



# AQSG ENDOWMENT

*Embrace Our Past,  
Endow Our Future*

Planned giving is the act of devising an organized plan for distribution of your estate assets. A financial advisor and or attorney will be an important resource for advice regarding benefits to your estate. The following glossary of frequently used terms is presented to help you understand the language of planned giving.

## GLOSSARY OF PLANNED GIVING TERMS

TERMS	DEFINITION
Appraisal	An assessment of the value of a piece of property. Individuals contributing real or tangible personal property (art, books, collectibles, etc.) to a non-profit must secure an independent appraisal of the property to substantiate the value of the property and ultimately the charitable deduction.
Appreciated Property	Securities, artwork, real estate, or any other property that has risen in value since the individual acquired the property. Generally, appreciated property held by the donor for a year or more may be donated at full fair market value with no capital gains cost.
Beneficiary	Any person named in a Will, Trust or other legal document to receive an interest in the assets
Bequest	A gift made by a will. A Bequest is also known as a Legacy.
Bequest Intention	A courtesy notification of the donor's desire to make a future gift.
Charitable Bequest	A provision in a will, trust or estate plan that allocates a gift to a designated charity. Most common gifts to non-profits are cash, securities, and real property including homes and personal property.
Charitable Lead Trust (CLT)	A trust that is irrevocable for a term of years, with the income being paid to the charity during this term. There is a provision for the property to revert back to the trustor or heirs at the end of the term.
Charitable Remainder Annuity Trust (CRAT)	Provides for a donor to transfer property to a trustee subject to the donor's right to receive a fixed percentage of the initial fair market value of the property for as long as he or she lives. Whatever remains in the trust at the donor's death becomes the property of the

	beneficiary institution.
Charitable Remainder Unitrust (CRUT)	Similar to the charitable remainder trust, except that the income is a percentage of the fair market value of the property determined annually.
Codicil	An addition or amendment to a person's will
Commemorative gift	A gift made in remembrance of one or more individuals
Deferred gift	A gift that is made now whereby the charitable organization does not benefit until sometime in the future according to conditions stated in a contract.
Endowment	A pool of property held by a charity and invested to provide an annual income for the institution.
Estate planning	Planning for the management of all of an individual's assets for the benefit of this person and his or her heirs.
Executor(male)Executrix(female)	The person named in a will to administer the estate. This person may also be referred to as the personal representative.
Fair Market Value (FMV)	Amount of money a willing buyer will pay a willing seller for property.
Gift Intention	A courtesy notification of the donor's desire to make a future gift.
Grantor	The creator of a Trust or other legal instrument.
Gross Estate	Everything in which the deceased person owned an interest at the time of death. The Gross Estate includes such items as life insurance, or partial interests in joint property, transfers intended to take effect at or after death, or when the power to change the enjoyment of the property has been retained.
In perpetuity	To be held in the same form forever.
Insurance Trust	A trust consisting of life insurance policies or proceeds.
Irrevocable living trust	A trust that cannot be revoked by the trustor.
Legacy	Distribution of property by a will.
Life Income Agreement	An irrevocable gift of a principal sum, property, or appreciated securities with a stipulated life income paid to the donor or another person for his or her lifetime(s).

Memorial gift	A gift to a charity in memory of a deceased person.
Outright Gift	An irrevocable transfer from a donor to the non-profit of personal assets where the donor receives no goods or services from the non-profit in return. The donor earns an income tax deduction equal to the fair market value of the assets donated.
Planned giving	The making of charitable gifts other than outright cash. Involves considering the effect of the gift on the donor's estate.
Pledges	An amount of money a person promises to give over an extended period of time.
Probate	The process of "proving" of a will. The will is taken to the probate court to prove that the will is indeed that person's last will and testament.
Real Property	Includes land, buildings, and items attached in a relatively permanent manner (escalators, elevators, light fixtures, hand-rails, etc.)
Rights of survivorship	The ownership rights held by an individual whose partner in ownership of property is no longer living.
Testamentary gifts	Gifts made through a will.
Testator	The person making the will.
Tithes	The giving of 10% of one's income to a charitable institution.
Trust	An arrangement whereby property is held by an individual or institution for the benefit of others.
Trustee	The person or institution legally responsible for carrying out terms of the trust.
Will	A legal instrument disposing of a person's property at the time of his or her death.

Source of terms and definitions: Barrett, R.D & Ware, M.E, *Planned Giving Essentials. A Step by Step Guide to Success*. An Aspen Publication, Aspen Publishers, Inc. Gaithersburg, Maryland. 1997. ISBN# 0-8342-0900-4.

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