

A Family Story, Cultural Competence, & Planned Giving

Philanthropic Planning in the
African American Community

Case Study: The Cade Family



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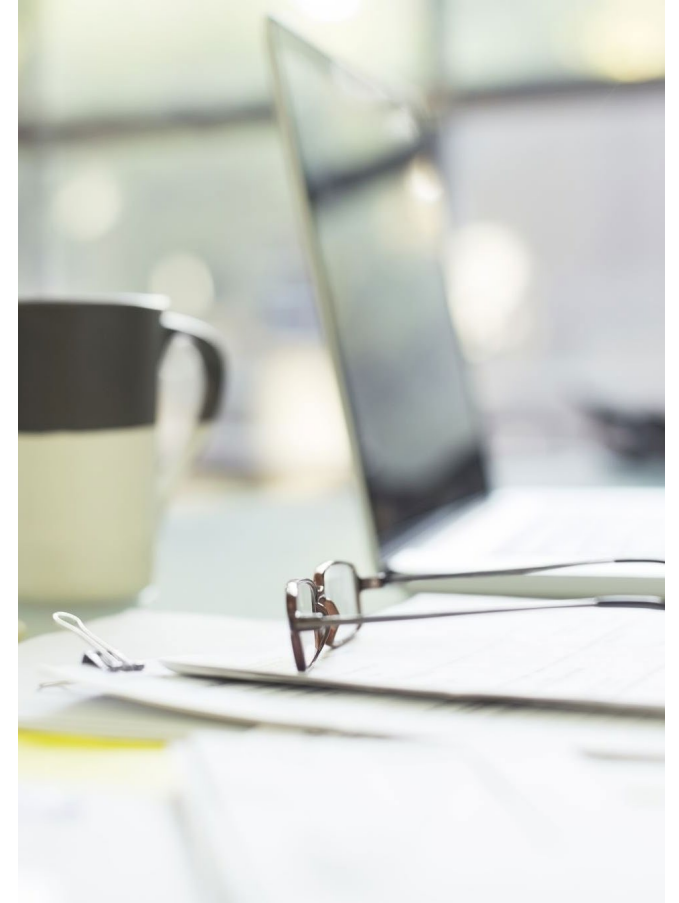
Case Study – The Cade Family: Learning Objectives

- Identify key concerns for a couple approaching retirement with a small business and shares in ancestral properties;
- Consider the role of systemic racism in impacting multi-generational family wealth;
- **Describe feasible** options for the couple to meet their family obligations and goals of travel, honoring their deceased daughter, and their church, among others.



Brief Bio

- Peter is a 64-year-old retired Army veteran (29 years as a mechanic); owner/operator of an auto **repair shop in Georgia.**
- His wife, Charlotte, is 63 years old/second-grade teacher.



Brief Bio

Peter and Charlotte's family:

- A son, Langston, and a daughter, Zora, who died a few years ago.
- They have one teenage grandson, Emmitt.
- Peter and Charlotte can trace their roots back to enslaved individuals born in **the early 1800s**.



Family Background

- Charlotte and Peter met in Augusta, Georgia (he was 18 and she was 17)
- **They were married after she graduated from college.** Peter went into the army after high school.
- Peter's family is from coastal Georgia (the Sea Islands), his parents are deceased.
- Charlotte's parents are retired city employees who live nearby.



Philanthropy and Giving

Church:

- Peter and Charlotte **give at least 10% of their income** to the local church they attend.
- They support Charlotte's family church (nearby county). She's considering starting a fund specifically for the family church.



Philanthropy and Giving

Sorority and HBCU:

- Peter nor Charlotte's parents graduated college.
- Charlotte wants to fund a scholarship to support college students who attend her alma mater (HBCU).
- She has been active with her sorority for years and serves on the fundraising committee.



Philanthropy and Giving

- **Cancer organization:** Peter and Charlotte give \$5,000 each year to support the local cancer organization. Charlotte recently joined the board.
- **Other causes they support:** In addition to the 10% tithing, Peter and Charlotte give **an additional \$10,000** total to Gullah Geechee events, homecoming events at Charlotte's alma mater, the family church, and the local African American History Museum each year.



Children and Grandchildren

- **Their son, Langston**, is 35 years old, a commercial airline pilot.
- He is married to Maya, a flight attendant.
- They live in Dallas, TX, and do not yet have children.



