

13 CHARACTERISTICS OF HIGH PROPENSITY DONORS

Eddie Thompson, Ed.D., FCEP

Founder & CEO
www.ceplan.com



PRESENTER



Eddie Thompson, Ed.D., FCEP
Founder and CEO
Thompson & Associates

- Provides leadership and direction to over 35 seasoned charitable estate planners
- Has planned thousands of estates, which has generated billions of dollars to charity during his thirty plus years working with nonprofits
- Speaks to organizations from coast to coast on successful fundraising techniques, nonprofit management and charitable estate planning
- Serves as the Chair of the Charitable Estate Planning Institute, a 501(c)(3) public charity offering top level education on charitable estate planning for development staff, gift planning officers and professional advisors
- Obtained his Doctor of Education in Higher Education Administration from Vanderbilt University. His doctoral dissertation was on successful fundraising methods.

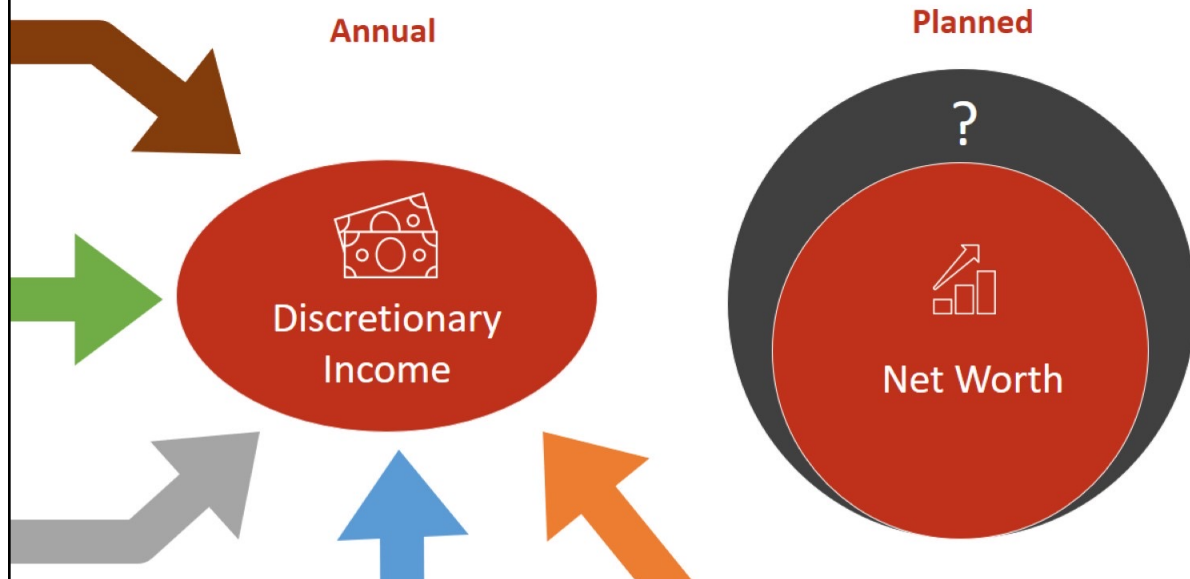
13 CHARACTERISTICS OF HIGH PROPENSITY DONORS

Eddie Thompson, Ed.D., FCEP

Founder & CEO
www.ceplan.com

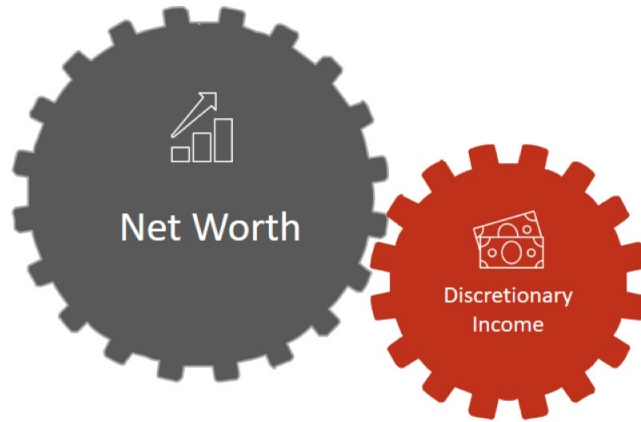


WHERE ARE NONPROFITS LOOKING FOR GIFTS?



