

COVID-19 + CARES Act =

A Change in Your Vision for 2020



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Agenda

**CARES
Act**

**Adjusting Your
PG Message**

**Q&A
Session**

CARES Act

Coronavirus Aid, Relief, and Economic Security Act

Three main changes that relate to charitable giving

1

Suspends required
minimum
distributions for
2020

2

Creates new
universal
charitable
deduction

3

Lifts the cap on
cash contributions
for those who
itemize

The CARES Act

Required Minimum Distributions

The CARES Act waived the requirement to take required minimum distributions in 2020

What does it mean for nonprofits and your donors?

- Good news for retirees who may have seen their portfolios decrease in value
- Qualified charitable distributions
 - Still available to IRA owners 70½ and older
 - Likely to see a decrease in QCD gifts due to stock market and suspension of RMD

The CARES Act

Required Minimum Distributions

Marketing Tip:

Review Your Retirement Plan and Qualified Charitable Distribution Marketing Material: Make sure your language is clear that donors can waive the RMD requirement for 2020.

Suggested Language:

If you reached the age of 70½ on or before Dec. 31, 2019, you can use your gift to satisfy all or part of your required minimum distribution (RMD) for the year. If you turn 70½ on or after Jan. 1, 2020, you can use your gift to satisfy all or part of your RMD starting at the age of 72. (Note: The RMD requirement has been waived for 2020.)

The CARES Act

Universal Charitable Deduction

- CARES Act created a new \$300 above the line deduction
- Does not apply to supporting organizations or donor advised funds

What does it mean for nonprofits and your donors?

- Provides small incentive for over 90% of taxpayers who take the standard deduction
- Allows you to focus on the overall health of your organization
- Breaks down silos—planned giving, major gift and annual gift officers need to work together

The CARES Act

Universal Charitable Deduction

Marketing Tip:

Consider a new mini campaign (perhaps around #GivingTuesdayNow on May 5), with a goal of 100% participation or a certain dollar amount, in which each of your donors uses his or her \$300 tax-deductible contribution to make an impact. Then highlight the impact on social media.

The CARES Act

Cash Contributions and AGI

- For individuals, the new law raises the annual limit on cash gifts for those who itemize, from 60% to 100% of AGI for 2020.
- For corporations, the new law raises the annual limit from 10% to 25% of taxable income for 2020.
- Only contributions actually made in 2020 qualify, so excess cash contributions carried over from a prior year and treated as made in 2020 are not eligible.
- If a contribution exceeds a donor's adjusted gross income, the excess can be carried over to subsequent years, but is subject to the percentage limitations in the carryover years.
- The increased deduction is not automatic and must be elected.
- Does not apply to supporting organizations or donor advised funds.

Cash Contributions and AGI

What does it mean for nonprofits and your donors?

- Increase in cash donations
- Sell depreciated stock, make cash gift and deduct up to 100% of AGI
- Sell depreciated stock at a loss, offset gain on sale of appreciated assets
- Even if a taxpayer recognizes capital gain, a cash gift of the sale proceeds could eliminate taxation of any ordinary income, leaving only capital gains to be taxed.
- A taxpayer can eliminate any taxable income tax this year by making sufficiently large cash charitable contributions.

The CARES Act

Loans to Nonprofits (500 or fewer employees)

Paycheck Protection Program (PPP)

- Loans of up to the lesser of \$10 million or 2.5 times the average total monthly payroll costs from the one-year period (look back) prior to the date of application.
- Nonprofits are also eligible for expedited loans of up to \$1 million. The money must be used for payroll and other associated expenses such as health care premiums.
- Nonprofits that keep their employees on the payroll through June 30 are eligible to have their loans forgiven, essentially turning the loan into a grant.
- Local financial institutions will serve as loan processors
- Lenders began processing loan applications on April 3, 2020.

