

Philanthropy and Your Estate Plan

Whether you are creating a new estate plan or revising an existing one there are certain topics to consider to successfully achieve your philanthropic goals. Including philanthropy in your estate plan takes a lot of thought, planning and creativity. These are a few questions you may want to think about before you talk to your professional advisor.

Do you have a Vision?

There are many ways to be philanthropic and thousands of charitable causes to donate to so where do you begin? Start with a vision, take the time to set goals and think about how you want to be remembered. Also consider what charitable causes are important to you and how you want to make a difference.

Do you want to give money or assets away during your lifetime, after death or both?

The timing of your gift, along with your cashflow needs and tax considerations, will influence the type of plan you establish and which gift planning vehicle will meet your needs.

Would you like your heirs involved?

If you have children or grandchildren, you might want to share your charitable plan with them. By doing so, you will communicate to them your values, priorities and expectations. Too many times plans are made and not communicated leaving the next generation in the dark and confused about your philanthropic intent. If you plan on including family, get them involved early as this will demonstrate how important philanthropy is to you and will also prepare them for the responsibility of carrying on your legacy when you are gone.

Are you sure your intentions are clear?

After setting the goals of your plan, it is important to consider how they will be interpreted. To do this, make sure the intentions of your gift are well defined and documented. Also, create a plan that is flexible by including policy on how to deal with change. For example, how to deal with a charity that changes its mission or what to do when the organization you are supporting no longer exists. You can't

predict the future but these provisions will help keep the plan aligned with your goals.

How do I choose the right professional advisor?

Finding the right advisor is critical. Professional advisors; estate planning attorneys, financial advisors and CPA's don't all have the experience and expertise to guide you through the planning and execution of a good philanthropic plan. I feel the first step in finding the right advisor is to ask for referrals from friends or relatives who have been through this process. Talk to them about their experience. Your first meeting with an advisor should flow smoothly and he / she should take the time to listen to you and fully understand what you are trying to accomplish. If you engage more than one advisor it is important that they are able to collaborate with each other to create the best plan that will achieve your goals. Most of all, it is important that you feel comfortable with them throughout the process and fully understand the details of the plan.

There is a lot to consider when you include philanthropy in your estate plan but when you complete it you will have the satisfaction of knowing that you have also created your philanthropic legacy.