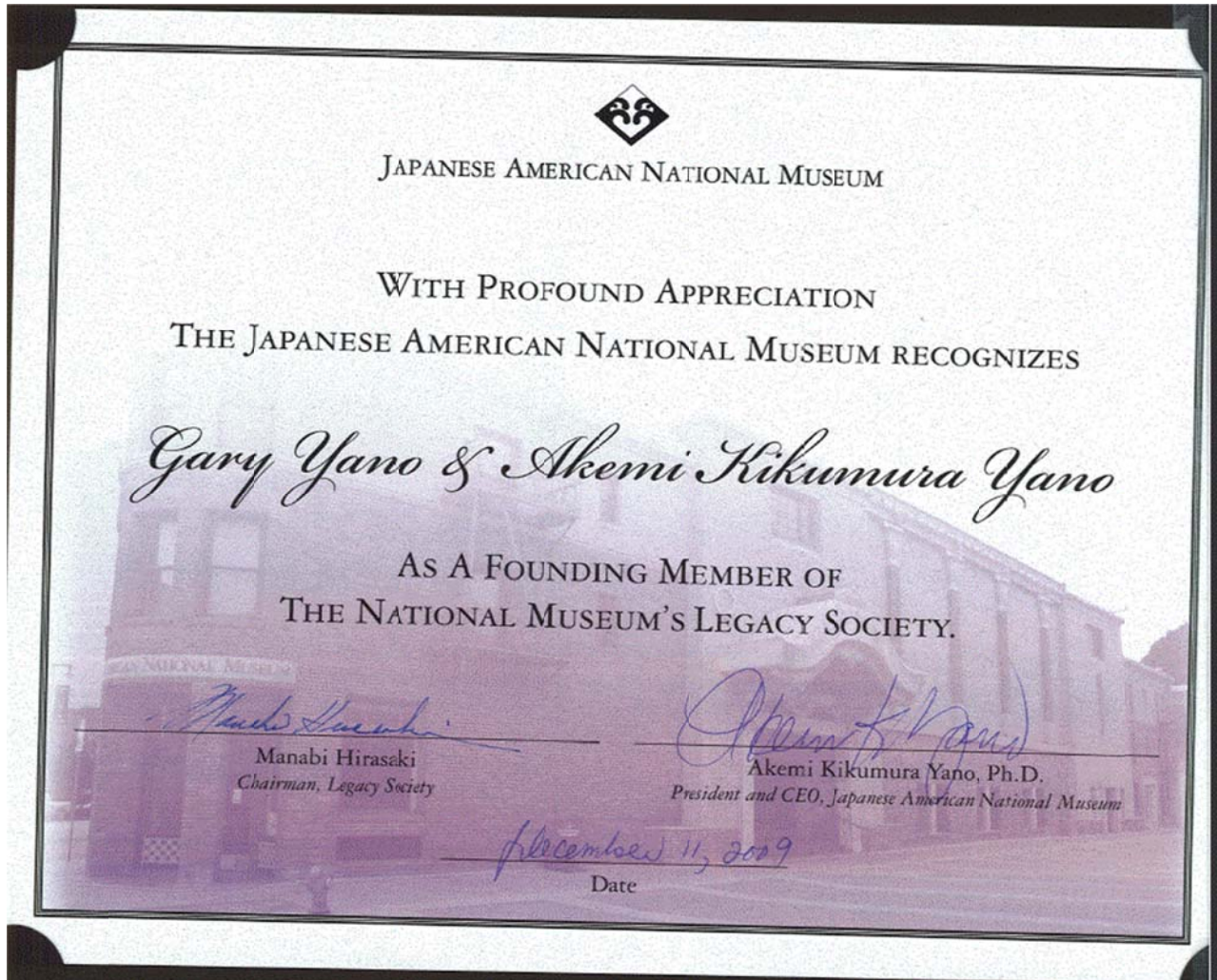
Again, we thank you for your generous support of KCTS 9 and for your thoughtfulness in advising us of your intention. We look forward to showing our appreciation in more tangible ways through the Legacy Circle.