The CARES Act

Loans to Nonprofits (501 to 10,000 employees)

- Many details still forthcoming
- Loan must be used to retain 90% of employees at full wages and benefits through Sept. 30, 2020 and intention to restore 90% of workforce in place on Feb. 1, 2021
- Interest capped at 2%
- No principle or interest due for the first 6 months.
- Loan forgiveness not available

Marketing & Messaging

During a Time of Crisis

Three Critical Things to Help Your Outreach

1

The Importance of
Planned Giving
During a Crisis

2

Tips for Marketing
During Uncertain
Times

3

Examples

First Things First...This Is About People

- **Be empathetic, understanding of donor mindset(s)**
- **Fear, unknown and the fluidity of the situation can be paralyzing.**
Don't let it! Be proactive. Show your human side!
- **No "One-Size-Fits-All" for engaging donors right now**
- **Listen, listen, listen**

Planned Giving's Importance

Lessons Learned Plus Today's Concerns

Marketing

The Importance of Planned Giving During a Crisis

Lessons Learned From the Past

- **NO SCRIPT** – Nothing in the modern day compares to this pandemic
- But, the organizations who weathered The Great Recession best planted seeds years before
- Post Great Recession, for-profit and non-profits that invested saw ROI

This IS Different, but...

- People are taking a personal inventory of what's most important
- People are planning

online will
Search term

+ Compare

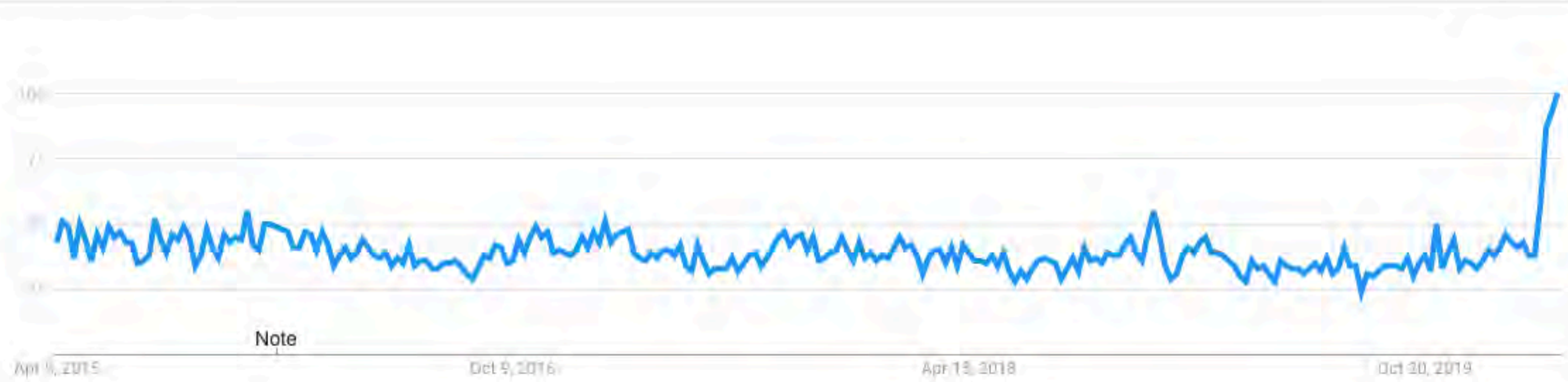
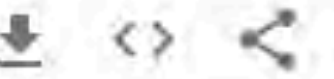
United States

