Post-Mortem Fundraising: What To Do When the Donor Dies

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Right Away

- Understand donor’s relationship with the organization and various individuals
- Notify colleagues
- Pull out your Post-Mortem Stewardship checklist
- Write condolence note(s)
- Deal with your feelings
Memorial Gifts

- The good
- The bad
- The awkward
- Stewardship of memorial fund donors
“Matured Gifts”: What To Do and What To Expect
Rights and Responsibilities of Charitable Beneficiaries

- Fiduciary obligation to the nonprofit
  - Do not be shy about asking for documents
  - Understand the estate administration process
  - Do not be too quick to take a reduced pay-out or settlement
  - Understand what litigation entails
- Donor intent
Bequests and Living Trusts

- Checklists, checklists, checklists
- Create a good relationship with estate representatives
- When to request copies of documents
  - Specific bequest
  - Residual or percentage bequest
- IRD assets
- Timing
Check the Numbers!

- Inventory values
  - Compare inventory values with estate tax return
- Expenses
- Fees
- Tax calculations
- Cost allocations
Gifts from Retirement Plans

- What you’ll need
  - Death certificate
  - Each company has its own forms
- Calendar for follow-up
  - Distribution should not take a long time
- Review the statements
Insurance Products

- What you’ll need
  - Death certificate
  - Each company has its own forms
  - Helpful to have a copy of the designation of beneficiary form

- Calendar for follow-up
  - Delays are not unusual
  - Follow up with insurance company regularly

- Check calculations when proceeds come in
Life Income Gifts

- Notify Trust Administrator & business office
- Check document provisions
  - If organization is not the trustee: request documents
  - Additional income beneficiary?
  - Final payment date?
  - If successor beneficiary – right to revoke?
- Obtain death certificate
- Trust Administrator prepares final tax documents
- CGA’s may yield additional deduction if donor did not live to life expectancy
Retained Life Estates

- Secure the property
  - Insurance
  - Maintenance and management arrangements
- Other residents
- Documents
  - Death certificate
  - Deeds
- Arrange for disposition
Sticky Issues

- When no notices are forthcoming
- When you are not notified of donor’s death
- Unhappy/hostile heirs
- Should you take the asset or have the estate liquidate everything?
- Outstanding pledges
- Problematic restrictions
When to Hire an Attorney

- No response from estate representative or attorney
- Notification of legal challenge
- If a dispute arises
- Charity is identified incorrectly in documents
- You cannot understand or reconcile documents and cannot get internal help
  - Residual or percentage bequests
- Consider joining with other charities
Post-Post-Mortem Stewardship

- Family
- Advisors
- On-going contact
- Long-term contact
  - How the gift is used
  - Changing needs & circumstances
Good Luck!

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Documentation Received:

___ Notice of Estate Administration
___ Copy of Will/Trust
___ Death Certificate
___ Inventory
___ Federal Estate Tax Return
___ Notice of Audit
___ Receipt & Release
___ Final Distribution

Documentation Sent:

___ 501(c) (3) letter
___ Form W-9

Correspondence Sent:

___ Condolence Letter(s) (immediate)
___ Attorney Letter (immediate)
___ Follow-up Letter to Attorney (3 months)
___ Inventory Follow-up Letter (10 months)
___ Request for Tax Return (10 – 15 months)
___ Advance Distribution Inquiry
   - for specific bequests (9 months)
   - for remainder or % (15 months)
___ Request for Accounting
   - for remainder / percentage gifts
___ Distribution Thank You Letter
   - to family
   - to attorney
   - to trustee/personal representative

Internal Procedures:

___ Database updated
___ Report to Finance Office
Donor: Name: _______________________________________________________

Last address: ______________________________________________________

Date of Death: _______________ Date of Will/Trust: _______________

Name of surviving Spouse/Partner: _________________________________

Personal Representative or Trustee:

Name: ____________________________________________________________

Address: _________________________________________________________

Telephone: __________________________ Email: _______________________

Attorney: Name: __________________________________________________

Firm: _____________________________________________________________

Address: _________________________________________________________

Telephone: __________________________ Email: _______________________

Charitable bequest (amount, percentage): _____________________________

Restrictions (if any): ______________________________________________

Paragraph of Will/Trust providing for gift: ____________________________ (Attach a copy of relevant text)

Testator/Settlor’s relationship to Charity: _____________________________

Other Estate/Trust information; _______________________________________

Other Charitable Beneficiaries: _______________________________________

_________________________________________________________________

_________________________________________________________________

Distributions Received:

Date: ___________ Amount: _________________ Final: Y ☐ N ☐

Date: ___________ Amount: _________________ Final: Y ☐ N ☐

Date: ___________ Amount: _________________ Final: Y ☐ N ☐
<table>
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<th>Task</th>
<th>Y</th>
<th>N</th>
<th>Complete</th>
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<tbody>
<tr>
<td>Create new file or update expectancy file</td>
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<td>Add info on Trustee/Executor to database</td>
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<td>Add Attorney/Law firm info to database</td>
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<td>Request will/trust</td>
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<td>Scan will/trust</td>
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<td>Create &amp; print summary of donor info, estate info and details of gift</td>
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<td>Obtain contact info for (Atty/Family/Friends)</td>
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<td>Add to Excel spreadsheets</td>
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<td>Notify internal beneficiary, e.g., benefitting department</td>
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<td>Condolence letter</td>
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<td>Referred to Counsel</td>
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<td>Additional Notes: _________________________________________________</td>
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This form is adapted from U.C. Berkeley’s New Bequest checklist.
As soon as you learn of the donor’s death

- Notify colleagues
- See that a condolence note goes to the surviving spouse/family.
  - Depending on relationships this might be from:
    - You
    - Director of Development/Planned Giving
    - CEO – few situations when the CEO should not write a note!
  - Ghost-write if necessary
  - Find out with whom to communicate, if necessary
- Find out about funeral/memorial
  - Consider attending or sending a representative
  - Consider sending flowers/food
    - Be sure to check on cultural customs!
- Notify database manager to update mailing list
  - Beware – there may be multiple lists
  - Confirm how widow wants to be addressed
  - Reconfirm that databases have been changed
- Place obituary in appropriate organizational publications
- Review records for information about expectancies
  - If there is a bequest/trust – go to bequest checklist
- If there is a life income gift – go to life income gift checklist
- Check for outstanding pledges
  - Determine what to do about them and when
- Identify the “donor’s representatives”
  - for estate matters
  - for personal contact
- Designate an internal contact person for matters relating to the estate