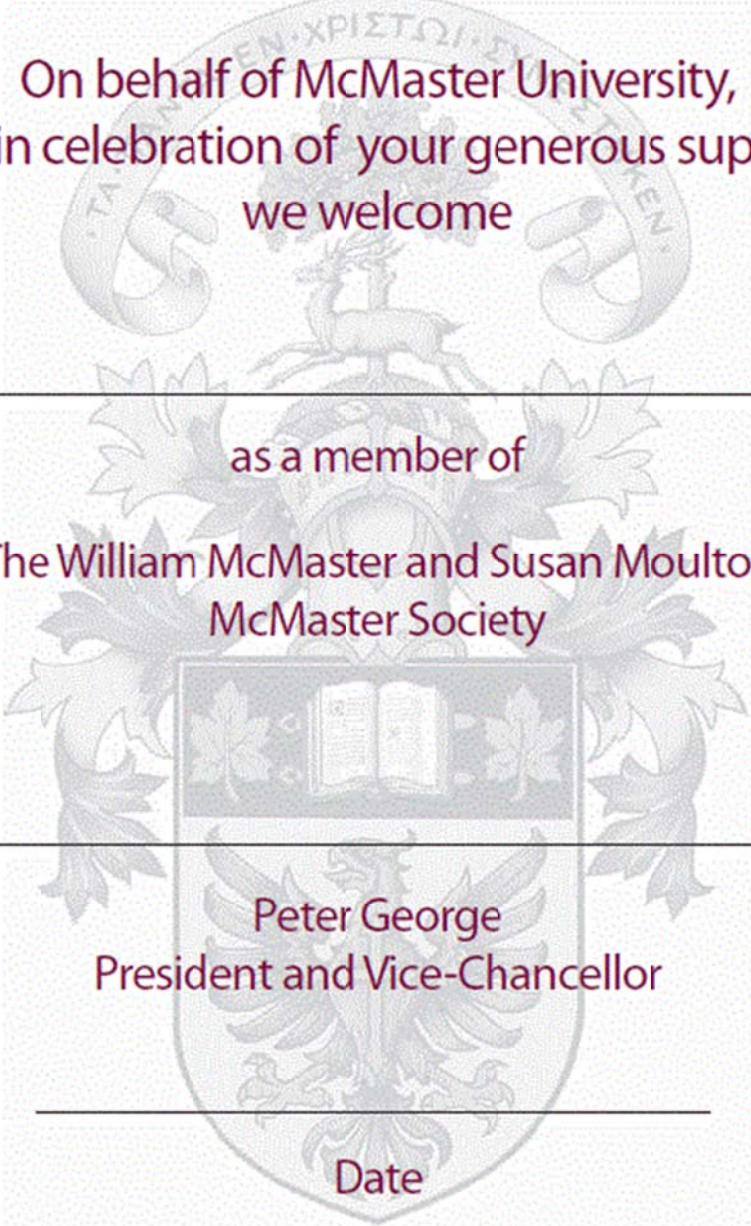
Sincerely yours,

Sara Elward
Manager of Gift Planning

INFORM | INVOLVE | INSPIRE

Appendix F: Legacy Society Membership Certificates





On behalf of McMaster University,
and in celebration of your generous support,
we welcome

as a member of
The William McMaster and Susan Moulton
McMaster Society

Peter George
President and Vice-Chancellor

Date

Appendix G: PG Calc's *Bequest Manager* Software Information

Bequest Manager is web-based software that allows organizations to track bequests throughout their lifecycle, from expectancy to realized gift.

Available as stand-alone software and as a module of PG Calc's *GiftWrap* planned gift administration software, *Bequest Manager* contains a comprehensive set of features that allow you to record, track, and value bequest gifts; steward bequest donors, family members, and advisors; and manage bequest gifts through probate.

Available Bequest Gift Data Fields

Bequest Manager includes the following fields for storing information on bequests. While valuable in its own right, this information also enables powerful bequest reporting and analysis.

- Transfer type – will, revocable living trust, beneficiary designation
- Asset type – cash, securities, real estate, personal property, trust, retirement asset, investment account, insurance policy, other
- Gift status – intention, notification, in process, in probate, in litigation, partial distribution, full distribution
- Asset description
- Dates – gift date, notification date, date notified of estate filing, estimated close date
- Additional fields - % estate bequeathed, gift known in advance, bequest disclaimed, confidence level bequest will be received

Stewardship and Legacy Society Support

Bequest Manager includes a variety of features to streamline and formalize the stewardship of your bequest donors.

Bequest Manager features that will support your bequest stewardship efforts include:

- Standard stewardship letter templates that can be added to or edited
- Partial distribution capture and reporting
- Predefined probate and collections tasks
- Task dashboard with automated task generation
- Legacy society definition and membership tracking
- Notification system (via email or notification icons) for expectancies and bequests in probate
- Document storage for intention forms, wills, letters, appraisals (i.e. for real estate or collections), and other documentation

Reporting

Enjoy comprehensive and historical bequest reporting with *Bequest Manager*, including:

- Profile for each gift
- Profile of all bequests for each donor
- Summary of all bequests for your organization
- Statistics and overview about your bequest program
- Cash flow report and graph showing likely funding into the future (expressed as present value or future values)
- Pipeline report showing anticipated income from closed bequests

Realized Bequests/Probate Management

Bequest Manager offers workflow features to simplify the management of bequests undergoing the probate process. Stay on top of timely communications and follow up-tasks that are part of a successful collection effort to streamline even the most complicated aspects of probate management.