Past 5 years

All categories

Web Search

Interest over time



Note

● **creating a will**
Search term

+ Compare

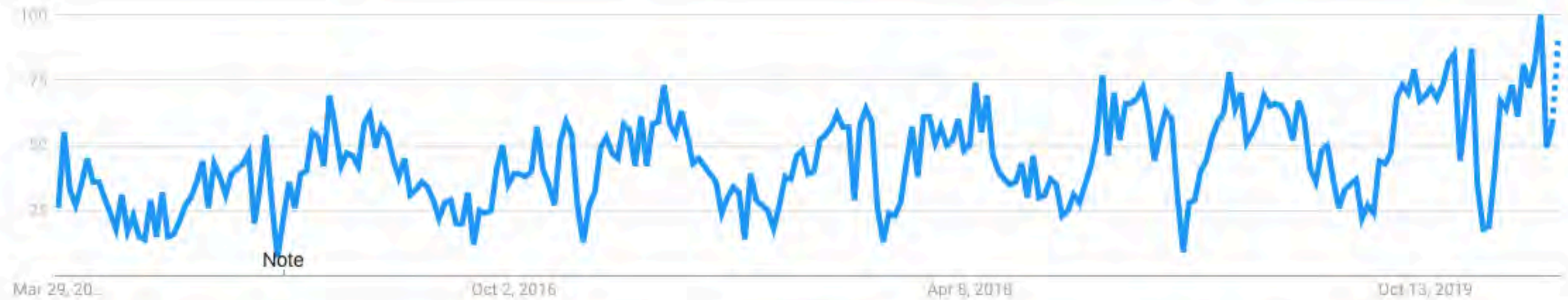
United States ▾

Past 5 years ▾

All categories ▾

Web Search ▾

Interest over time ⓘ



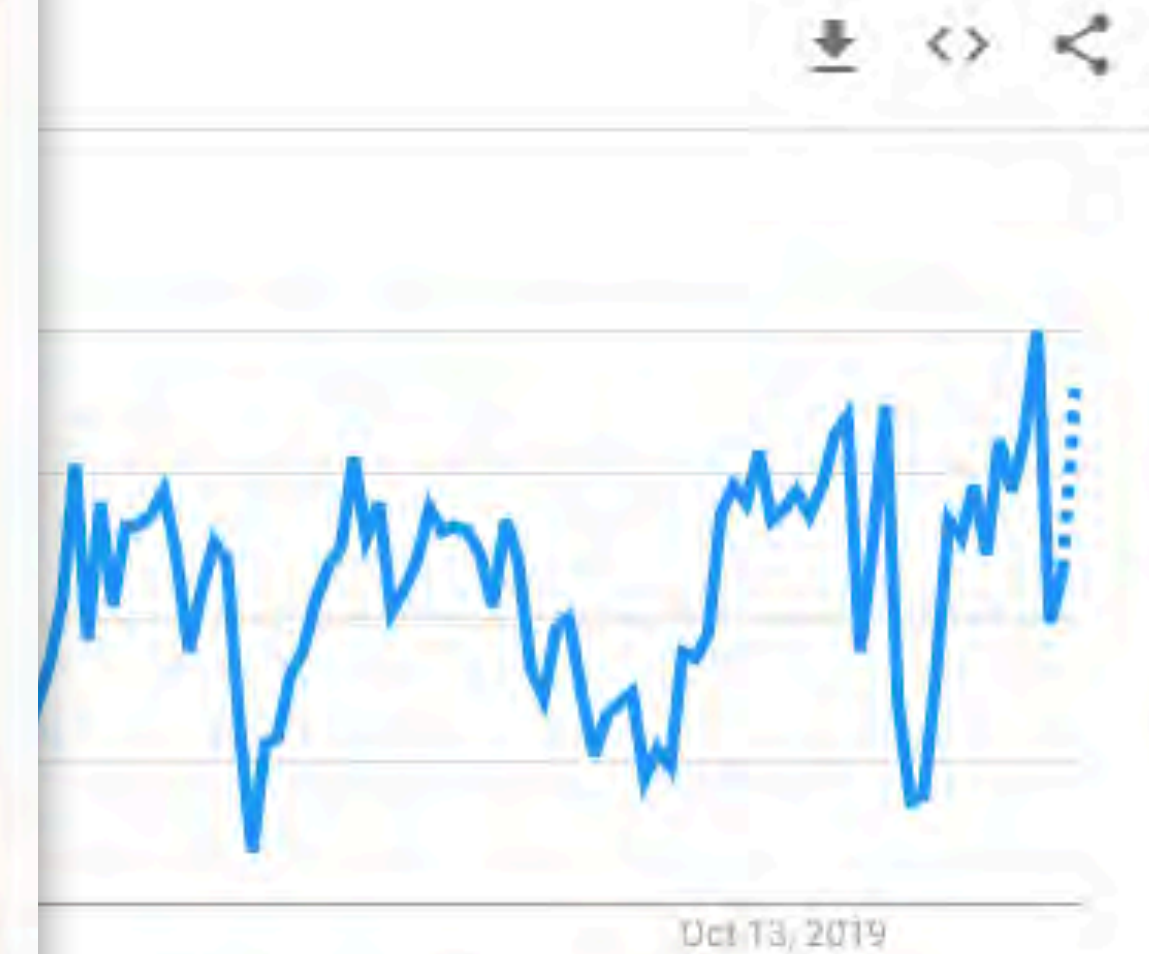
Remote Notarization Allowed In New York Under Cuomo Executive Order



