



National
Philanthropic
Trust

Your partner in giving

Legacy Plan Frequently Asked Questions

Legacy Plan Overview

What is a donor-advised fund legacy plan?

A legacy plan communicates to your DAF sponsor your wishes for how the DAF should be administered after your death. Some DAF sponsors refer to this as a succession plan.

What are NPT's legacy plan options?

National Philanthropic Trust (NPT) offers three legacy plan options. You may choose one or a combination of the following:

- Name one or more **individual successor advisors** to manage their own DAF funded with your DAF assets.
- Recommend one or more **charitable beneficiaries** to receive all or a portion of remaining DAF assets as a one-time payment.
- Establish an **endowment** and recommend that assets be distributed over time in annual, recurring gifts to one or more charities (\$100,000 minimum required).

See **Legacy Options**, [A Guide to Your Donor-Advised Fund](#) to learn more about NPT's legacy plan options.

When I, the primary advisor, die, how do account privileges change for joint and secondary advisors?

If you die or become incapacitated, your joint advisor becomes the primary advisor to the DAF. Secondary advisors are not automatic successor advisors. Once all primary and joint advisors pass, secondary advisors lose access to the DAF unless they are designated as successor advisors in your legacy plan. Note that if the joint advisor survives the primary, the joint advisor (now primary) can change the legacy plan. See **Establishing Your DAF** and **Legacy Options** in [A Guide to Your Donor-Advised Fund](#) for more information on account roles and privileges.

When will an NPT legacy plan go into effect?

NPT activates your legacy plan upon receiving the death certificate of the last primary or joint advisor. Ensure that the individuals involved in your legacy plan are informed of this step so that they are prepared to initiate it when the time comes. NPT can be notified by phone at (888) 878-7900 or via email at npt@nptrust.org.

What happens to my account if I die, and no legacy plan is in place?

If you do not appoint a joint advisor and you have not established a legacy plan, NPT will consider your account abandoned following your death. In such event, NPT will grant the entire balance of your DAF to the charitable organizations to which you have previously granted, in such amounts as NPT will determine in its discretion. If you have not recommended grants from your DAF, the DAF's entire balance will be transferred to the NPT Giving Fund. The NPT Giving Fund is a grantmaking fund that NPT uses to support a variety of charitable causes as determined in the discretion of its management team and Board of Trustees. See **Abandoned Accounts** in [A Guide to Your Donor-Advised Fund](#) for more information.

What if my successor advisor does not want to (or is unable to) assume the role of primary DAF advisor?

If a named successor advisor is not able or willing to assume advisory privileges on a DAF, their portion will be allocated proportionally among the other named successor advisors' DAFs. If no other successor advisor is named, NPT's abandoned accounts protocol will apply. See **Abandoned Accounts** in [A Guide to Your Donor-Advised Fund](#) for more information.

Establishing a Legacy Plan

How do I set up a legacy plan?

You can establish an NPT legacy plan when you open your account or anytime thereafter online through GivingPoint or by submitting a paper form. At this time, endowments cannot be activated online.

How can legacy plan options be combined?

Donors may select any combination of the three plan options. However, the total percentage of DAF assets allocated to elected legacy plan options must equal 100%. For example, if you wish to name successor advisors, charitable beneficiaries and establish an endowment program, your legacy plan might look like the example provided.

DAF balance at time of legacy plan activation: \$500,000

	Allocation	Balance Allotted
Successor Advisors	40%	\$200,000
Successor 1	50%	\$100,000 to a new DAF
Successor 2	50%	\$100,000 to a new DAF
Charitable Beneficiaries	40%	\$200,000
Organization 1	30%	\$60,000 one-time grant
Organization 2	70%	\$140,000 one-time grant
Endowment Program	20%	\$100,000
% of balance allocated to beneficiaries annually*	10%	\$10,000 in first year
Organization 1	75%	\$7,500 grant, year 1
Organization 2	25%	\$2,500 grant, year 2

* Amount in subsequent years will be based on 10% of the DAF balance as of 12/31 the year prior

How do I set up an endowment?

