

8 Steps to Securing Your Donor Intent



DonorsTrust

The Community Foundation for Liberty

Donor-Advised Funds | Philanthropic Guidance | Legacy Protection

Have you ensured your charitable giving vision is secure? You don't have to leave behind a Rockefeller-sized fortune to experience the pitfalls of unsecured donor intent. Here are eight ideas to help you safeguard your principles.

1. Be clear in your purpose.

It is essential to have a clear, focused mission and vision for your giving. What causes do you care about? What societal challenges are you most passionate about? What tactics do you like to support? Do you want to give in a public way or more privately? Not only will this safeguard your intent, but it will also lead to more disciplined, measurable, and satisfactory giving.

2. Leave a list of favorites.

Create a list of favorite groups, those that you currently fund as well as those you might one day support with the right project. Rank or tier them so it is obvious which groups are most important to you.

3. Explain what you don't like.

You probably have groups you intentionally don't support. Maybe a group treated you poorly in the past, or you disagree with its strategy tactics or ideology. This list could also include whole swaths of organizations that work against your principles. Without putting it in writing, your heirs would be forgiven for funding groups you once liked but no longer do.

4. Drive the right vehicle.

You have choices in the vehicle driving your charitable legacy. These include a private foundation, donor-advised account, charitable lead trusts, charitable remainder trusts, or a bequest in your will. Each has its own advantages, drawbacks, and tax implications. Like any complex journey, you might need multiple vehicles to fully protect your intent.

5. Set the pace.

Supporting a group after your lifetime doesn't require you to give all available funds immediately. Design a plan for how and when you want your charitable dollars disbursed. If you have a foundation, do you want future foundation leaders to only grant out the required 5% each year or do you want them going above that? Setting this pace is particularly important with a donor-advised account, which has no mandated payout requirements.

6. Bind it in writing.

Once you've established guidelines stating your charitable intent, work with your attorney and/or financial advisor to put it in writing. Decide whether you want to share the appropriate document—all or in part—with relevant parties, be they heirs, trusted friends, or charitable beneficiaries. At a minimum, ensure the right people know that you have outlined your intent and expect it to be followed.

7. Flexible now, then fixed forever.

Things change. After you codify your estate plan, you may discover a passion for new charities or may lose interest in once-favored groups. Changes in wealth, family make-up, or even tax law could prompt you to rethink your strategy. Revisit your plan annually and set it up so you can easily make adjustments, allowing you to keep your intent current.

8. Shut it down.

This may be the most important step to head off eventual drift away from your donor intent: Limit the life of the charitable vehicle you establish. Spending your charitable capital within 25 years of your death diminishes the chance your money will support causes with which you disagree. Not only will your donor intent be protected, but your money will be making an impact with the causes you hold dear even sooner.

A **DonorsTrust donor-advised fund** makes it easy for you to follow these 8 steps. In addition to providing terrific tax-advantages and exceptional simplicity for charitable gifts, DonorsTrust separates itself by focusing on two key principles: the protection of donor intent and a commitment to liberty centered on limited government, personal responsibility, and free enterprise. Our clients create a donor intent statement, name successor-advisors if desired, and define how long the account will operate after their death. Whether as your sole charitable vehicle or just the one protecting your liberty-oriented giving, DonorsTrust can help you establish your charitable legacy in a way that protects your principles. Call us at **703-535-3563** or email tellmemore@donorstrust.org to learn more.



“When people are grateful and blessed, they want to pass on their wealth to the next generation – in my case, to civic organizations. DonorsTrust attracts grateful people who want to see what they have inherited improved, valued, and sustained. To me, DonorsTrust is about grateful people wanting to pass on their support for work very much worth doing.”

—Michael Maibach, a DonorsTrust giver

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