Children and Grandchildren

- Their daughter, Zora, died three years ago after a short battle with breast cancer (was in her 30s).
- Zora's son, Emmitt, is **their only grandchild**. He is 18 and lives with Peter and Charlotte as he pursues mechanics training at the local technical college.



Money Story

Peter saves everything and **lives a frugal lifestyle**. He does not like debt—they have paid off their 15-year mortgage—and he celebrated the day it was paid in full.

Charlotte's parents are aging in their home and showing signs of declining health. Aids come in a few times a week to clean and prepare meals. Peter and Charlotte contribute \$1,000 a month to the cost of her parents' home aid expenses.



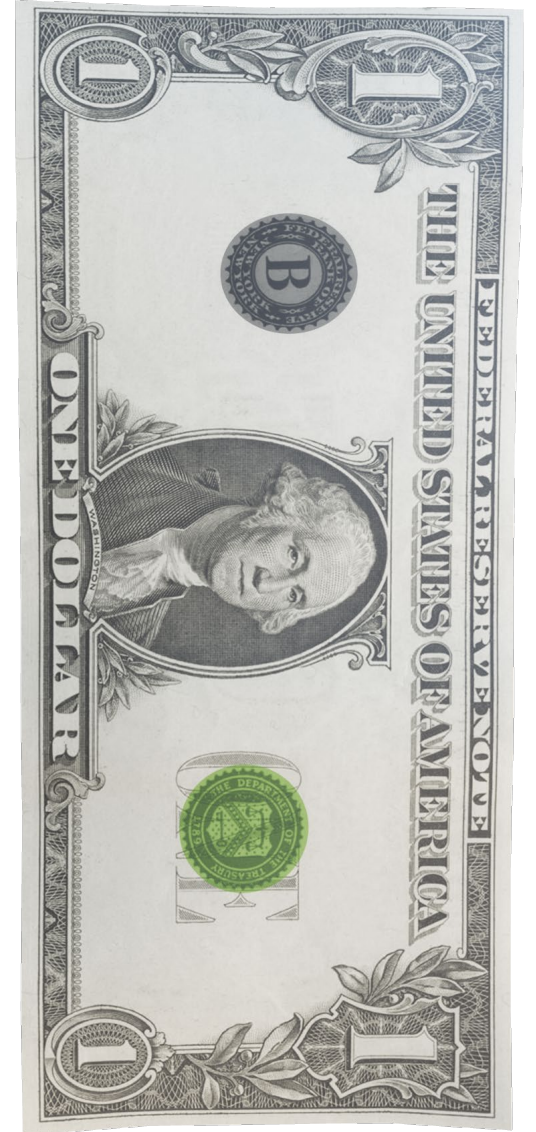
Assets

- Sea Island property: **\$1M** (Peter's share)
 - Peter inherited a $\frac{1}{4}$ share of his grandparents' home
- Retirement accounts: **\$900K**
 - Peter's and Charlotte's combined IRA and 403(b)
- **Annual net income: \$180K**
 - Teaching \$65K, military pension \$40K, auto repair shop \$75K
- Residence: **FMV \$450K**
 - They paid \$100K for it twenty years ago.



Assets

- Auto repair garage building: **\$265K**
 - Paid in full. He paid \$65K in 2007
- Classic car collection: **\$340K**
 - Three automobiles: \$100k, \$150K, and \$90K
- Farm and timber: **\$100K** (Charlotte's approximate share).
 - The **heirs' property** is tied up with a long list of family members (there are 10 beneficiaries).



Interests and Collecting

- **Cars:** Peter specializes in vintage cars, and business has been steady. Peter employs Joe, a mechanic who does most of the day-to-day operations and has been with him for over 10 years. Peter primarily works on restoring the cars.
- **Travel:** Charlotte would like to **plan a family trip** for them to explore their roots. She is searching for more information on her genealogy and is eager to learn more about her family's history.



Concerns, Issues, Desires

- Peter and Charlotte have always talked to their children and grandchild about **navigating biases and unjust treatment.**
- The auto repair shop has never had a business valuation. He has considered selling the shop.
- They are considering their Social Security options.