The NPT endowment program is available to DAF holders who wish to support charitable organizations over time after their death. To be eligible, your DAF balance must be at least \$100,000* at the time of legacy plan activation. You must specify the percentage of DAF assets for the endowment program and recommend a percentage of the endowment balance to be distributed annually among named beneficiaries. Yearly endowment distributions will continue until the DAF assets fall to \$25,000*, when the remaining assets will be distributed to the charities within the endowment program as a one-time final payment.

	Account Balance**	Annual Distribution*** (10%)	Organization 1 (75%)	Organization 2 (25%)
Year 1	\$100,000.00	\$10,000.00	\$7,500.00	\$2,500.00
Year 2	\$90,000.00	\$9,000.00	\$6,750.00	\$2,250.00
Year 3	\$81,000.00	\$8,100.00	\$6,075.00	\$2,025.00
Year 4	\$72,900.00	\$7,290.00	\$5,467.50	\$1,822.50

* As of 3/1/2024

** The example provided does not reflect the impact of investment performance on the DAF balance.

*** Amount in subsequent years will be based on 10% of the DAF balance as of 12/31 the year prior.

What investment options are available for endowment?

Assets allocated for endowment will be invested in the conservative investment pool available at the time of legacy plan activation. Trading will occur within 90 days of plan activation.

Can I set up a custom legacy plan?

Yes. If you wish to establish a custom legacy plan, please contact NPT at (888) 878-7900 or npt@nptrust.org. NPT reviews and approves requests for custom legacy plans on a case-by-case basis. Additional fees apply.

How many successor advisors and/or charitable beneficiaries can I name?

You can name up to four successor advisors. Each will be designated as a primary advisor on a new DAF at the time of legacy plan activation. You can name as many charitable beneficiaries as your remaining DAF balance can support. However, you cannot allocate less than 1% of your DAF balance to a named beneficiary, and all grants must equal or exceed \$250.

Can I name minors as successor advisors to my DAF?

Yes. You can name minors as successor advisors to your account, but they will not assume account privileges until they have reached 18 years of age.

Can I name my financial advisor as a successor advisor to my DAF?

Yes, you can. However, please be aware that if your account is professionally managed by a financial advisor and you designate them as a successor advisor, they will not be able to receive any compensation in connection with the management of the DAF assets once the legacy plan is activated.

Managing a Legacy Plan

How do I update my legacy plan?

To update your legacy plan, log in to [GivingPoint](#). Navigate to **Manage Account** and click the **Update Account** button. Any existing charitable beneficiaries or individual successor advisors will be listed in the table in the legacy plan section. You can use that table to add new components to your plan or delete old ones. The online form does not currently support endowment options. If you are interested in an endowment account, please submit a Donor-Advised Fund Update Form to NPT found on the **Forms/Resources** page on GivingPoint.

Who can update a legacy plan?

A primary, joint or financial advisor with full account access can update a legacy plan.

Once I have opened my NPT DAF, can I name my DAF as a beneficiary of my IRA, life insurance policy, etc.?

Yes. An NPT DAF can be the beneficiary of a bequest under your will or other testamentary vehicle. It can also be the beneficiary of a:

- Retirement plan such as an individual retirement account (IRA) or 401(k) plan
- Charitable remainder trust or charitable lead trust
- Life insurance policy
- Brokerage account or other accounts that allow you to designate transfer-on-death beneficiaries

For instructions on naming your DAF as a beneficiary, please see [Bequest Instructions](#) or contact NPT at (888) 878-7900 or npt@nptrust.org for support.

How often should I review my legacy plan?

A good practice is to review your legacy plan once a year or when you experience a major life event such as a marriage, divorce, birth or death of a successor advisor or a change in your financial situation.

Do not see your question here?

Ask us. Call **888-878-7900** or email npt@nptrust.org.