



# COMMUNITY MATTERS

March 2021

## Estate Finances and Planning

**Donors:** Can your heirs get by with just 95% of your estate?

**Professional advisors:** Will your clients be willing to leave just 5% of their estate to charity?

**Nonprofits:** What would your organization look like if you could capture just 5% of your supporters' wealth?

February starts what I hope is only a six-week crabby season. Is it a coincidence that the groundhog declaring six more weeks of winter also launches tax preparation season?

We're in that time of year when we focus on our finances. Paying off credit cards from Christmas shopping. Getting W-2s and other tax documents together. Staring at the W-2 because we can't believe we paid that much in taxes. You can offset taxes paid via charitable giving and deductions, but that was my December column.

Instead, I'm hoping this season of finances also causes many of us to think about our estate finances. You don't have to be a millionaire to have an estate. But you do have to talk with a professional about what you plan to leave to your kids, simply because some assets are taxable to your children and some are not. For those taxable gifts, please consider leaving them to charity instead.

Most of us will leave money to charity with no instructions or restrictions. Some may think, "For as little as I plan to give them, is it really worth it to be picky about how they use it?" Maybe not, but we have many donors who have set up their estate and donor-designed funds to support little things that they don't want to go away. Baums and Petersons set up a fund solely to support the choir/music program at the First Presbyterian Church in Morris. We have a number of endowments specifically for Immaculate Conception School. An anonymous donor set up an endowment to support Boy Scout Troops 469 & 471. Another anonymous donor set up an endowment to forever fund the Hands-On 8th Grade Career Fair. Here in rural Grundy County, the little things make a difference.

**Question:** Can your heirs get by with just 95% of your estate? If so, the charities of Grundy County ask you to dedicate just 5% of your estate to the charity(ies) of your choice. You can gift to them directly

or you can use one of our donor-designed funds.

If you are leaving money in your estate to a charity, please make sure you list their legal name and EIN number. So many nonprofit names are similar, or they have a parent organization name, so please be sure to check. It's the same with churches – please be specific or it might end up going to the larger organization.

Also, you don't have to tell a charity that you are naming them in your estate, but we do like to know. And a wise charity will have a plan for when unexpected (and sometimes large) gifts arrive.

When leaving money to a charity, you can either name a specific dollar amount or you can assign a percentage to each charity. To see a sample will and the language used, please visit <https://www.cfgrundycounty.com/philanthropists/> to view excerpts from Jim & Carol Baum's will as it relates to charity. As you can see, they are leaving all of their charitable gifts to us to administer, but you don't have to – you can list your favorite charities to receive gifts directly, assign a percentage, and be done. You can also leave instructions for how you would like the charity to use your gift.

**Why 5%?** In 1999, Paul Schervish at Boston College prepared the first Transfer of Wealth study. In it, he outlined the vast wealth across the entire nation that will be transferred to the next generation over the next 50 years through estates. He also discussed how that vast wealth will transfer to heirs who no longer work and live where they grew up. Then he wrapped it up with the idea that if charities can capture just 5% of that vast wealth in endowments, hometown communities will have millions at local charities to continue their work. Just 5%.

So. Can your heirs get by with just 95% of your estate? If so, please gift it to local charities in endowments so that the county where you lived, worked, worshiped, and raised your children will continue to serve our residents long after your lifetime.

To learn more about the vast wealth in Grundy County (yes, here), please view our 4-minute video at <https://www.cfgrundycounty.com/>

## Certificate of Nonprofit Administration at JJC

Do you know a nonprofit board member or staff wanting to increase their skills? Invite them to sign up for JJC's first-ever Certificate of Nonprofit Administration, taught by CFGC's Executive Director, Julie Buck! Classes start April 21 and run for 6 weeks. Details are on page 25 of the spring catalog found at: <https://jjc.edu/LLC>

## Wish List Project

Grundy County residents are very generous, but sometimes they don't know what the local nonprofits need. In response, we have created the Wish List Project where area nonprofits are invited to list the various items they need, whether small or large, expensive or not. Donors can view the list at:

<https://www.cfgrundycounty.com/gc-nonprofit-wish-list-project/>

Nonprofits that want to submit a list are invited to follow the same link and then click on the survey link.



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## 2020 Grants

This past year, the Grant Committee became increasingly aware of the effects COVID was having on not-for-profits and school districts alike. Therefore, many of our grants in 2020 were in response to needs that emerged out of the pandemic. In total, \$35,000 in grants was awarded to 13 different organizations last year. Half of those grants included school districts needing assistance with purchasing new technology to accommodate e-learning or supplies to ensure student and staff safety. While some of these grants are not our typical focus, 2020 was not our typical year. The 2020 Grants are as follows:

- Canal Corridor Association to update the signage along the I & M Canal in Grundy County to allow information on the local area to be accessed on a smartphone.
- Coal City Early Childhood Center for supplies needed to comply with COVID protocol as well as during after school care.
- Coal City High School Theatre Department to provide opportunities for students to participate safely in the theatre program.
- Grundy County 4-H Association to assist in creating a virtual livestock auction.
- Grundy County Association for the Handicapped to update the HVAC unit in the Community Day Service Building of Illinois Valley Industries.
- Grundy County Corn Festival to assist with expenses
- Grundy County Health Department to operate the Wellness Recovery Action Plan (WRAP) Class.
- Grundy County Special Education Co-op to purchase a social emotional learning curriculum for students in grade 4th-12th.
- Goose Lake Prairie Partners to assist with events for the 2021 year.
- Illinois District Show Series to assist in creating a virtual livestock auction.
- Mazon Verona Kinsman Elementary School to purchase student Chromebooks.
- Saratoga School for supplies needed to comply with COVID protocol.
- South Wilmington Grade School to assist in purchasing Chromebooks for students as well as update technology for teachers.



## 100+ Women Who Care of Grundy County

Next gathering:

Tuesday, April 13, 2021

Contact Devan for details!