For more information

For additional information and pricing, or to request a free trial, go to <http://www.pgcalc.com/software/bequest-manager.htm>.

We also invite you to contact Dave Wolfe at 888-497-4970 or info@pgcalc.com with your questions

Appendix H: Action Timeline for Bequest Gifts

Table 1: Timeline for Action for Specific Bequest

Action	When?	Taxable Estate	Non-Taxable Estate
Ask for copy of will and review it.	Immediately	Yes	Yes
Ask for biographical information about decedent.	Immediately	Yes	Yes
Confirm that you can carry out decedent's wishes.	Immediately	Yes	Yes
Establish contact with the Executor and thank friends and relatives.	Immediately	Yes	Yes
Ask when anticipated distribution might occur. In theory, a specific distribution can now be made, provided the estate is solvent. (Keep in mind that there may still be many unresolved matters.)	Six month milestone (or shortly after creditor claim and will contest period have ended)		Yes
Ask when anticipated distribution might occur. Executor can choose to make a full distribution. There may be potential conflict in this situation with residuary beneficiaries.	Nine month milestone (after estate tax return(s) have been filed)	Yes	
Has the receipt for the final distribution been signed by proper person at the charity?		Yes	Yes
Send a final thank-you letter to family member or friend	After distribution is received	Yes	Yes
If restricted gift, ensure funds are allocated to the proper fund	After distribution is received	Yes	Yes
If gift is for an endowed fund or ongoing project, determine who should receive ongoing stewardship reports	Usual stewardship schedule	Yes	Yes

Table 2: Timeline for Action for Residuary Bequest

Action	When?	Taxable Estate	Non-Taxable Estate
Ask for copy of will and review it.	Immediately	Yes	Yes
Ask for biographical information	Immediately	Yes	Yes

The Three Pillars of a Strong Bequest Program

about decedent.			
Confirm that you can carry out decedent's wishes.	Immediately	Yes	Yes
Establish contact with the Executor and thank friends and relatives.	Immediately	Yes	Yes
Ask for copy of inventory	Three month milestone	Yes	Yes
Ask when anticipated distribution may occur. In theory, a residuary distribution could now be made, provided the estate is solvent. (Keep in mind that there may still be unresolved matters.)	Six month milestone (or shortly after creditor claim and will contest period have ended)		Yes
Ask when anticipated distribution might occur. Executor can choose to make a partial distribution. If so, there will be a holdback.	Nine month milestone (after estate tax return(s) have been filed)	Yes	
Make sure withheld assets are distributed in timely manner.	After estate receives tax "clearance" letter	Yes	
Request a final accounting Pay particular attention to fees and costs. If PR fee seems high, has PR tracked time? What is a usual hourly rate for PRs in the area?	Towards the end of the estate process	Yes	Yes
If residual gift, make sure withheld assets are distributed in timely manner	After estate receives tax "clearance" letter	Yes	
Has the receipt for the final distribution been signed by proper person at the charity?		Yes	Yes
Send a final thank-you letter to family member or friend	After distribution is received	Yes	Yes
If restricted gift, ensure funds are allocated to the proper fund	After distribution is received	Yes	Yes
If gift is for an endowed fund or ongoing project, determine who should receive ongoing stewardship reports	Usual stewardship schedule	Yes	Yes

Appendix I: Bequest Administration Checklists
Estate File Information Sheet (v.1)

Estate Name: _____ Will
Date of Death: _____ **County of Probate:** _____ Living Trust
Personal Representative or Trustee:

Name: _____
Address: _____
Phone: _____ E-mail: _____

Attorney:

Name: _____
Address: _____
Phone: _____ E-mail: _____

Bequest: _____ **Specific:** \$ _____ **or property:** _____
_____ **Residual** (_____ % of residue)

Bequest Language/Purpose: _____

Is Charity able to carry out purpose of the bequest? _____ **Yes** _____ **No**

Was donor known to the Charity? ___ **Yes** ___ **No**. **If yes, donor record #** _____.

Important Dates

Date Filed (initial court filing to open probate): _____ (n/a for living trusts)

Date Notice of Gift Received by Charity: _____

Date Personal Representative/Executor Appointed: _____

End of Creditor Claims Period: _____

Tax Return(s) to be Filed?: _____

Estate Complexities?

Ask the attorney/PR if there are any complexities that might slow the process down (particularly important if you are a residual bequest donor). Specific questions might concern:

- Real estate a part of the estate? Missing heirs?
- Conflict or contested issues in estate? Businesses/partnership interests?
- Property in another state/country?

