

## Leaving Money to the Library in a Will

Initial question – What is the best way for people to leave money to the library in a will?

Response from Tracy Cook – June 3, 2009

I think the process of leaving money to the library in a will is pretty straightforward. The donor can leave it to either you or a Friends or Foundation group. A group with a 501c3 status will make it easier on the donor if s/he wants to take advantage of some of the tax benefits. Generally speaking it is probably a good idea to have the donor work with a financial or legal professional when designing a will that makes a bequest to the library. I do recommend looking at the Montana Community Foundations booklet on Planned Giving. It has some helpful information in it. Here's a link to a current copy: <http://www.mtcf.org/pdfs/plannedgiving.pdf>

Follow-up Response from Bob Cooper – June 4, 2009

I agree with what Tracy has said here. I will note that a library foundation is the preferred choice for will bequests simply because there will eventually be interaction with estate lawyers required and foundation boards are usually better equipped to deal with such things and larger amounts of money than are many friends groups. If the money is going directly to the library then it would be best to have a library reserve account set up with the city for the management of such funds. The library board has the authority to manage and work these funds but not all boards are up to the task. The important thing is that the will language be very clear that the money must be used for library purposes only and that any earmarks (like for children's materials only) also be very clear. The less specific earmarks the better for the library. If the money is to be an endowment rather than a direct donation, that entails some more structural work on the part of the foundation or the board as well. If the amount is large enough, a trust management firm might be worth the associated fees. Good luck with this. Bob