San Antonio Area Foundation

Building a Lasting Legacy Through Charitable Giving

A PRACTICAL GUIDE FROM THE SAN ANTONIO AREA FOUNDATION

An unprecedented transfer of wealth over the next 25 years creates a meaningful opportunity to shape a legacy that reflects what matters most. **By including charitable giving in an estate plan, individuals can support the causes they care about and invite their families into that story, ensuring their resources continue to do good today *and* tomorrow.**

> 38%
>
> **of high-net-worth donors** plan to leave money to charities.[1]

SIMPLE PRACTICES CAN MAKE A LASTING DIFFERENCE

Create a charitable legacy using principles that can help keep conversations focused and plans aligned:

1 Keep plans current.

Life changes. Plans should, too. Encourage regular reviews of beneficiary designations, wills, trusts, and charitable accounts so they reflect current priorities.

2 Engage family.

Legacy decisions are often values decisions. Creating space for shared understanding can strengthen both the plan and the relationships behind it.

3 Work as a team.

Strong plans are built with input from advisors across disciplines, including philanthropic advisors, tax advisors, attorneys, and financial planners.

4 Be clear about intentions.

Clear documentation and clear communication both help ensure charitable wishes are understood and honored.

5 Stay flexible.

Funds at community foundations allow plans to evolve as needs and opportunities change.

By keeping these practices in mind, legacy plans can reflect philanthropic values, support meaningful causes, and inspire continued generosity from future generations.

CHARITABLE PLANNING: FACTS AND FIGURES

Through 2045, an estimated $30 to $68 trillion will transfer between generations in the United States, with $11.9 trillion projected for charitable giving.[2] Charitable bequests alone reached $42.68 billion in 2023, consistently representing 8%–10% of total giving over four decades.[3]

Many families are open to giving, but often need guidance to connect intention with action:[3]

78%
of donors
have beneficiary designations, but only **34% have an estate plan.**

89%
of high-net-worth donors
have beneficiary designations, but only **55% have an estate plan.**

Among high-net-worth donors who have an estate plan (55%),

90%

developed it with the help of a financial or legal advisor, and **58% completed it at the same time as their financial plan.**[1]

Key Charitable Strategies

BEQUESTS
Gifts through a will or trust

Leave a specific amount, percentage, or asset to a charitable organization or cause. This approach allows you to retain full use of your assets during your lifetime while making a clear, lasting commitment to the causes you care about. It can also be one of the simplest ways to introduce charitable giving into your estate plan without changing your current financial strategies.

WHY IT WORKS

- Straightforward and familiar
- Allows donors to care for family and causes
- May reduce estate taxes

WHAT TO WATCH

- Use precise language
- Revisit regularly
- Encourage open conversations with family and nonprofit partners

BENEFICIARY DESIGNATIONS
Naming charities directly on accounts

Retirement accounts, life insurance, and similar assets can pass directly to charities. Because these designations operate outside of a will or trust, they offer a streamlined way to direct assets with minimal administrative burden. They can also be an effective entry point if you want to incorporate giving into your plans without revisiting your full estate documents.

WHY IT WORKS

- Avoids probate
- Can be tax-efficient
- Easy to update over time

WHAT TO WATCH

- Keep details accurate (legal names, tax IDs)
- Review annually
- Balance charitable and family priorities

ENDOWMENTS
Creating sustainable support

Establish an endowed fund to support for the causes you care about in perpetuity, including scholarships, areas of interest, specific organizations, discretionary or urgent needs, or even your donor advised fund. Your gift is invested for long-term growth, with a portion granted each year to create steady, lasting impact in our community.

WHY IT WORKS
- Provides consistent, long-term support
- Flexible across causes and giving goals
- Builds impact beyond your lifetime

WHAT TO WATCH
- Requires upfront commitment
- Annual grants follow a set distribution approach

COMMUNITY NEED FUNDS
Supporting areas of greatest impact

Allow the Area Foundation to make grants in your name, responding to the most pressing needs in our community. Your gift will be directed where it can have the greatest impact in moments of urgent need and in long term community priorities. Your support is combined with more than 60 other funds, helping to award millions of dollars to nonprofits each year.

WHY IT WORKS
- Responds quickly to urgent needs
- Guided by trusted, local expertise
- No annual management fees

WHAT TO WATCH
- Less tied to a single cause
- Less control over specific recipients

DONOR ADVISED FUNDS (DAFs)
A flexible way to give now or later

Make a charitable contribution, receive a tax deduction, and recommend grants to nonprofits over time. This structure separates the timing of the tax benefit from the timing of your charitable decisions, which can be especially helpful during high-income years or liquidity events.

WHY IT WORKS
- Flexible gift timing
- Can involve family members now or in the future
- Supports complex or appreciated assets

WHAT TO WATCH
- Name successors or beneficiaries
- Clarify long-term intent
- Consider strategies for ongoing giving

Let's get started, together!

Whether you're thinking this through on your own or with an advisor you trust, the San Antonio Area Foundation is here to support your conversations with community insight and flexible giving options that meet you where you are.

Download Sample Bequest Language
bit.ly/saafdn-sample-bequest

Let Us Know About the Legacy You Want to Leave
bit.ly/saafdn-legacy-contact

San Antonio Area Foundation

saafdn.org/legacy | 210-775-1782

SOURCES:
1. Fidelity Charitable 2024 Donor Study (commissioned by Fidelity Charitable).
2. Giving USA 2024: The Annual Report on Philanthropy for the Year 2023, Giving USA Foundation.
3. "Charitable Living and the New Retirement", Fidelity Charitable, 2024.