Estate File Information Sheet (v.2)

ESTATE OF _____ DATE OF DEATH _____
COUNTY OF PROBATE _____ CAUSE NO. _____
Lifetime # _____

SURV. SPOUSE _____ Phone _____
Address _____ email _____

PERS. REP. _____ Relationship _____
Address _____

Phone _____ Fax _____ email _____

ATTORNEY _____
Address _____

Phone _____ Fax _____ email _____

OTHER _____ Position _____
Address _____

Phone _____ Fax _____ email _____

INTEREST OF CHARITY

Location of Will/Codicil Provision _____
Specific or Residual _____ Estimated Amount \$ _____
IRS Form 706 to be filed? _____ Contingencies? _____
Beneficiary Department(s) _____
Purpose _____
Estimated distribution dates _____ Beneficiary Dept. Notified _____
Request Inv/Appr. _____ Account to be Credited _____
Consider disclaimer re: real estate? _____

Distributions received: Date Amt. Date Amt. Date Amt.

Family/friend info.:

CHECKLIST: NEW ESTATE

Estate of :

Estate No.:

Date of opening file:

_____ **DATABASE**

- _____ Check Bequest Expectancy Database & note date of death
- _____ Add to Estates table
- _____ If life income beneficiary, enter termination date
- _____ Obtain any (database) information
- _____ Notify (database) of death--send copy supporting info.

_____ **FILES**

- _____ Locate lifetime file
- _____ Change existing file to or create a pending estate file
- _____ Complete "Estate File Information Sheet" to extent able

_____ **SEND ACKNOWLEDGMENT LETTER TO ATTY/PR**

Request:

- _____ Copy of Will/trust provision
- _____ Information on reason for gift
- _____ Names and addresses family & friends to send thank-you

_____ **NOTIFY DIRECTOR OF DEVELOPMENT OF GIFT**

Send:

- _____ Bequest provision
- _____ Letter from/to attorney/Personal Representative

CHECKLIST: ESTATE FILE CLOSING

Estate of :

Estate No.:

Date of closing file:

* * * * *

- _____ **THANK-YOU LETTER**
_____ Sent to family/friends
_____ Copy to Development Director

- _____ **RECEIPT OF CLOSING DOCUMENTS**
_____ Notice of Filing Declaration of Completion
_____ Notice of Hearing on Final Report

- _____ **ESTATES DATABASE**
_____ Change status to “settled”

- _____ **FILE**
_____ Incorporate lifetime file into estate file; add divider
_____ Print (database) gift record and place in file
_____ Complete Estate File Closing Checklist and place on top of file
_____ Put new “Settled Estate” label on file
_____ File to basement “Settled Estate” file cabinet

Appendix J: Reports from PG Calc's *Bequest Manager*

Estate Profile

Estate Profile
Richard Starkey (Deceased) and spouse Barbara Starkey (Deceased)
 Charity: Auburn Historical Society (AUBURN)

Donor : Mr. Richard Starkey (DOB 07/07/1940, DOD 10/01/2012)
 100 Mulholland Drive
 Los Angeles, CA 987622

Spouse: Mrs. Barbara Starkey (DOB 04/29/1942, DOD 10/01/2012)
 100 Mulholland Drive
 Los Angeles, CA 987622

Phone: 919-773-1288
 SS Num: 748-30-9843

Phone: 919-773-1288
 SS Num: 664-47-7336

The donors are members of the legacy society

Legacy Society Memberships: The Auburn Legacy Society,

There is 1 bequest gifts with a total estimated distribution of \$250,000.00

Gift Key 3 -- Bequest Status: Partial Distribution

Gift Date	07/08/2009	Gift Amount:	\$250,000.00	Account 1:	
Transfer Type:	Ben Desig	Gift Probability %:	100%	Account 2:	
Restriction Type:	Pecuniary	Amount times %	[\$250,000.00]	Account 3:	
Percentage of Estate:	0%	Notification Date:	10/16/2012	Account 4:	
Bequest Asset:	Retirement Asset	Confidence Level:	Very Likely	Account 5:	
Asset Description:	2 separate retirement accounts			Anonymous:	No
Date of Notice of Estate Filing:	10/25/2012	Bequest Known in Advance:	No		
Estimated Close Date:	12/31/2012	Bequest Rejected:	No		
Account Closed Date:					

Gift Name : Starkey Bequest - to benefit Historical Preservation

Distribution Date	Amount	Description
10/29/2012	\$148,000.00	Account ending in 4567
Total Distributions:	\$148,000.00	

Distributions so far total \$148,000

Purpose: Preservation of historical buildings and furniture

The Three Pillars of a Strong Bequest Program

Estate Profile (continued)

Contacts

<u>Contact Date</u>	<u>Contact Description</u>
10/31/2012	Received partial distribution. Expecting final distribution before end of year.
10/30/2012	Bequest Status changed from In Process to Partial Distribution For Gift Key 3
10/30/2012	Sent letter "Attorney_Confirmation" to Beverly Sternberg
10/30/2012	Bequest Status changed from Notification to In Process For Gift Key 3
10/17/2012	Bequest Status changed from Intention to Notification For Gift Key 3
06/14/2012	Saw Barbara and Richard at Spring fundraiser.