Lisa Chamoff Contributor

Real Estate

I tell stories about real estate with a focus on the New York market.



The Importance of Planned Giving During a Crisis

Key Concerns Facing Gift Planners

- Misperception from Leadership on what planned giving truly entails. Typical understanding boiled down to, “Leave XYZ charity in your will.”
- Is it “appropriate” to talk about planned giving, even though many people are doing their wills?

Education/Awareness is Key

- Don't need to ask to talk about importance and impact of planned gifts
- If you're not top of mind, another NPO is (65% of Stelter clients haven't missed a beat and 28% are only temporarily – 2-3 weeks – pausing their outreach)

Marketing

The Importance of Planned Giving During a Crisis

Planned Giving is Always About the “Long Play”

- Hard to think long term now given uncertainty of the next 24 hours
- Opportunity to train frontline fundraisers on planned giving

Opportunities

- NOT time for vehicle conversations (unless already in conversation with or prompted by a donor/advisor)
- A deferred gift may be easier option to support your work
- Percentage designations are/will be more attractive than a fixed dollar amount

Marketing Tips

Stewardship, “Framing” and Empathy

Understand the “Phases” of Communication Your Donors Have Seen from You (and Others) the Past Couple Weeks

- **PHASE 1** – “Here’s what we’re doing to ensure the work we’re doing will continue, your donations are impacting the work you care about.”
- **PHASE 2** – “We’re here for you, thinking about you, please let us know how we can help.”
- **PHASE 3** – NOW WHAT???

Marketing

Tips for Marketing During Uncertain Times

Stewardship, Stewardship, Stewardship

- Engage known planned gift donors – Calls, personal notes, even personal videos
- Setup virtual ‘town halls’ with key administrators (healthcare/higher education)
- Virtual coffee breaks/meetings
- Send out content from archives (arts client)

Themes to Adhere To

- Personal letters to CGA annuitants, re: remind them that market turbulence WILL NOT impact their payments (West Honeycutt, CGP Link)
- Share examples of the investment donors like them have made in the past that are paying off now

Tips for Marketing During Uncertain Times

Critical That “Framing” of Messages and “Context” is Appropriate

- Messages from 3-4 weeks ago may appear tone deaf today
 - ◉ i.e. “Plan for the Future”, “Importance of An Updated Will”, etc.
- Acknowledge, show empathy....but DON'T DWELL!
- “Context” varies by industry/vertical – Independent School vs National NPO vs University, etc.

