



10 STEPS

To a Successful Planned Giving Program

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PRESENTED BY

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Presenter



Lynn M. Gaumer, J.D.
Senior Technical Consultant
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- + Joined the Stelter Company in December 2011
- + Prior to coming to Stelter, Lynn worked as an associate attorney for 10 years with Duncan, Green, Brown & Langeness, P.C., a law firm in Des Moines, Iowa, specializing in estate planning, charitable planning, probate, guardianships, conservatorships, real estate and business planning
- + Bachelor of Arts degree in economics and communication studies from the University of Iowa, and a law degree from the University of South Dakota School of Law
- + Member of the Mid Iowa Planned Giving Council and Partnership for Philanthropic Planning

Presenter



Phil Purcell

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- + Vice President for Planned Giving and Endowment Stewardship at Ball State University
- + Serves as a volunteer on the Tax Exempt Organization Advisory Council for the Internal Revenue Service
- + Teaches Law and Philanthropy, Nonprofit Organization Law and Planned Giving as adjunct faculty for the Indiana University School of Law and the Indiana University School of Philanthropy and Fund Raising School
- + Member of the board of directors for the Partnership for Philanthropic Planning and member of Stelter's Technical Advisory Board
- + Frequent speaker at the ACGA and PPP conferences

Today's Agenda

- + The Case for Planned Giving
 - + Trends
 - + Latest research
- + 10 Steps to a Successful Planned Giving Program
- + Planned Giving Best Practices
 - + What do successful programs have in common?



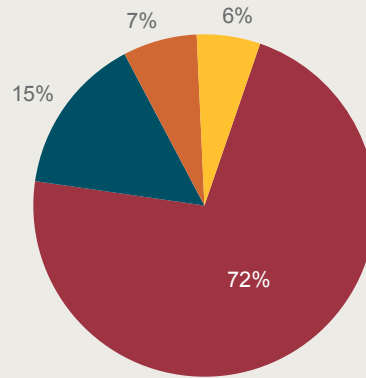
The Case for Planned Giving



1. Great Potential

*Giving by
Source in 2012:*
\$316.23 billion

- Individuals: 72%
- Foundations: 15%
- Bequests: 7%
- Corporations: 6%



SOURCE: Giving USA 2013 Annual Report on Philanthropy

Charitable Giving

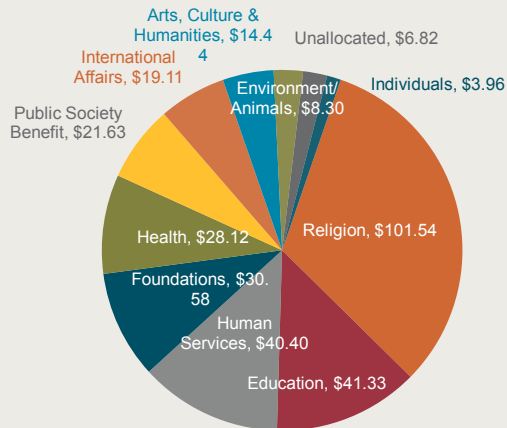
- + In 2012, U.S. charitable giving was \$316.23 billion.
 - + Total charitable giving by American individuals, foundations, estates and corporations rose for the third consecutive year.
 - + The single largest influence on this increase was the additional \$8.67 billion in gifts made by individuals over 2011.
 - + Total estimated U.S. charitable giving increased by 3.5 percent in 2013.
 - + Giving by individuals is estimated to have increased by 3.9 percent.
- + In 2011, U.S. charitable giving was \$298.4 billion.

SOURCE: Giving USA 2013 Annual Report on Philanthropy

Giving by Type of Recipient Organization in 2012:

\$316.23 billion

Religion: 32%
 Education: 13%
 Human Services: 13%
 Foundations: 10%
 Health: 9%
 Public Society Benefit: 7%
 International Affairs: 6%
 Arts, Culture & Humanities: 5%
 Environment/Animals: 3%
 Unallocated: 2%
 Individuals: 1%



In billions of dollars; all figures are rounded
*Includes gift to non-grantmaking foundations, deductions carried over, contributions to organizations not classified in a subsector and other unallocated contributions

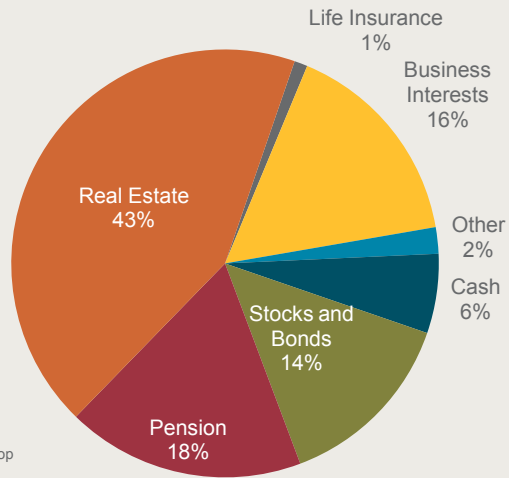
SOURCE: Giving USA 2013 Annual Report on Philanthropy

While annual giving programs focus on annual gifts of cash...



