



## Estate Planning Toolkit

### Why give through Connecticut Community Foundation?

Our long history and deep roots in Greater Waterbury and the Litchfield Hills enables us to connect donors to the local causes they care most about—and strengthen the nonprofit organizations that are working side-by-side with residents to create lasting change. In education, the arts, the environment, health care and so many other areas, by giving together, we are a greater force for good.

With us, you can expect:

**Local knowledge** – We are partners with local leaders and businesses, community groups, nonprofit organizations, financial advisors and schools, and we treasure these authentic and trusting collaborations. After nearly 100 years, we know each other well.

**Personal Service** – We help you develop a personal, customized giving plan that fulfills your vision and will have the greatest possible impact on the communities you love.

**Experience** – Our professional donor services and grantmaking staff are available to share their knowledge of local community issues with you, answer your questions and handle the administrative details of your philanthropy.

**Stability and Adaptability** – We help build funds that distribute money in local communities over decades, meeting needs as they change over time.

**Creative and Flexible Giving Options** – You can choose from a full menu of charitable giving options that help you accomplish your charitable goals and maximize tax advantages.

**Expert Investment Management** – We manage your fund, invest it for growth and always honor your philanthropic wishes.

**Lasting Impact** – Funds that you entrust to Connecticut Community Foundation will be used as you have directed—now and forever.

### What is planned giving/legacy gifts?

Planned and legacy gifts are a way to make estate decisions now and for the future. This type of giving allows you to address family members' needs and make a gift to benefit your community and the causes you care most about.

## Types of gifts/what to give

- **Bequest** – A bequest is an irrevocable gift from a will or personal trust of cash, securities, real estate or other assets.
- **Retirement Plan Beneficiary Designation** – You may be able to designate Connecticut Community Foundation as a beneficiary of your qualified retirement account for all or a percentage of your plan.
- **Gift of Life Insurance** – The Foundation accepts gifts of paid-up life insurance policies. If you name the Foundation as owner and beneficiary of such a policy, you will be entitled to a charitable deduction for the approximate cash value of the policy. You could also elect to remain the owner of the policy and name the Foundation as the ultimate beneficiary, in which case you would maintain responsibility over the policy.

Additionally, the following opportunities to give can provide you or your loved ones with income during your or their lifetime, and also leave a charitable gift to the Foundation. We welcome the opportunity to discuss these gifts with you and your professional advisor:

- **Charitable Gift Annuity** – An irrevocable agreement between you and Connecticut Community Foundation, whereby you donate cash or stock to the Foundation now, gain immediate tax benefits, and receive a fixed and guaranteed income for life for you and/or a loved one.
- **Charitable Remainder Trust** – You can place cash, stock or other property, such as real estate, in a trust that pays annual income to you (or another named beneficiary) for life. The remainder of the trust then transfers to the Foundation and is used to establish a new fund or add to an existing fund.
- **Charitable Lead Trust** – You can place cash or property into a trust that pays income to the Foundation for the number of years you select. Once this period ends, the assets held by the trust are transferred to the beneficiaries you name, most often your direct heirs; or the assets can revert back to you.
- **Pooled Income Fund** – A pooled income fund operates similarly to a mutual fund and provides you with a variable income stream based on the net earnings of the fund. You make a permanent gift of cash or stock to the fund, which is then joined with the gifts of other donors. Upon receipt of your gift, you are assigned units in the pooled income fund.

## Overview of fund options

- **Unrestricted fund** – By establishing an unrestricted fund, you trust the Foundation to flexibly and responsively direct your money toward the community's most pressing needs.

- **Field of Interest fund** - With a field of interest fund, you tell us an issue or geographic area you want to support, and we carefully select excellent nonprofit grantees whose work matches your aims.
- **Designated fund** – Establishing a designated fund enables you to identify and support one or more organizations anywhere in the United States whose work is meaningful to you, so you can help to sustain their efforts in perpetuity.
- **Scholarship fund** – By establishing a scholarship fund, you can help local students realize their college dreams. You can trust us to select the most deserving students from across our region, or you can specify criteria such as a field of study, residence in particular towns or connections to employers or other institutions.

## Overview of the endowment concept

An endowment is a donation of money or assets that benefits a charity over time. Endowments are prudently invested, and generally a relatively small portion of the endowment is used annually to support the charitable purpose; therefore, it continues to grow over time.

At Connecticut Community Foundation, there is a \$10,000 minimum to establish an endowment fund. This can be paid in one lump sum or in installments over a 5-year period. The Foundation has a successful track record of managing these funds. Our investments are overseen by a committee comprised of active and retired investment managers and others knowledgeable in the field. This committee works with an independent consulting firm to recommend investment strategies and monitors the endowment performance.

## Making Your Gift: Suggested Language for Your Will or Trust

### ***To make a bequest***

I give, devise and bequeath to Connecticut Community Foundation, Inc., a nonprofit community foundation located in Waterbury, Connecticut, \_\_\_\_% of my residuary estate ...

### ***Or***

I give, devise and bequeath to Connecticut Community Foundation, Inc., a nonprofit community foundation located in Waterbury, Connecticut, the assets as described on Schedule A attached hereto ...

To be added to \_\_\_\_\_ Fund held and administered by Connecticut Community Foundation.

### ***Beneficiary Designation for Retirement Plan or Life Insurance Policy:***

Beneficiary: Connecticut Community Foundation, Inc. (Tax ID # 06-6038074) for the \_\_\_\_\_ Fund.

## Frequently Asked Questions

### ***Who should consider a legacy gift?***

Forward-thinking, thoughtful people who want to make a difference and leave a meaningful legacy for future generations. It is a great way to continue a connection you may already have with an organization or special cause.

### ***Why should I leave a gift in my will?***

Imagine the far-reaching impact a gift through your will could have on the causes and issues that mean the most to you. There's no better way to ensure that the charitable giving you started in your lifetime continues on – and that your own personal mission is being met forever.

### ***Why through the Foundation?***

Many people choose to create legacy gift funds with Connecticut Community Foundation because they feel a strong tie and commitment to the area they call home. They recognize the Foundation's proven track record in charitable giving and you can be sure your meaningful gift will be used to make a powerful impact in the area you designate.

### ***I plan to leave my estate to my family. Can I also leave some to charity?***

Yes! You can leave 100% of the dollars you wish to your heirs, and also include a percentage to the charities you care about. By doing so, you will leave a legacy of caring and commitment long into the future.

### ***Do I have enough to leave a bequest?***

Many people are surprised to learn that including a bequest in their will costs them nothing during their lifetime. You can leave a bequest in any amount. The Foundation can also receive a variety of assets such as stock, coin collections, houses, and antiques. Or you can name the Foundation as a beneficiary of your IRA or investment account.

### ***What are the benefits of estate gifts?***

The benefits are many! Here are just a few:

- Satisfaction knowing that you are helping to sustain the causes and organizations that mean the most to you.
- Peace of mind knowing that your philanthropic dreams are being fulfilled by a trusted steward like the Foundation.
- Confidence that you have access to a team of philanthropic professionals who can help you navigate your legacy giving.