Estate Advisors

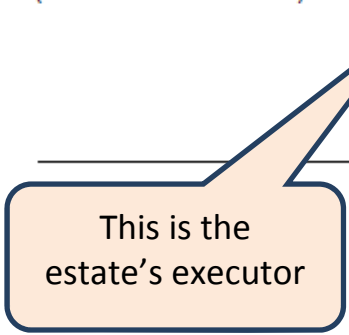
(EXECUTOR -Executor)

Mrs. Beverly Sternberg
Sternberg, Sternberg and Dobbs
2452 Michigan Avenue
Suite 4500
Chicago, IL 92713

Phone: 657-869-3900

Fax:

Email: Sternbergb@SSD.com



This is the
estate's executor

The Three Pillars of a Strong Bequest Program

Bequest Summary

Bequest Summary by Transfer Type

Gift Date	Gift Key	Asset/Type	Account #1	Bequest Status	Notification Date	Gift Amount	Probability %	Amt * Probability
Auburn Society (AUB)								
Transfer Type: Beneficiary Designation								
12/1/2012	19	Retirement Asset Pecuniary	abc	Notification	12/10/2012	\$7,500.00	100.00	7,500.00
	<u>Association</u>	<u>Name</u>	<u>SS Number</u>	<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D</u>	<u>Person Key</u>	
	Donor	David Hughes	111-44-5555	7/12/1941	Current		24	
						Number of Bequest Gifts:		1
						Total Gift Amount:		\$7,500.00
						Total Amt * Probability:		\$7,500.00
Transfer Type: Will								
5/20/1999	2	Specific		Intention		\$110,000.00	100.00	110,000.00
	<u>Association</u>	<u>Name</u>	<u>SS Number</u>	<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D</u>	<u>Person Key</u>	
	Donor	Joseph Verdi	123-23-4345	10/10/1929	Current		3	
6/25/2002	18	Cash Pecuniary		Notification	8/12/2002	\$78,000.00	100.00	78,000.00
	<u>Association</u>	<u>Name</u>	<u>SS Number</u>	<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D</u>	<u>Person Key</u>	
	Donor	Kurt Stevens	330-99-8877	4/23/1924	Current		23	
5/4/2009	6	Tangible Property Specific		Intention		\$30,000.00	75.00	22,500.00
	<u>Association</u>	<u>Name</u>	<u>SS Number</u>	<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D</u>	<u>Person Key</u>	
	Donor	Thomasina Edison	738-93-7573	8/18/1932	Current		10	
8/9/2009	8	Cash		Intention	9/6/2012	\$10,000.00	50.00	5,000.00
	<u>Association</u>	<u>Name</u>	<u>SS Number</u>	<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D</u>	<u>Person Key</u>	
	Donor	Elizabeth Paternore	484-84-8484	4/15/1924	Current		13	
4/25/2011	16	Cash Pecuniary		Intention		\$50,000.00	100.00	50,000.00
	<u>Association</u>	<u>Name</u>	<u>SS Number</u>	<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D</u>	<u>Person Key</u>	
	Donor	Elizabeth Paternore	484-84-8484	4/15/1924	Current		13	
	Donor	Andrew Paternore	008-99-3445	10/7/1943	Current		22	
						Number of Bequest Gifts:		6
						Total Gift Amount:		\$273,000.00
						Total Amt * Probability:		\$265,500.00
Auburn Society (AUB)								
						Number of Bequest Gifts:		6
						Total Gift Amount:		\$285,500.00
						Total Amt * Probability:		\$273,000.00

A percentage probability may be assigned to each bequest intention

The Three Pillars of a Strong Bequest Program

Program Overview and Statistics

Gift Type: BEQ

Number of Gifts By Transfer Type:

(All Transfer Types)	15
Transfer By Will:	10
Transfer By RLT:	3
Transfer By Ben Desig:	2

Number of Gifts by Bequest Status:

(All Bequest Statuses)	16
Beq Status Blank:	1
Beq Status Intention:	4
Beq Status Notification:	0
Beq Status In Process:	1
Beq Status In Probate:	2
Beq Status In Litigation:	1
Beq Status Partial Distribution:	2
Beq Status Full Distribution:	5