Concerns, Issues, Desires

- They want to make sure, Emmitt, will be able to complete his studies.
- Charlotte wishes to retire in a few years. Peter wishes to reduce his hours in the business and continue to restore cars.
- They want to **take care of her parents**, support their favorite organizations, and travel.



Session Segments

- **Questions and Answers**
- **Information Discussion**
 - Challenges
 - Concerns
 - Concepts



Questions and Answers

1. Your role:

- a. What would your role be if Peter and Charlotte became your clients/donors?

- b. What would your goals be for the first meeting?

Questions and Answers

2. Financial and estate planning:

- a. What financial issues do they have to address in the short term and long term?

- b. What estate planning issues do they have to address?

Questions and Answers

3. Giving:

- a. What drives Peter and Charlotte's giving?
- b. How would you familiarize yourself with the missions, needs, and campaign plans of their favorite organizations and causes?
- c. What charitable tools or approaches would you recommend to Peter and Charlotte? Which of these would you prioritize? Why?

Questions and Answers

4. Bringing in advisors:

- a. What concerns or hesitations might Peter and Charlotte have with engaging an outside advisor? How might you help them address these concerns?
- b. What aspects of the work will you manage, and what elements will you hand off? How would you select advisors to partner with in this case?

Questions and Answers

5. Family relations:

- a. What concerns might Peter and Charlotte have regarding their son and grandson?
- b. What issues might arise with their extended family?

Planning Challenges

- Legal – estate planning (wills, trusts, Heirs' Property deeds, beneficiary designations, etc.)
- **Taxes – charitable giving** (tax-wise)
- Financial – retirement assets, savings, other assets
- Business – valuation, succession plan, insurance (key person)
- Charitable giving – consolidate gifts, focus giving approach

Key Concerns

- Retirement – social security (when?), travel plans
- Multi-generational family wealth – history: family farm, land loss, etc.
- **Charitable giving** – scholarships, cancer research, faith-based
- Goals and family obligations – Charlotte's parents, grandson, retire
- Feasible options – estate planning and financial planning

Philanthropic, Estate & Financial Planning Concepts

- **Donor Advised Fund** – consolidate giving, estate planning
- **Life Income Gifts** (assets for funding – real estate, etc.):
 - Charitable Gift Annuity – ease of set-up
 - Charitable Remainder Annuity Trust – no additional funding
 - Charitable Remainder Unitrust – flexibility, add funds

The Family Story

- The real Peter and Charlotte Cade are the third great grandparents of Aquanetta Betts.
- Peter Cade was born in 1803 and lived to be at least 97 years old – according to Census records.
- Many of the details in The Cade Family Case study are based on family stories and historical facts.

The Family Story

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Inquiries numbered 7, 16, and 17 are not to be asked in respect to infants. Inquiries numbered 11, 12, 15, 16, 17, 19, and 20 are merely by an affirmative mark, as /.

SCHEDULE 1.—Inhabitants in _____, in the County of Edberton
of Georgia, enumerated by me on the 29 day of August, 1870.

Post Office: Edberton

Wm H Edwards

1	2	3	DESCRIPTION.			VALUE OF REAL ESTATE OWNED.		10	PARENTAGE.		13	14	15	EDUCATION.			
			4	5	6	7	8		9	11				12	16	17	
The name of every person whose place of abode on the first day of June, 1870, was in this family.			Age at last birth-day. If under 1 year, give months in fractions, thus, $\frac{1}{2}$.	Sex.—Males (M.), Females (F.)	Color.—White (W.), Black (B.), Mulatto (M.), Chinese (C.), Indian (I.)	Profession, Occupation, or Trade of each person, male or female.	Value of Real Estate.	Value of Personal Estate.	Place of Birth, naming State or Territory of U. S.; or the Country, if of foreign birth.	Father of foreign birth.	Mother of foreign birth.	If born within the year, state month (Jan., Feb., &c.)	If married within the year, state month (Jan., Feb., &c.)	Attended school within the year.	Cannot read.	Cannot write.	
1	997	997	Cade Peter	52	M	B	Farmer laborer			Virginia						/	/
2			" Charlotte	35	F	B	Keeping house			Georgia						/	/
3			" Amy	15	F	B	Farmer laborer			"							
4			" Jesse H	1	M	B				"							
5			Pulliam Edliza	60	F	B	no occupation			"						/	/
6	998	998														/	/

Thank You

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