Best Practices Around Content

- Simplify your message during this time: Narrow, succinct, focused
- Provide value – Serve as a resource, provide tools that “others have found useful” (social proof)
 - ◉ Being prepared, safeguard portfolios

Marketing

Tips for Marketing During Uncertain Times

Things to Remember NOW and Throughout the rest of 2020

- It's ALWAYS about the list...now more than ever!
- Face-to-face meetings are gone for awhile – Extend your discovery through **surveys**
- In a Bequest/Legacy Challenge – Work with donor to pivot where the money goes
- Collaborate w/internal teams – Include info on/link to an Emergency Student Fund, etc.

When Personal Conversations Allow:

- DAFs
- Percentage designations

Examples

SYRACUSE
UNIVERSITY IS
THINKING OF YOU

Forever Syracuse

We hope that you and your loved ones are well during this COVID-19 pandemic. In this unprecedented time for Syracuse University, our country and the world, our primary concern is for the well-being of our students, faculty, staff, alumni and friends.

In the coming weeks, you will receive our latest Gift Planning mailing that was produced prior to the domestic rise in COVID-19. It is intended to continue helping you protect your assets and your loved ones, both today and well into the future. If you have questions, please contact the Office of Gift Planning at 315.443.3152 or GiftPlan@syr.edu.

✔ **For up-to-date information on the pandemic and Syracuse University's response and current plans, please visit our website at syracuse.edu/coronavirus.**

Syracuse University
Office of Gift Planning

640 Skytop Road, 2nd Floor
Syracuse, NY 13244-4415



SeqNo
 Name
 Name 2
 Address Line 2
 Address Line 1
 City, State, Zipcode

Dear Salutation,

"Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has."

Margaret Mead inaugurated the very first Earth Day, joining with organizers and activists on April 22, 1970, to share a vision of the world they wished to see. A world with clean air and water, without poisonous pesticides and pollution, where animals and humans could survive and thrive.

Five decades later, we are coming together in different ways. The COVID-19 global pandemic has brought into sharp focus how deeply we depend on one another to act for a greater common good. As we each do our part to take care of our beloved communities and ourselves, we create powerful collective momentum to continue fighting for the places and people we care about most deeply.

Thank you for being part of that fight. With roots dating back more than 125 years, the ~~United States~~ amplifies the power of nearly four million members and supporters to defend everyone's right to a healthy world. **We are in this together, now more than ever.**

By including ~~the United States~~ in your estate plan, you can make that vision a reality. Please return the enclosed reply card today to receive a free planning guide or to notify us of a gift. Sharing

(over please)



Five decades later, we are coming together in different ways. The COVID-19 global pandemic has brought into sharp focus how deeply we depend on one another to act for a greater common good. As we each do our part to take care of our beloved communities and ourselves, we create powerful collective momentum to continue fighting for the places and people we care about most deeply.

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As someone who has been intimately connected with [redacted] you understand the urgency of our work more than most. We are called to build a world free of violence, oppression, and inequality—and the COVID-19 pandemic is the latest crisis to magnify the injustices of our world.

You have likely been hearing much about [redacted] present response in the time of coronavirus and our current work promoting the safety and peace of all, particularly those most vulnerable. I'd like to also take a moment to reflect with you on the future.



Dear Salutation,

I want to say thank you. In these challenging times, I won't miss a moment to express my gratitude for your former service with [redacted]—and for your continued engagement through our alumni network. I hope that has been a meaningful space for you and others with [redacted] in their past to make and maintain connections with one another, while remaining active and involved with the issues you care deeply about.

As someone who has been intimately connected with [redacted] you understand the urgency of our work more than most. We are called to build a world free of violence, oppression, and inequality—and the COVID-19 pandemic is the latest crisis to magnify the injustices of our world.

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We are ever grateful that [redacted] is able to adapt and respond today, even (and especially) in times of crisis, because generous supporters in years past had the foresight to make gifts for the future. [Reference 1-2 (alumni?) donors/gifts that have been realized and are making an impact? Ask for this at proof.]

