

## Bequest Policy

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<b>Effective date</b>	30 May 2018
<b>Last reviewed</b>	20 October 2020
<b>Next review</b>	October 2022
<b>Responsibility</b>	Chief Executive Officer

### 1. PURPOSE

Whitehorse Manningham Regional Library Corporation (WMRLC) encourages people to donate to the library service by leaving a bequest in their Will.

Donations made through the WMRLC bequest program will not be used to fund core library services. Bequest funds will only be used to support service extensions that align with the organisations strategic objectives.

This policy outlines the framework within which WMRLC will accept bequests.

### 2. OBJECTIVES

- To articulate WMRLC's guidelines around the acceptance of bequests.
- To ensure probity and accountability.

### 3. SCOPE

This policy will apply to any bequest that is made to Whitehorse Manningham Regional Library Corporation (WMRLC)

### 4. PRINCIPLES

- Donors may choose to leave WMRLC a gift through a will which may take the form of a whole estate, residuary bequest, pecuniary bequest, contingency bequest or specific bequest.
- WMRLC encourages donors to seek legal advice when considering leaving a gift in Will to the library service.
- WMRLC will seek to maintain the highest ethical standards in the acquisition and administration of bequests.

- WMRLC will only accept bequests which are made to the organisation with no specific purpose (i.e. unrestricted), or if specified, where the purpose of that bequest is aligned with the Corporation's core values and strategic direction. With this in mind, the expressed wishes and intentions of the donor will be paramount in determining the purpose for which the gift will be used.
- WMRLC will ensure that benefactors are appropriately honoured for the generosity and that the integrity of the bequests is maintained.
- Donors who wish to remain anonymous will have their wishes respected.
- All monies will be accounted for in annual reporting.
- Gifts of books or other collection items are subject to the conditions of acceptance outlined in the WMRLC Collection Management Policy
- WMRLC reserves the right to accept or decline a gift in Will.
- WMRLC will endeavour to maintain continuous engagement with known bequestors to ensure that they are given opportunities to keep abreast of the organisation's work within the community, and are informed of how philanthropic funds are being utilised.

## 5. DEFINITIONS

**Bequest:** A gift of a monetary sum or property derived from the estate of a deceased individual through a Will given into the permanent possession of WMRLC.

**Codicil:** A document that amends, rather than replaces, a previously executed will. Amendments made by a codicil may add or revoke a few small provisions (e.g., after something is sold or bought), or may completely change the majority of the devices and bequests. Each codicil must contain the same legal requirements as the original will, such as the signatures of the testator and two or three disinterested witnesses.

**Contingent Bequest:** A gift that takes place only if the testator is not survived by certain individuals or if other stated conditions are not met. A contingent bequest can be either a specific bequest or a residuary bequest.

**Designated Gift:** Bequests and planned gifts may also be designated to a particular area of activity or program being undertaken by WMRLC. In this case, the Corporation will establish guidelines under which it will formally record the wishes of the donor as expressed through the wording of their will. The Corporation will determine the best way to apply the funds.

**Endowment:** An endowment is normally a fund (amount of money), which is established to provide an income for 'beneficiaries' - WMRLC can be the sole or one of several beneficiaries. The fund is usually invested in 'perpetuity', which means there is no time limit for its end. Only the income is distributed, not the original capital amount. So, the endowment fund will be set up with a sum of money, and this money is then invested by the trustees (managers) of the fund, and a 'dividend' or a distribution is paid to those beneficiaries under the terms of the fund.

**Executor:** The person named in a will to administer an estate. If there is no will or if the executor appointed in the will cannot for some reason perform such duties, the person appointed by the court to settle the estate is called the "administrator."

**"Intention to Make a Bequest" document:** A document that details the donor's intent to make a planned gift by his or her Will, and outlines the donor's wishes.

**Pecuniary gift or fixed cash amount:** this refers to a specific gift or specific amount of money. It does not allow for changes in your circumstances, or for inflation.

**Probate:** A court-supervised process of exhibiting and proving a will by the executor of an estate, and the obtaining of a certificate from the court to show that the will has been proved.

**Proportional Bequests:** A percentage of an estate, asset or a percentage of the net estate.

**Residuary Bequests:** Gifts of the remainder of a deceased estate after specific bequests, debts, taxes and other expenses have been paid. A residuary bequest may be all of the remainder of any estate, or a percentage of the remainder.

**Specific Bequests:** Defined gifts of assets made by Will such as a particular amount of money, a particular parcel of real estate, or specific books, shares or jewellery.

**Trust:** A mechanism that for example allows a spouse or other person to use property and receive all income derived from an estate in their lifetime; WMRLC can be nominated to receive the capital after their death.

**Trustee:** The person or institution that holds legal title to property in a trust and has responsibility for managing it.

**Unrestricted Gift:** A gift that the donor has determined should be free of circumscriptions, thereby providing WMRLC with the flexibility to use the gift where it is needed most. It may be spent immediately on an urgent issue, or added to an endowment fund. Such a decision is made by the WMRLC Board.

**Whole estate:** This comprises the donor's entire Estate and is usually left by those without family or other preferred beneficiaries, or those wanting to achieve something very significant with their gift.

**Will (also Last Will and Testament):** In the common law, a document by which a person (the testator) attempts to regulate the rights of others over his/her property or family after death. A will can also be used as the instrument establishing a trust (called a testamentary trust).

## **6. RESPONSIBILITIES**

The WMRLC Chief Executive Officer, or their delegate is responsible for:

- Ensuring WMRLC abides by legal requirements as they apply to bequests
- Liaising with Trustees where appropriate
- Managing bequest income to the expectations of the donor
- Maintaining confidential information about known bequestors
- Authorising delegated officers to act on behalf of the Corporation to seek donations from potential bequestors
- Reporting bequest program progress to the Board
- Including bequest data in the annual report

## **7. RELATED DOCUMENTS**

- Ethical Fundraising Policy
- Information Privacy Policy
- Collection Management Policy