



INTEGRATED WEALTH MANAGEMENT

— FORWARD THINKERS —

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Before you gift...

Three questions to ask before you pull the trigger on a substantial donation



The first article in a two-part series...

Established families are often in a position to make charitable contributions or serve on boards for various causes. In the course of philanthropic activity, there are several key questions that a substantial donor should pose.

1. What is the goal of your current capital campaign?

Often a family feels passionate about a particular cause – perhaps it's a disease or a charity that benefits their local community. The charity makes a request to the family and the family decides on a one time substantial gift or an annual amount. However, within a large charitable organization, you may find projects or initiatives that you feel more or less inclined to be a part of. Perhaps you support the local hospital yet you feel more strongly about their investment in new MRI technology than their decision to add on to the orthopedic wing. This leads us to question number two...



2. How will my specific gift make a difference?

During the gifting process, it's important to establish accountability procedures by which the charity will update you regarding the impact of your gift. Depending on the size of the gift (\$1 Million vs. \$10 or \$100 Million), create a comfortable level of written goals and parameters. Include checkpoints, perhaps every three to six months, at which time the charity will provide you with an accountability summary of progress on the use of your donation.

3. Tell me about the efficiency of how my dollars will be applied.

Just as many large corporations are more or less effective in applying their talent and manpower to their goals, charitable organizations span a continuum of efficiency versus bureaucracy. Ask tough questions about what percentage of your gift will be applied to the actual work product. Most charitable organizations can tell you the exact percentage and some large foundations actually apply 100% of the gift to the cause. If you're not pleased with the charity's policy, ask if a special project could be handled differently. Explore the possibilities together. If you're still not excited about what you're hearing, ask your advisors to help you locate another organization that matches the cause you'd like to impact.

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As always, please feel free to call us with any questions regarding this or other planning topics.