...planned and major giving programs focus on gifts of assets.

Portfolios of the Wealthy (Top 10%)



NOTE: In 2009, the threshold wealth of the top 10% was \$820,000.

SOURCE: Survey of Consumer Finances (SCF) 2009



2. Great Timing

There Has Never Been a Better Time to Start a Planned Giving Program

- + The Boomer generation is aging.
- + Donors and their professional advisors are more aware of gift planning opportunities.
- + Younger generations have demonstrated they possess philanthropic values.
- + Asset values are increasing.
- + Tax benefits for philanthropy remain intact.
- + Nearly 9 out of 10 U.S. adults (86 percent) say they donate money to charity.*

*World Vision Survey 2013



3. Enhances Other Programs

Planned Giving Compared With Annual Giving and Major Giving

- + **Annual gifts**—Made from disposable income
- + **Major gifts**—Funded by one-time or pledged gifts of cash and/or other assets such as appreciated stock or real estate
- + **Planned gifts**—Lifetime accumulated assets of all types

As a result, there is rarely a conflict among an organization's various fundraising programs as long as they are properly presented and administered.

Relationship Between Annual Giving and Planned Giving

- + A strong annual giving program is essential to creating an effective gift planning program. Your constituents will not consider entrusting your organization with their accumulated assets if they are not willing to support the ongoing operating needs.
- + Did you know that more than 70 percent of people who have already made planned gifts also continue to make annual gifts to the organizations they've named in their estate plans?

SOURCE: Blackbaud Target Analytics

Why Is Planned Giving Relevant?

- + The typical planned gift is roughly equivalent to 400 annual gifts.
Philanthropy 100 Performance Benchmarking Initiative
- + The planned gift will be the largest gift ever made by many donors.
- + 82 percent of the nation's wealthiest individuals currently leave nothing to charity in their wills.
Leave a Legacy, 2006
- + Many fundraising campaigns have both outright and planned gift goals.

SOURCE: Blackbaud Target Analytics



4. It's Simple

Planned Giving Basics

- + Nine out of ten planned gifts will be charitable bequests.*
- + Other popular planned gifts are equally simple—beneficiary designations of retirement plan assets or life insurance, payable on death (POD) and transfer on death (TOD) accounts.
- + Planned gift donors position themselves for ongoing stewardship.

*2011 Blackbaud Prospect Research for Planned Gifts

What will separate YOUR ORGANIZATION
from the other

1.4 Million

charities currently registered with the IRS?

**10 STEPS**

To a Successful Planned Giving Program

STEP 1

Assess Your Readiness


- + Are you a good steward of your donors' money?
- + Do you have loyal donors in an annual giving program?
- + Are you properly thanking your donors?
- + Do your donors feel engaged?
- + Can you articulate your long-term mission?
- + Do you have a strategic organizational plan that inspires support?

STEP 2*Provide Training For...*

- + Staff
- + Board
- + Volunteers

STEP 3*Carefully Consider Goals
and Timeline*

- + Early Program Years
 - + Number of visits
 - + Number of proposals
 - + Marketing calendar
 - + Number of new expectancies
 - + Stewardship
- + Later Program Years
 - + Dollar amounts for expectancies
 - + Dollar amounts for matured gifts

