

Lawrence General Hospital (LGH) Development Office – Present Value of Planned Gift Expectancies

Planned Gift Expectancies are revocable deferred gift commitments from individuals and include new bequests in wills, charitable gifts in trusts, charitable remainder trusts where LGH is a revocable beneficiary, beneficiary designations in life insurance policies that LGH does not own, and beneficiary designations from IRAs and qualified retirement plans.

Planned Gift Expectancies are counted by the LGH Development Office at a discounted amount based on the age of the donor or donors. For public reporting purposes, the face value of Planned Gift Expectancies will be discounted using the table below:

Planned Gift – Valuation Table*

| Age of Donor | % of Face Value Counted |
|--------------|-------------------------|
| 49 and below | 0% |
| 50-59 | 50% |
| 60-69 | 75% |
| 70 and up | 100% |

*For couples, use the younger age

For a Planned Gift Expectancy to qualify as countable by the LGH Development Office, certain minimum documentation must be obtained. **LGH must have either, but preferably both, of the following:**

- 1) An LGH Planned Gift Notification Letter signed and dated by the donor(s) describing the Planned Gift Expectancy, including the anticipated or projected amount and any terms or contingencies on the gift (often termed a “Bequest Intention Letter” or “Estate Intention Letter”);
- 2) And/Or, a copy of the relevant provision of the legal instrument establishing the Planned Gift Expectancy such as a copy of the will or trust provision, a copy of the IRA beneficiary form, or a copy of the beneficiary form for a qualified retirement plan.

Planned Gift Expectancies which are contingent upon the happening of a certain event may not qualify for counting by the LGH Development Office, particularly if there is a substantial likelihood no gift will result for the benefit of Lawrence General Hospital.

Examples of Newly Countable Planned Gift Expectancies

- Lawrence General Hospital had no previous knowledge of the expectancy, but learns about and properly documents it.
- Lawrence General Hospital knew about the expectancy but did not have sufficient documentation. LGH acquires sufficient documentation.
- Lawrence General Hospital knew about the expectancy and had sufficient documentation, but failed to properly record or report the expectancy.
- Lawrence General Hospital recorded, reported, and documented the expectancy. Lawrence General Hospital learns that the anticipated amount has increased and this increase is supported by sufficient documentation. This documented increase may be counted.

Example of a Contingent Planned Gift Expectancy – *NOT* Countable

- A will or trust provision directs all of donor's assets to multiple living descendants, and then to Lawrence General Hospital if no descendants survive.

Beyond newly solicited and accepted Planned Gift Expectancies, there are a variety of ways that potentially countable Planned Gift Expectancies might develop.

For more information, or to have a confidential discussion on gift planning options, contact the LGH Development Office at 978-683-4000, x2020.