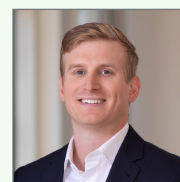


BUILDING A LASTING LEGACY: Strategies for Wealth Transfer Success

Two quotes often attributed to Benjamin Franklin are particularly relevant in the context of wealth transfer. “In this world nothing is certain except death and taxes” and “failure to prepare is preparing to fail” remind us of the finite amount of time we all have on this planet as well as the critical need to engage with our families and prepare for the future. While every family is unique and complex, some strategies are time-tested to help preserve family legacies.

Perhaps most importantly, including the next generation in conversations centered around financial topics is critical. This can take many forms and is largely dependent on your particular family, but starting early and engaging on a regular cadence helps to build financial confidence and a deeper understanding of your beliefs and values as they relate to wealth.

Here we share some additional practical, actionable strategies useful for engaging your next generation and ensuring they have the confidence and financial acumen required to carry on your family's legacy.



ROSS MCWILLIAMS, CFA

*Vice President
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STRATEGIES FOR ENGAGING THE NEXT GENERATION:



Encourage Active Participation in Family Giving

Asking your children or next generation of heirs to find and research organizations that support causes they are passionate about provides an opportunity for them to have a direct impact on your family's charitable activities. This in turn may lead to conversations about your family's values and the importance of giving back, hopefully instilling gratitude and appreciation. It also allows them to witness the direct impact your gifts have on the recipients — and society overall. A donor-advised fund (DAF) is one charitable account that can facilitate a multi-generational charitable legacy.

BUILDING A LASTING LEGACY: Strategies for Wealth Transfer Success *continued*

Review Your Estate Documents

Periodically reviewing your will, power of attorney, health care proxy, and trust with the next generation allows for an open and honest dialogue about how assets will ultimately pass to beneficiaries and gives you the opportunity to provide context to these documents. Like seeing your primary care doctor annually, to truly develop a financial legacy, these exercises should become repetitive and part of your normal “check-up.” Including the next generation and beneficiaries in these conversations allows for their input to be considered and potentially acted upon in ways that you didn’t initially plan for or expect.

Build Financial Literacy

Countless financial literacy resources exist to supplement family conversations about finances. Khan Academy offers free online financial literacy courses that cover topics ranging from budgeting and saving to investments and retirement. Many local CFA Societies offer worthwhile programs, like CFA Society Boston’s Financial Literacy Initiative, which provides resources and presentations about a range of financial topics. Colleges and universities also commonly offer or sponsor financial literacy education.

Determine How You’ll Transfer Assets to the Next Generation

How you decide to transfer assets to future generations will be specific to your family. Direct transfers through annual gifting, UTMA/UGMA’s, 529s, Trusts, and other wealth transfer options all come with varying degrees of control, tax, and estate considerations so it’s important to understand the implications and consult with the appropriate advisors. Finding the appropriate wealth transfer strategy requires a holistic approach and can be a complex exercise. The act of transferring assets, regardless of the amount, allows your beneficiaries to take ownership and accountability and helps to further build confidence around managing finances.

Introduce the Next Generation to Key Decision Makers

Ultimately, the goal of engaging the next generation is to motivate and prepare them for when the time comes for you to pass the proverbial torch. A critical aspect of succession planning is to introduce your family to financial decision makers like wealth advisors, attorneys, and accountants. Allowing your next generation to develop relationships with those key decision makers gives them the autonomy and opportunity to ask questions that they might not yet feel comfortable bringing up in conversations with your family’s stakeholders. These decision makers can not only provide an objective perspective but also continuity from a financial and estate planning perspective that cannot be overlooked.

Our team of experts is here to assist you with any and all of the above action steps, no matter where you are in the process. Please [get in touch](#) if we can help.

GW&K’S PRIVATE WEALTH MANAGEMENT TEAM

Our team of private wealth advisors can help you manage your assets and plan for the future. Our Private Wealth services include guidance on wealth transfer planning, lifestyle, and overall asset allocation. We encourage you to get in touch with us for more information about how we can help. [Please visit our website.](#)

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