

Catholic Community Foundation

of the Diocese of Richmond



Your Catholic Heritage and End of Life Decisions Planning

- Catholic values and beliefs can be integrated into your affairs to finalize who and what is important and how your goals can be a testament of your faith.
- Putting your affairs in order can be a graced activity.
- Legacy giving is an ultimate act of stewardship.

Reasons to Get Your Affairs in Order

- It reflects the way you want your affairs to be handled in case of incapacity and death.
- It ensures that your assets pass to *whom you want, when you want, and the way you want.*
- It provides for the most effective transfer of your assets, while avoiding probate, estate taxes and reducing hard decisions your loves will have to make in a difficult time.

Who Needs to Put Their Affairs in Order

- If you:
 - Own a home/property
 - Have bank accounts, retirement plans, life insurance, IRA, stock, mutual funds, heirlooms, etc...

- If you don't have an estate plan:
 - Property generally passes according to state laws
 - No provision for charity exists under the laws of any state, even if the you made substantial charitable contributions during your lifetime.

Documents You Need

- Last Will & Testament
- Beneficiary Forms
- Catholic Advanced Medical Directives naming your Healthcare Power of Attorney/Health Care Surrogate
- Durable Do Not Resuscitate Order (DDNR)/Optional
- Organ Donation Form

Types of Power of Attorney

- Durable Power of Attorney
 - Takes effect upon signing

- Springing Power of Attorney
 - Springs into effect if you become incapacitated

Financial Power of Attorney

- Grants someone the authority to manage and make decisions about your finances.
- Choose someone you trust.



Health Care Power of Attorney

- Grants someone the authority to make healthcare decisions for you when you cannot.
- Allows doctors to discuss your health with the person you choose.
- Forgive them in advance for having to make difficult decisions for you.

Last Will & Testament

- Testate and Intestate
- Directs the distribution of your estate upon our death.
- The Executor is the personal representative who carries out your desires of the estate upon your death.
- A Will does not avoid probate.

Reasons for Putting Your Will in Place

- Avoiding Time and Cost of Probate
- Avoiding Estate Taxes
- Planning for Disability/Incapacity
- Protecting Beneficiaries
- Protecting Assets from Creditors
- Minimizing Family Stress

THEY WERE SAD WHEN THEY
FOUND OUT THEIR WEALTHY GRANDFATHER
HAD DIED IN AN EARTHQUAKE.

THEY WERE DEVASTATED WHEN THEY
DISCOVERED HE HAD WRITTEN HIS
WILL ON AN ETCH A SKETCH.



What is Probate?



- Court supervised process.
- Process to distribute assets from your estate to named beneficiaries.
- Process can last several months to a year.

Probate: Pros & Cons

Pros

- ✓ Costs are typically modest
- ✓ Court supervised
- ✓ Enforces intentions of the deceased if a will exists

Cons

- ✓ Can be time consuming
- ✓ Title transfer delays
- ✓ Public record
- ✓ Can be stressful for executor and family

Ways to Avoid Probate

- Joint Property Ownership
- Death Beneficiaries
- Trusts

What is a Living Trust?

It is a written **legal document** through which your assets are placed into a **revocable trust** for your benefit during your lifetime and then transferred to **designated beneficiaries** at your death by your chosen representative, called a "successor trustee."

Types of Trusts

Revocable Trust (Living Trust) vs. Irrevocable Trust

The simplest **difference between** the two is that assets remain **in the** grantor's estate **in a** revocable **trust** but move out of the estate **in an irrevocable trust**. The primary reasoning behind the **irrevocable trust** is that there are many good reasons for clients to want to move assets out of their estate.

Benefits of a Trust

- Allows for the management of your assets during your lifetime
- Directs the distribution of assets upon your death
- Avoid Probate
- Protects privacy
- Reduces administrative burden on family and loved ones

Legacy Gifts & Our Faith

- Legacy gifts *reveal our faith to our community* as a witness of God's great love for us. They are a final testament of what you value as a Catholic.
- It demonstrates your *gratitude to God* for all the gifts with which He has blessed you.



What are the Types of Legacy Gifts?

- Bequest through a Last Will & Testament
- Life Insurance (Beneficiary Form)
- Retirement Plans (Beneficiary Form)
- Stock and Mutual Funds (TODs)
- Bank Accounts and Money Markets (PODs)
- Real and Tangible Property
- Charitable Gift Annuity

Bequest through a Will

- The most common form of legacy giving.
- A legacy gift made payable after the donor passes away.

Example: I give, devise, and bequeath to ***your parish*** of the Catholic Diocese of Richmond, Virginia the sum of \$____ (*or*) ____percent (%) of the rest, residue, and remainder of my estate, both real and personal.