 **STELTER**
The Planned Giving Company

Sample Planned Giving Program

MONTH	TASK	MORE INFORMATION
June 2014	Make your case for a planned giving program.	Gather statistics and information on the benefits of a planned giving program.
July 2014	Assess your readiness.	Review your current programs, policies and mission to determine your organization's readiness.
August 2014	Conduct staff training.	Educate your staff, board and volunteers on the importance and basics of planned giving.
September 2014	Identify measurable planned giving activities and goals.	Plan for personal visits and stewardship. Create a marketing calendar.
October 2014	Obtain executive leadership and board approval.	Set budget, staffing, goals and timelines.
November/December 2014	Prepare policies for gift acceptance, endowment, recognition and stewardship.	A sample gift acceptance policy is provided with Stelter's planned giving website.
January 2015	Conduct ongoing training. Share policies with staff and board.	
February 2015	Define, identify and prioritize desired gift prospects.	
March 2015	Cultivate and solicit top planned giving prospects.	This includes personal visits, phone calls, emails, letters and educational seminars.
April/May 2015	Implement a multichannel marketing program.	The book includes newsletters, emails, articles and advertisements in organizational materials.
June 2015	Launch/announce legacy society, invite charter members.	Produce materials: society name, brochure, letter of invitation, letter of report, bedsheet language.
July 2015	Conduct ongoing staff training.	
August 2015	Mail a print newsletter.	
September 2015	Deliver a planned giving eNewsletter.	
October 2015	Host a professional advisor luncheon with CEO.	
November/December 2015	Send letter addressed by CEO promoting year-end giving.	
January/February 2016	Create a website.	Ensure it is user-friendly, interactive and educational, with photos and testimonials.
March 2016	Conduct ongoing staff training.	
April 2016	Launch a planned giving website.	
May 2016	Mail a print newsletter.	
June 2016	Deliver a planned giving eNewsletter.	

Time for a quick poll...

STEP 4

Obtain Executive Leadership and Board Approval

- + Budget
- + Staffing
- + Goals and timelines
- + Policies for gift acceptance, endowment, recognition, stewardship

STEP 5

Establish List of Planned Giving Prospects

- + General print and email marketing
- + Personal contact via in-person visits and phone calls
- + Cultivate individually
 - + Age
 - + Giving history
 - + Involvement
- + TIP: The first folks who sign up can be charter members.

STEP 6

Personally Cultivate and Solicit Top Planned Giving Prospects

- + Personal visits
- + Phone calls
- + Emails
- + Letters
- + Educational seminars
- + Social media

STEP 7

Implement a Multichannel Marketing Program

- + Planned giving newsletters
- + Emails
- + Articles and advertisements in organizational materials
- + Set response procedures for incoming inquiries
- + Collateral materials to send to those who respond
- + Recognition program
- + Website
- + Professional advisor outreach

STEP 8

Create a Legacy Society and Membership Criteria

- + Produce materials
 - + Society name
 - + Brochure
 - + Letter of invitation
 - + Letter of intent or acceptance document
 - + Bequest language document

STEP 8

Create a Legacy Society and Membership Criteria

- + Produce materials
 - + Confirm planned gift with or without dollar amount
 - + Charter members
 - + Create a tracking system
 - + Set acknowledgement procedures for new members
 - + Select recognition items (paperweights, certificates)
 - + Plan annual (daytime) gathering or luncheon

STEP 9

Create a Planned Giving Website

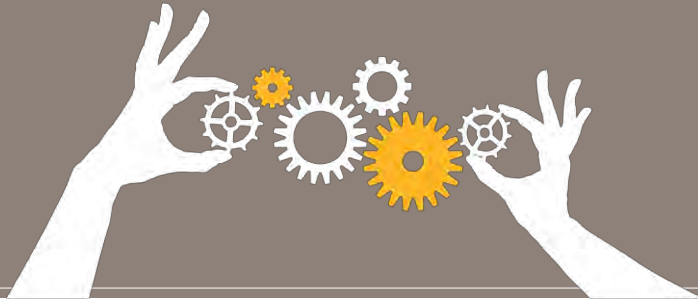
- + User-friendly
- + Interactive
- + Educational
- + Photos
- + Testimonials

STEP 10

Build Relationships With Allied Professionals

- + Set their expectations and yours
- + Professional advisor luncheons
- + Professional advisor continuing education seminars

*Achieving
Maximum Success*



*Planned Giving
Best Practices*

Make It Personal

+ 97% of those surveyed said they included charities in their wills because of their loyalty to the missions of those organizations.

+ **How do you:**

- + Thank donors for their support?
- + Involve your donors in your mission?
- + Show the impact of their giving?

+ **Do you:**

- + Make personal contact with loyal donors a priority?
- + Educate on opportunities to support?

+ **Have you:**

- + Earned the right to have the planned giving conversation?
- + Asked the question?

Your Organization Is Unique

+ Each nonprofit is unique in its mission, history, life expectancy, service, fundraising experience, volunteer and staff commitments.

+ Your planned giving program should reflect these distinctive characteristics.

“The best thing about the future is that it comes one day at a time.”

—Abraham Lincoln

Questions?

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For more information on Stelster
products and services, contact us at:

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Following the Webinar

In a few days you will receive an email giving you instructions
on how to access:

- + The recording.
- + The presentation slides.
- + A sample gift acceptance policy, declaration of intent and
marketing calendar.

Thanks!