

PGCGP PLANNED GIVING DAY
OCTOBER 27, 2021
SITUATIONS RAISING ETHICAL ISSUES FOR FUNDRAISERS

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1. As a development officer at your charity, you suggest to Mr. and Mrs. Legacy that they could increase their current income and leave a great gift to your charity if they created a \$3 million charitable remainder trust providing income to themselves for life with the remainder to your charity. The Legacies talk with their lawyer, their accountant, and their financial planner, all of whom express general support for the idea with some reservations.

Who is responsible for seeing that something gets done?

2. The Legacies' lawyer is a member of the Board of your charity and a member of its planned giving committee. May the lawyer represent the Legacies in drafting the CRT?

3. The Legacies express concern about the cost of implementing a plan. Should you offer to have your charity pay the attorney's fees?

4. Considering the situations of their kids, the Legacies don't believe that they need to worry about leaving them a lot of money and are happy to proceed with the CRT. You know, however, from your recent solicitation of a major gift from their daughter that she has just been diagnosed with a debilitating illness that will force her to quit her job and will require her to incur significant health costs. Should you tell her parents so that they can reconsider their gift?

5. The Legacy's lawyer drafts a CRT making an irrevocable selection of your charity as the remainder beneficiary. You are at the meeting at which they plan to sign the document when the lawyer says that irrevocability is required by the IRS. What do you do?

6. A donor calls to tell you that she wants to contribute \$50,000 to your capital campaign and asks to whom she should make out the check? What do you say?

7. A reputed mob boss offers to contribute the entire cost of a new wing for your community hospital if you are willing to name the wing after his father. What do you do?

8. Betty Brite, a performance artist, is booked for your sold-out annual fundraiser tomorrow night when she notifies you that she won't perform unless the auditorium is totally dark. What do you do? Who do you consult?

9. A donor pledges \$10,000 to the capital campaign and sends a check from her private foundation to pay it. What do you do?