By making a gift to [redacted] through your estate plan, you can embark upon the next chapter of your longstanding commitment to building lasting peace with justice. If you would like to learn more about ways you can make a gift for the future—or if you have already included [redacted] in your estate plan and not yet notified us—please return the enclosed reply card today or visit us at [redacted]



Bruce and Barbara Nordstrom-Loeb

We've heard from many alumni about their transformative experiences and meaningful work with AFSC. Bruce Nordstrom-Loeb, who included [redacted] in his will after working with us in the South and in Michigan, recently shared:

"My work with the [redacted] broadened my sense of how to work from a place of peace and justice. With its distinctive spirit, [redacted] belief that there is something of God in every person shaped the direction I would continue to take throughout my life."

Continued →

Subject: Start Here: Plan for the Future

Preheader: Complimentary checklists & more!

[Unsubscribe](#)

[Checklist to Get Started »](#)

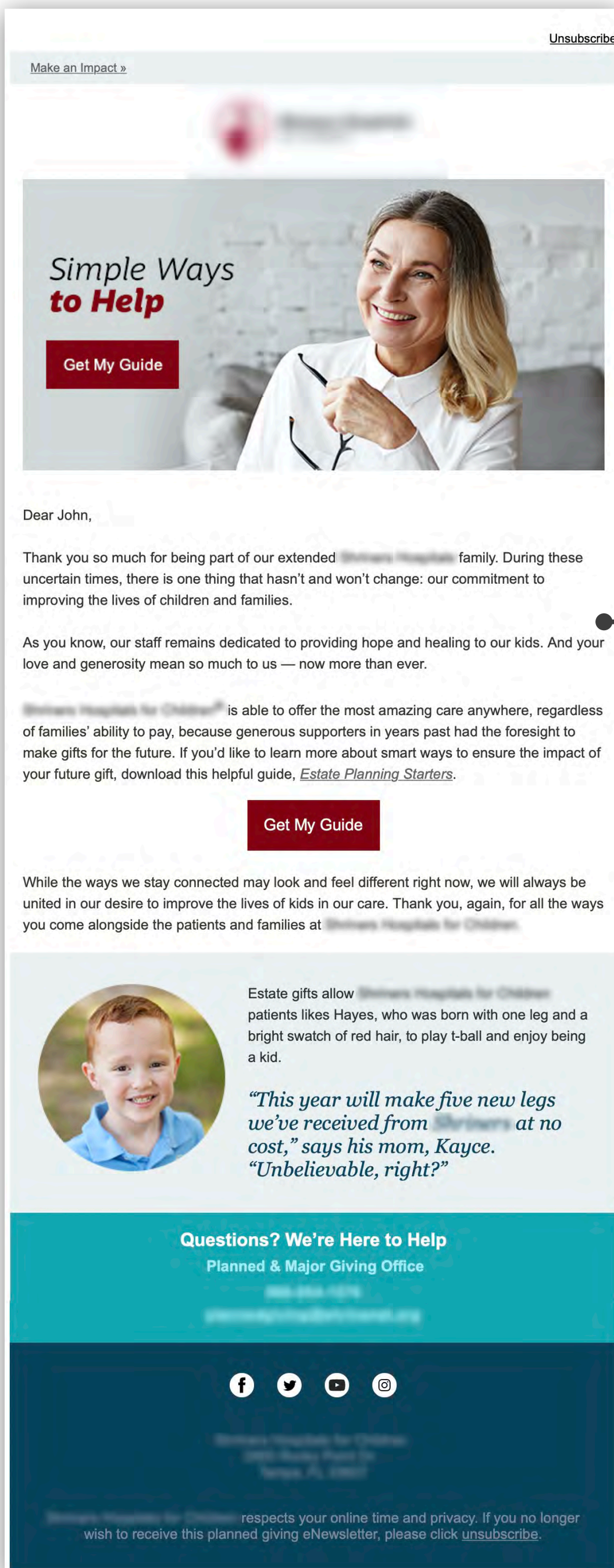


Dear John,

Learn how you can create your estate plan – or update an existing one – with this helpful guide, [Estate Planning Starters](#).