Inspiring Legacy Giving

Mrs. Davenport, a long-time parishioner of St. Patrick Catholic Church, made a bequest in her Will to the parish. She left her entire estate of \$820,000 and her 2 dogs.



Securities and Retirement Plans

- Name a primary and secondary beneficiary
- Gifts can be whole or a percentage
- No capital gains tax

Inspiring Legacy Giving



Angela D'Allessandro led an active parish life at St. Michael for many years. With her generous heart, she willingly helped out in many ways. Angela would say she did not have much money to give in the collection, so she selflessly gave of her time and talent.

She made a bequest in her Will of \$31,000 from her retirement account to the parish. We used about half the proceeds to make the first deposit into the St. Michael Endowment Fund. Her legacy will live on in perpetuity, a reminder of her generous spirit!

Inspiring Legacy Giving

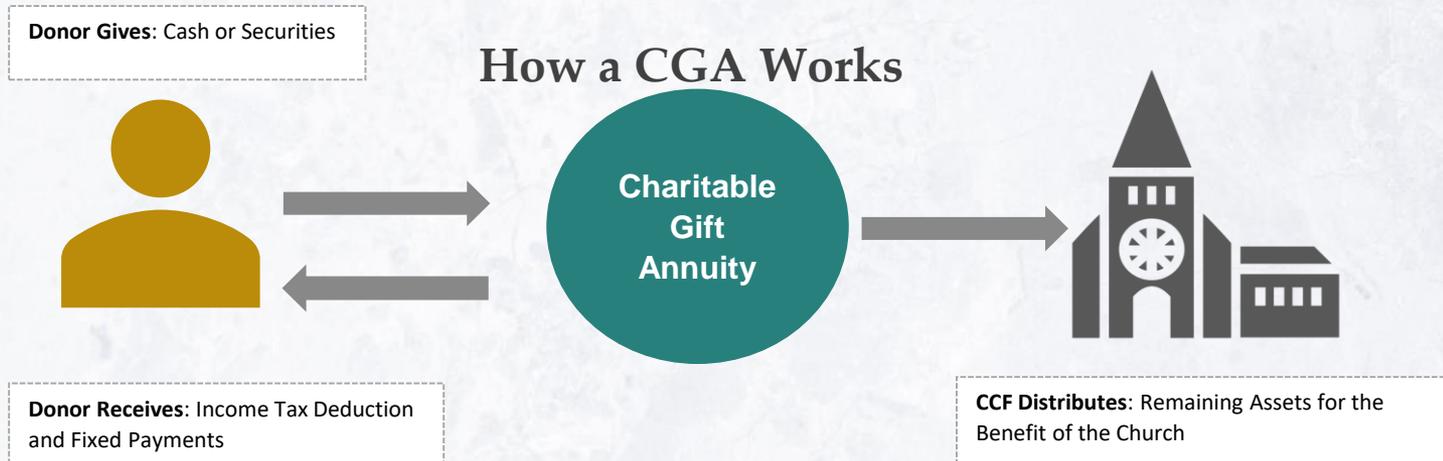


Mr. Edgar Duffy

- Former City Clerk for the City of Richmond.
- Bought stock in Brown-Forman that owns Jack Daniels, Woodford Reserve and other liquors.
- Bequeathed over \$4.5 million to St. Benedict Church, the Diocese and other Catholic organizations in the Diocese of Richmond.

Charitable Gift Annuity (CGA)

- A gift that **returns income to you** for life with the remainder going to the parish upon your death.
- Rates are based on age and the American Council on Gift Annuities.



Inspiring Legacy Giving

Ms. Christine McGrath, Catholic Church of Saint Mark, Virginia Beach

*“Last year, I made the decision to purchase a **charitable gift annuity** with the Catholic Community Foundation of the Diocese of Richmond. By doing this, I was able to make a donation to the church while **receiving fixed payments for life**. I designated any **remaining money** to go to the **Diocesan Music Ministry after my death.**”*

How You Can Shape the Impact of Your Legacy Gift?

- **Family**
- **Friends**
- **Faith Community**
 - Catholic Parish
 - Catholic School
 - Catholic Ministry
 - Endowment Funds

Lumen Christi Legacy Society Parish Chapters



To thank and recognize individuals who make a provision in their Will by naming their parish, a school or ministry as a beneficiary.

Members of the Lumen Christi Legacy Society are led by their faith and values to preserve our Catholic heritage and ensure everlasting giving for the future. This is a witness to fulfilling our call to walk in the Light of Christ and creates a legacy that lights the future.

Questions to Consider When Leaving a Legacy Gift

- What assets will you gift?
- How much will you gift?
- Will you gift a fixed dollar amount or a percentage?
- What are the tax and financial considerations involved? For example, can your gifts reduce any tax consequences for your heirs?

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Questions & Discussion

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