Total Gift Amount for Gifts without Distributions:

(All Gifts without Distributions)	\$1,885,002.00
Beq Status Blank:	\$1.00
Beq Status Intention:	\$560,001.00
Beq Status Notification:	\$0.00
Beq Status In Process:	\$250,000.00
Beq Status In Probate:	\$750,000.00
Beq Status In Litigation:	\$325,000.00

Total [Gift Amount * Probability %] for Gifts Without Distributions:

(All Gifts without Distributions)	\$1,154,750.25
Beq Status Blank:	\$0.00
Beq Status Intention:	\$133,500.25
Beq Status Notification:	\$0.00
Beq Status In Process:	\$225,000.00
Beq Status In Probate:	\$487,500.00
Beq Status In Litigation:	\$308,750.00

**Overview information
about your bequest
program**

The Three Pillars of a Strong Bequest Program

Bequest Expectancies

Number of years (statistically) until bequest will be received

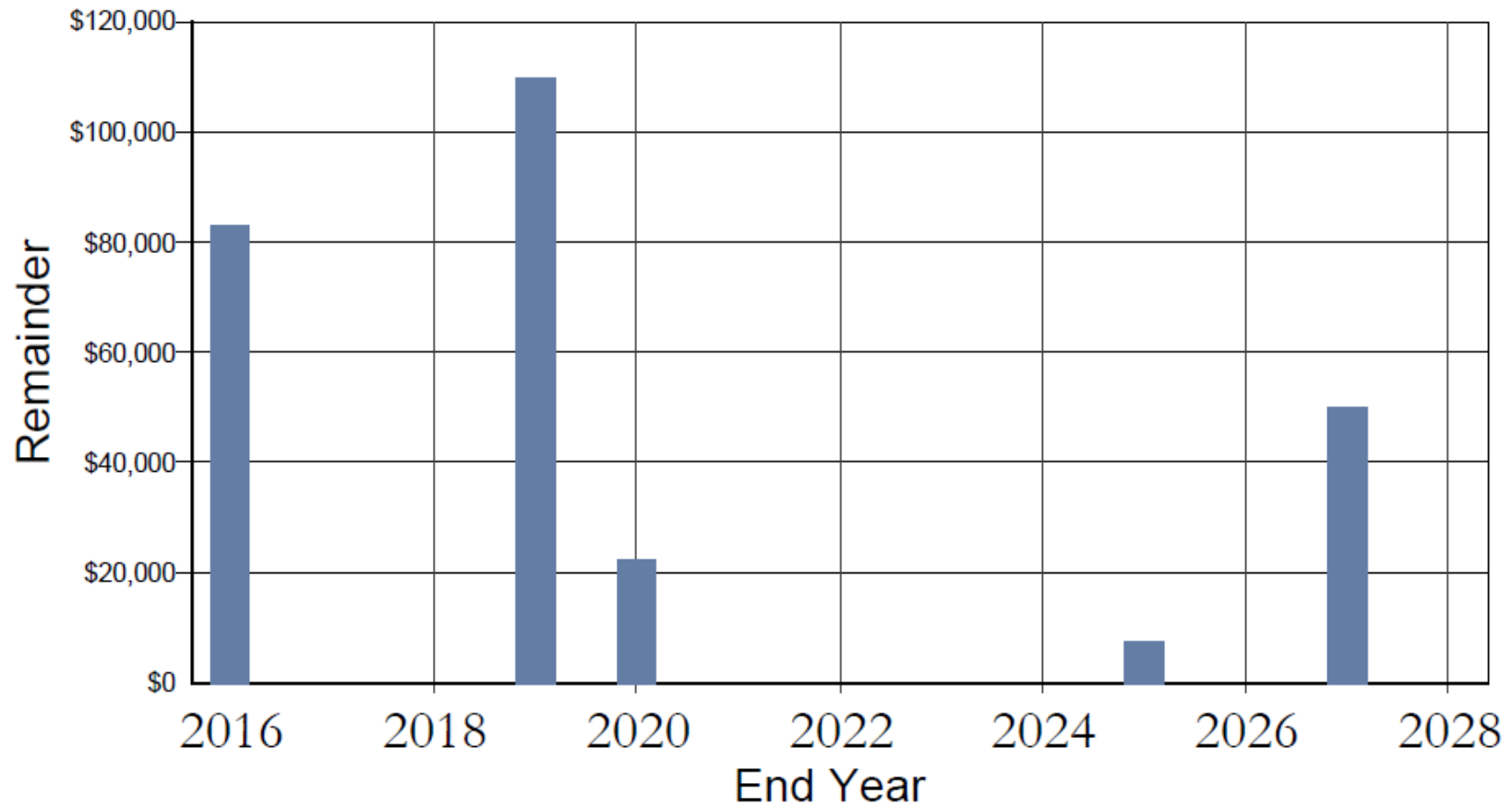
Gift Expectancies/Term End as of 11/30/2012 based on the Ann 2000 Table