Included:

- A checklist of information you'll need
- Six questions about dividing your estate
- Suggestions on advisors who can help



Dear John,

Thank you so much for being part of our extended **Planned Parenthood** family. During these uncertain times, there is one thing that hasn't and won't change: our commitment to improving the lives of children and families.

As you know, our staff remains dedicated to providing hope and healing to our kids. And your love and generosity mean so much to us — now more than ever.

Thank you for your past support of [REDACTED]. As we face the current challenging times together, the power of your contributions is more important than ever.

I want to share a unique way for you to strengthen your connection during this uncertain period while also creating a more secure future. A gift that pays, known as a charitable gift annuity, allows you to enhance [REDACTED] commitment to providing expert care to everyone who needs healing. In return, you receive regular, fixed payments for the rest of your life – and the life of another person, if you choose.

You make the contribution to [REDACTED] now, qualifying for an income tax charitable deduction. You also have the option of selecting a start date in the future. This is especially advantageous if your tax bracket is higher now than it will be later when you retire. **An advantage of deferring your payment is the payment rate will be considerably higher when the payments begin.**

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Because [REDACTED] is prudent with our investments, we achieve a higher residual on charitable gift annuities than other programs. Your support also helps fund rapidly-changing technology and initiatives in the years ahead that previously may have never been thought possible.

We would be glad to explain the specific benefits you can enjoy. Contact our Office of Gift Planning at [REDACTED] at no obligation.



Sincerely,

[REDACTED]
Executive Dean for Development
Professor of [REDACTED]

SAMPLE DETAILS

For a Single-Life \$20,000 Gift Annuity

Assets used to fund the annuity	\$20,000 of cash
Age at time of gift	64
Annuity rate	4.6%
Annual payment received	\$920
Charitable deduction	\$6,841
Estimated gift to [REDACTED]	\$18,000

Please contact us for deferred CGAs or for benefits for two people.

P.S. Return the enclosed reply card to get more details and request your copy of *A Simple Gift That Boosts Your Income* or visit [REDACTED] to get a personalized illustration of benefits.

Please turn over →



John,

In this uncertain time, I wanted to first say thank you. Thank you for your support of Georgia Tech and the students we serve. The information in this email is intended to help protect your loved ones today and well into the future. I hope that it feels important during times like these and, as we initially intended, during the normal day to day. If you have any questions about how the Georgia Tech Foundation, Inc., is looking ahead, I am happy to talk with you.

Sincerely,
Amy Nash
Executive Director of Gift Planning



Supporting Chemical Engineering Students in Co-op Program

With a deep commitment to the Institute, Les Eaton created a scholarship endowment to support future chemical engineers in the Co-op Program.

[Read More](#)



Misconceptions That Can Be Costly to Heirs

Here are some estate planning blunders to avoid that can hurt your loved ones.

[Read More](#)



A Gen X Dilemma: Solved

Get solutions for the sandwich generation. Find out how to protect yourself while honoring your family responsibilities.

[Read More](#)

Contact Us

Words for Your Will

We Are Here to Help

404.385.6716
Email: giftplanning@dev.gatech.edu
Website: plannedgiving.gatech.edu

More Information

[The Easiest Ways to Leave Your Legacy](#)

[Founders' Council](#)

[Meet Our Donors](#)

[Personal Estate Planning Kit](#)

Stay Connected



Georgia Tech Office of Development/Gift Planning
177 North Avenue, NW
Atlanta, GA 30332-0220

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Sincerely,

Amy Nash

Executive Director of Gift Planning

Panel Discussion

CARES Act, Coronavirus and Marketing Tips



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Resources

**Webinar
Recording**

**Presentation
Handouts**

**[stelter.com/
webinars](https://stelter.com/webinars)**

Thank you!