

# Deciding to give *A guide for personalizing your philanthropy*

## **Many people come to a point in their lives where they feel inclined to give back.**

They do so for a number of reasons, all very personal to them. What motivates you? Perhaps you feel strongly about a cause. Perhaps an organization has touched your life or the lives of loved ones. Maybe you want to create a legacy and set an example that inspires others to give. Or your giving may be a way to get your family together and pass along your values to younger generations.

For as many motivations as there are to give, there are ways of giving. The key to having a rewarding giving experience is finding the best fit—for your charitable priorities, financial goals, and personal preferences. This checklist is designed to help you and your professional advisor determine the custom giving solution that's right for you.

## **What are your charitable priorities?**

**Charitable interests.** You may have a single charitable interest—an important cause or organization. Or you may have several, or a desire to explore new community needs and opportunities as they arise. Note the charitable interests that you'd like to pursue.

- |                                               |                                                    |
|-----------------------------------------------|----------------------------------------------------|
| <input type="checkbox"/> Hometown community   | <input type="checkbox"/> Arts and culture          |
| <input type="checkbox"/> Retirement community | <input type="checkbox"/> Education                 |
| <input type="checkbox"/> Alma mater           | <input type="checkbox"/> Health and human services |
| <input type="checkbox"/> Faith organization   | <input type="checkbox"/> Youth                     |
| <input type="checkbox"/> Environment          | <input type="checkbox"/> Other: _____              |

**Impact.** What kind of impact do you hope to make with your charitable gift?

- Solve specific, current, critical needs
- Help the largest number of people possible
- Make a significant difference in the lives of a few
- Construct buildings that will endure for generations
- Support operations of effective nonprofit organization(s)
- Address long-term, systemic social issues
- Other: \_\_\_\_\_

**Duration.** Should your gift last forever? You can endow your gift so that a portion of earnings is spent and the gift remains a permanent source of community capital. Or, you can choose to spend all of your charitable assets.

What is your preferred timetable?

- Give all direct gifts with no endowment
- Give some direct gifts *and* endow some gifts
- Give only endowed gifts

## **What are your financial goals?**

**Assets and taxes.** Most large gifts present the opportunity for significant tax deductions. Some people choose to give during high-income years to defray their taxes with deductions. You may wish to donate appreciated securities or real estate to avoid taxes on the sale of these assets. And, charitable bequests can play a role in estate planning for your heirs. Your professional advisor can help you assess the financial and tax implications of giving the following kinds of assets:

- |                                                                |                                             |
|----------------------------------------------------------------|---------------------------------------------|
| <input type="checkbox"/> Cash                                  | <input type="checkbox"/> Real estate        |
| <input type="checkbox"/> Retirement savings                    | <input type="checkbox"/> Life insurance     |
| <input type="checkbox"/> Appreciated securities                | <input type="checkbox"/> Fine art           |
| <input type="checkbox"/> Closely held stock or business assets | <input type="checkbox"/> Other asset: _____ |

**Transitions.** Major life events often drive changes to an estate plan and prompt charitable gifts. Which of the following transitions might be relevant?

- Selling a business
- Receiving an inheritance
- Retirement or estate planning
- Death of a loved one
- Change in marital status for you or your heirs
- Birth or coming of age of children or grandchildren

**Timing.** Maybe you would like to start giving now, so you can get involved or potentially see the results of your gift. Or perhaps you'd like to give through your estate. Many donors do a combination of these. What is your timing preference?

- Give all gifts during lifetime
- Gift some lifetime gifts; some after death
- Give all gifts after death

**Income.** Some people choose to give in a way that provides them—or a loved one—a stream of income for life. Your professional advisor can help you select a giving vehicle that suits your time horizons, tolerance of risk, and income requirements. Are you interested in any of these possibilities?

- Predictable lifetime income for you *or* spouse
- Maximum lifetime income for you *or* spouse
- Provide income to charity during your lifetime
- for you *and* your spouse
- for you *and* your spouse

### What are your personal preferences?

**Control.** Is ultimate control over assets you give to charity important to you? Some people aren't comfortable without it. Others are glad to let go, once they've made some guiding decisions. Determining the range that's comfortable for you will help your advisor recommend appropriate giving vehicles. Which of these options would you consider?

- A general community grantmaking fund
- A community grantmaking fund for a specific field (e.g., arts, education, basic needs, environment)
- An unrestricted gift to a specific charity or its endowment
- A restricted gift to a specific charity
- A donor advised fund in which you advise on grants annually
- A supporting organization in which you may participate in governance
- A private foundation in which you maintain complete control and responsibility

**Involvement.** Do you want to play an active role in your giving, selecting recipients of your gift for years to come? Would you like to involve your children or grandchildren? Or would you prefer to make one-time gifts with no future demands on your time?

- No personal involvement after gift is made
- Personal involvement during your lifetime
- Future involvement of children or grandchildren

**Recognition.** Some people like a tasteful level of recognition for their good work. It attracts attention to their cause, generates awareness, and may inspire others to give. Some people prefer anonymity. What level of recognition do you prefer?

- Lasting recognition (name on a fund, foundation, building, or permanent structure)
- Public recognition (name in public announcement or media coverage)
- Simple recognition (personal thank you and name listed in annual report or newsletter)
- Anonymity to the general public
- Anonymity to benefitting charities