

## **BEQUEST PROGRAM AND PROCEDURES FOR THE YOUTH CAFE**

Bequests are gifts that are made as part of a will or trust. A bequest can be to a person, or it can be a charitable bequest to a nonprofit organization, trust or foundation.

### **How bequests work**

There are different ways that bequests operate:

To make a bequest to The Youth Cafe, one will need to leave instructions, typically in a will. Other documents, such as beneficiary designations and revocable living trusts, may also be part of how ones estate is bequeathed.

For property to be passed on after one passes away and bequests made, the will must first be “probated” or legally validated.

If one has no will to specify their instructions, the law will dictate where their property passes. Generally, this would be first to a surviving spouse, then to their children and other family in accordance with law. If one does not leave a will and don't have any living relatives, their estate, could go to the state.

### **Types of bequests**

There are four types of bequests:

- a) **General bequests** are gifts of property taken from an estate’s general assets.
- b) **Demonstrative bequests** are gifts that comes from a explicit source (such as a particular bank account).
- c) **Specific bequests** are gifts of property, like a painting, jewelry, car or cash
- d) **Residuary gifts** are gifts made after all of the debts and expenses are paid, and other bequests are made. These are typically a percentage of the remainder; in some cases a share.

The Youth Cafe accepts any of the above mentioned bequests categories. Most common bequests that we do encounter at The Youth Cafe is when an individual leaves a specific or demonstrative bequests to family members or other individuals and then leave a residuary charitable bequest to our organization.

These bequests allow us to become an ongoing means of charitable support. Separate from a will, TYC also accepts a situation where one can designate residuary gifts from an insurance policy or annuity, where the policy holder receives benefits during their lifetime and then gives the remainder of the policy benefits to us.

### **Why bequest TYC?**

We at The Youth Cafe have both expertise and interest in making sure your charitable bequests have as much impact as possible. We are available to support your lawyers and financial planners by providing specific language to include in your estate documents to ensure that your bequest is honored.

### **Steps in setting up your charitable bequest**

The process of setting up a charitable bequest begins with you and your lawyer drawing up a comprehensive will.

Creating a will with a charitable component typically entails a conversation about what you want to do with your assets, and a more specific discussion about what charitable causes and organizations you hope to support.

**Checklist on what you intend to bequeath to TYC.**

✓ **Tick where appropriate.**

**Assets in question**

- ✧ Cash
- ✧ Retirement savings
- ✧ Appreciated securities
- ✧ Closely held stock and business assets
- ✧ Real estate
- ✧ Life insurance
- ✧ Fine art
- ✧ Other asset

**What level of recognition do you prefer?**

- ✧ Lasting recognition (name on a fund, foundation, building, or permanent structure)
- ✧ Public recognition (name in public announcement or media coverage)
- ✧ Simple recognition (personal thank you and name listed in annual report or newsletter)
- ✧ Anonymity

**would you prefer to make one-time gifts with no future demands on your time?**

- ✧ No personal involvement
- ✧ Current personal involvement
- ✧ Lifetime personal involvement
- ✧ Future personal involvement through children
- ✧ Future personal involvement through grandchildren

**Note the charitable interests that you'd like to pursue.**

- ✧ Local community
- ✧ Arts
- ✧ Retirement community

- ✧ Education
- ✧ Alma mater
- ✧ Health and human services
- ✧ Youth
- ✧ Environment
- ✧ Other:

**What is your timing preference?**

- ✧ Give all gifts during lifetime
- ✧ Gift some lifetime gifts;  
✧ some after death
- ✧ Give all gifts after death