Gift Date	Gift Type	Gift Key	Tot Gift Amount	Payout %	Account #1	Account #2	Gift Status	Market Value	Gift Exp	Term End
Auburn Society (AUB)										
05/20/1999	BEQ	2	\$500,000.00	0.00000000			Current	\$0.00		8.7
	<u>Association</u>		<u>Name</u>		<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D.</u>	<u>Age</u>	<u>Gender</u>	<u>Life Exp</u>
	Donor		Joseph Verdi		10/10/1929	Current		83	M	8.70
05/04/2009	BEQ	6	\$1.00	0.00000000			Current	\$0.00		11.3
	<u>Association</u>		<u>Name</u>		<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D.</u>	<u>Age</u>	<u>Gender</u>	<u>Life Exp</u>
	Donor		Thomasina Edison		08/18/1932	Current		80	F	11.30
08/09/2009	BEQ	8	\$10,000.00	0.00000000			Current	\$0.00		9.5
	<u>Association</u>		<u>Name</u>		<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D.</u>	<u>Age</u>	<u>Gender</u>	<u>Life Exp</u>
	Donor		Elizabeth Paternore		04/15/1930	Current		83	F	9.50
04/25/2011	BEQ	16	\$50,000.00	0.00000000			Current	\$0.00		9.5
	<u>Association</u>		<u>Name</u>		<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D.</u>	<u>Age</u>	<u>Gender</u>	<u>Life Exp</u>
	Donor		Elizabeth Paternore		04/15/1930	Current		83	F	9.50
09/12/2012	BEQ	17	\$1.00	0.00000000			Current	\$0.00		9.5
	<u>Association</u>		<u>Name</u>		<u>D.O.B.</u>	<u>Status</u>	<u>D.O.D.</u>	<u>Age</u>	<u>Gender</u>	<u>Life Exp</u>
	Donor		Elizabeth Paternore		04/15/1930	Current		83	F	9.50
Auburn Society (AUB)							Number of Gifts:		5	
							Average Gift Exp/Term End		9.70	
							Average Age:		82	
							Average Life Expectancy:		9.7	
Grand Total							Number of Gifts:		5	
							Average Gift Exp/Term End		9.70	
							Average Age:		82	
							Average Life Expectancy:		9.7	

The Three Pillars of a Strong Bequest Program

Projected Remainder Amounts by Year (Graph)

Projected Remainder Amounts by Year as of 12/03/2012 based on the 2000CM Table



The Three Pillars of a Strong Bequest Program

Projected Remainder Amounts by Year

Projected Remainder Amounts by Year as of 12/03/2012 based on the 2000CM Table

Year	Gift Type	Gift Key	Account #1	Tot Gift Amount	Market Value	Projected Value	PV @ 2%	PV @ 4%
Auburn Society (AUB)								
12/4/2016 - 12/3/2017								
	BEQ	8		\$10,000.00	N/A	\$5,000.00	\$4,573.72	\$4,191.02
	BEQ	17		\$1.00	N/A	\$0.00	\$0.00	\$0.00
	BEQ	18		\$78,000.00	N/A	\$78,000.00	\$75,349.98	\$65,379.95
			<i>BEQ Totals</i>	\$88,001.00	N/A	\$83,000.00	\$75,923.69	\$69,570.97
			Totals	\$88,001.00	N/A	\$83,000.00	\$75,923.69	\$69,570.97
12/4/2019 - 12/3/2020								
	BEQ	2		\$110,000.00	N/A	\$110,000.00	\$94,818.13	\$81,967.68
			<i>BEQ Totals</i>	\$110,000.00	N/A	\$110,000.00	\$94,818.13	\$81,967.68
			Totals	\$110,000.00	N/A	\$110,000.00	\$94,818.13	\$81,967.68
12/4/2020 - 12/3/2021								
	BEQ	6		\$30,000.00	N/A	\$22,500.00	\$19,014.33	\$16,511.67
			<i>BEQ Totals</i>	\$30,000.00	N/A	\$22,500.00	\$19,014.33	\$16,511.67
			Totals	\$30,000.00	N/A	\$22,500.00	\$19,014.33	\$16,511.67
12/4/2025 - 12/3/2026								
	BEQ	19 abc		\$7,500.00	N/A	\$7,500.00	\$5,740.62	\$4,816.84
			<i>BEQ Totals</i>	\$7,500.00	N/A	\$7,500.00	\$5,740.62	\$4,816.84
			Totals	\$7,500.00	N/A	\$7,500.00	\$5,740.62	\$4,816.84
12/4/2027 - 12/3/2028								
	BEQ	16		\$50,000.00	N/A	\$50,000.00	\$36,784.71	\$27,224.08
			<i>BEQ Totals</i>	\$50,000.00	N/A	\$50,000.00	\$36,784.71	\$27,224.08
			Totals	\$50,000.00	N/A	\$50,000.00	\$36,784.71	\$27,224.08
Auburn Society (AUB)				Total Gift Amount:		\$285,501.00		
				Total Market Value:		N/A		
				Total Projected Value:		\$273,000.00		
				Total Present Value @ 2%:		\$232,281.49		
				Total Present Value @ 4%:		\$199,300.83		
Grand Total				Total Gift Amount:		\$285,501.00		
				Total Market Value:		N/A		
				Total Projected Value:		\$273,000.00		
				Total Present Value @ 2%:		\$232,281.49		
				Total Present Value @ 4%:		\$199,300.83		

