Securing Your Nonprofit’s Future with Major & Planned Gifts: The Role of Attorneys in Opening Doors

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The Planned Giving Conundrum

We know that...

- the U.S. is in the midst of a $70 trillion transfer of inter-generational wealth (now thru 2041)
- much of this wealth can be transferred to charitable organizations
- large nonprofits, such as hospitals, universities and churches, have well-developed planned giving track records
- planned giving involves low-key, low-budget, ongoing cultivation of donor relationships that result in huge gifts
- donors make arrangements for planned giving in their estate plans, to be gifted beyond their lifetime
- the average planned gift in PA is $650,000

Yet...

- few mid-sized nonprofits have effective planned giving programs
Why Do Some Nonprofits “Never Get Around to” Planned Giving?

- Planned giving terminology can be mysterious
  lots of long words, legal terms, acronyms, lingo
  ie: bequest, donation under will, beneficiary designations (IRAs, DAFs, insurance)

- Planned giving can be complex and requires professional advisors
  estate planning attorney, tax accountant, wealth/investment advisor, philanthropy advisor

- Gift planning is incredibly personal — requires a client/donor to weigh and prioritize their core values, providing for family & friends, community involvement, tax issues, legacy

- Planned gifts tend to ‘come to fruition’ after people die

- Planned gifts have a long lead time—3-20 years average—and the nonprofit usually doesn’t know for sure until the donor passes
Some of the greatest opportunities to make charitable gifts arise when people make major business, personal & financial decisions ... with their attorney.
Q#1: Describe the “typical types” of clients you see. What makes them decide it’s time to focus on estate planning?

Q#2: Before we talk about charity in estate planning: overall, what else does estate planning encompass?

Q#3: How often does charity enter into your estate planning discussions with clients?
• If your client does not bring up the topic of charity gift planning, do you? How?
• What is the range of reactions from clients regarding including philanthropy & charities in their estate plans?
• What are your clients’ strongest motivators for including charity in the mix?
• To what degree do your clients make charity decisions based on tax considerations?
• What is done in your estate planning to ensure donor intent is understood and carried out?

Q#4: What ethical concerns arise? Explain loyalty to client interest, conflict of interest & due diligence:
• How do you interact with client family members? With the prospective charities?
• How do prospective heirs tend to react to including charities in estate plans?
• Can you/do you recommend specific charities to clients?
• What is your reaction when a client asks you about a specific charity?

Q#5: Final words of advice: What can charities do to be better positioned to be the beneficiary of planned gifts?