The projected value column appears in the graph on the previous page.

The Three Pillars of a Strong Bequest Program

Projected Remainder Amounts by Gift

Same data as on previous page, represented by gift rather than by year

Projected Remainder Amounts as of 12/03/2012 based on the 2000CM Table

Gift Type	Gift Key	Gift Date	First Pmt	Tot Gift Amount	Market Value	Gift Exp	Yrs to Exhaust	End Year	Remainder
Auburn Society (AUB)									
BEQ		8 08/09/2009		\$10,000.00	N/A	4.80	N/A	2016	\$5,000.00
	<u>Name</u>		<u>Association</u>	<u>D.O.B.</u>	<u>Age at Gift</u>	<u>Age at Val</u>	<u>Gender</u>	<u>Status</u>	
	Elizabeth Paternore		Donor	04/15/1924	85	89	F	Current	
BEQ		17 09/12/2012		\$1.00	N/A	4.80	N/A	2016	\$0.00
	<u>Name</u>		<u>Association</u>	<u>D.O.B.</u>	<u>Age at Gift</u>	<u>Age at Val</u>	<u>Gender</u>	<u>Status</u>	
	Elizabeth Paternore		Donor	04/15/1924	88	89	F	Current	
BEQ		18 06/25/2002		\$78,000.00	N/A	4.80	N/A	2016	\$78,000.00
	<u>Name</u>		<u>Association</u>	<u>D.O.B.</u>	<u>Age at Gift</u>	<u>Age at Val</u>	<u>Gender</u>	<u>Status</u>	
	Kurt Stevens		Donor	04/23/1924	78	89	M	Current	
BEQ		2 05/20/1999		\$110,000.00	N/A	7.00	N/A	2019	\$110,000.00
	<u>Name</u>		<u>Association</u>	<u>D.O.B.</u>	<u>Age at Gift</u>	<u>Age at Val</u>	<u>Gender</u>	<u>Status</u>	
	Joseph Verdi		Donor	10/10/1929	70	83	M	Current	
BEQ		6 05/04/2009		\$30,000.00	N/A	8.40	N/A	2020	\$22,500.00
	<u>Name</u>		<u>Association</u>	<u>D.O.B.</u>	<u>Age at Gift</u>	<u>Age at Val</u>	<u>Gender</u>	<u>Status</u>	
	Thomasina Edison		Donor	08/18/1932	77	80	F	Current	
BEQ		19 12/01/2012		\$7,500.00	N/A	13.60	N/A	2025	\$7,500.00
	<u>Name</u>		<u>Association</u>	<u>D.O.B.</u>	<u>Age at Gift</u>	<u>Age at Val</u>	<u>Gender</u>	<u>Status</u>	
	David Hughes		Donor	07/12/1941	71	71	M	Current	
BEQ		16 04/25/2011		\$50,000.00	N/A	15.40	N/A	2027	\$50,000.00
	<u>Name</u>		<u>Association</u>	<u>D.O.B.</u>	<u>Age at Gift</u>	<u>Age at Val</u>	<u>Gender</u>	<u>Status</u>	
	Elizabeth Paternore		Donor	04/15/1924	87	89	F	Current	
	Andrew Paternore		Donor	10/07/1943	68	69	M	Current	
Auburn Society (AUB)						Total Gift Amount:			\$285,501.00
						Total Market Value:			N/A
						Total Remainder:			\$273,000.00
Grand Total						Total Gift Amount:			\$285,501.00
						Total Market Value:			N/A
						Total Remainder:			\$273,000.00