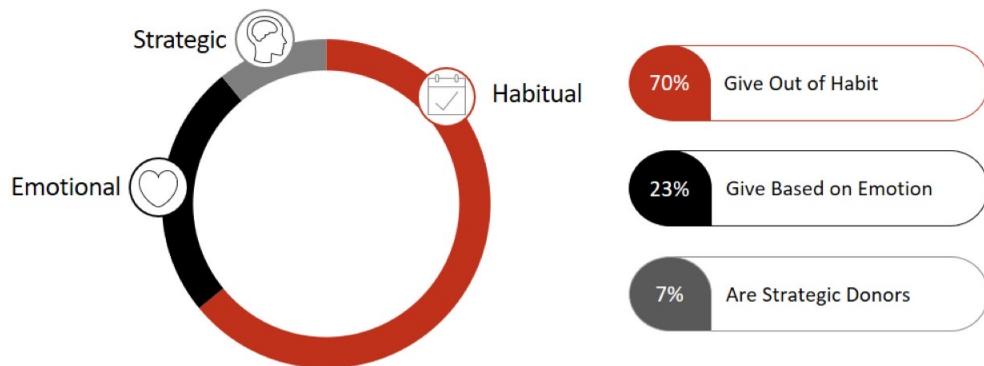
WHERE ARE NONPROFITS LOOKING FOR GIFTS?

What if a donor could choose both?



Thompson & Associates
Values-Based Estate Planning

THREE TYPES OF DONORS



Thompson & Associates
Values-Based Estate Planning

3 TYPES OF DONORS & THE IMPACT ON THEIR GIVING



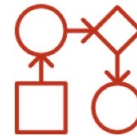
Habitual

Most likely to give, but to fewer organizations and might be smaller gifts
 The question is how do they feel when they open their investment reports
 Year-end giving is still a possibility if the market returns to more positive levels



Emotional

These donors may be in the valley of indecision right now
 They must hear from you in emotional language on your current need(s)



Strategic

These donors make investments rather than gifts
 They are driven by facts and numbers
 They are looking for a positive impact with a high ROI



TWO TYPES OF WEALTH ACCUMULATORS



01

Terminal

02

Instrumental

BUT FIRST, WHICH IS MORE IMPORTANT?

- Ability to give financially
- Propensity to give
 - Time
 - Gifts
 - Referrals

1

CONSISTENCY IN DONATING AT A HIGH LEVEL

- For example, donating \$500 each year for the last 10 years
- Look at the giving month – it might tell you something
- What is the type of asset they use to make the gift?
 - Cash
 - Designation from a qualified plan
 - Stock
 - Public
 - Private
 - Life insurance – cash out life insurance
 - Land

2 NO CHILDREN

- No children
- No living children
- Blended marriage late in life, but spouse has heirs
- Widowed

3 WITH CHILDREN

- Successful children
- Afraid to leave too much to children
- Their children do not need more
- Blended families

4**HIGHEST AMOUNT EVER DONATED**

In any one year during life

- Look for a one-time gift that is larger than their average
- Do you know why they gave this larger gift?
- Did they honor or memorialize someone?

5**HAVING FUNDED A TRUST**

This can be a major indicator for many reasons:

- They may have a trust for the purpose of giving to charity
- They may be beneficiaries of a family trust
- The wealthy often use trusts for many reasons such as asset protection

6 FEMALE

- Women are more generous
- Women tend to give to only three charities from their estate
- Women outlive men 84% of the time

7 WEALTHY

- Wealth is relative
- Most wealthy partners are “cash poor” because they keep their money working for them
- Look for someone who is considering a sale of an unrealized income asset
- Do they have more than one home?
- Do they have a 529 for grandchildren?
- How long have they lived in their current home and could they afford more?

8 NOT MARRIED

- This is especially true with women over 65
- They have lost a spouse
- Never-married are careful accumulators of wealth
 - Focus on bequest and CGA post-retirement
- If no children, they may want to use a charitable trust to benefit siblings, nieces and nephews

9 GROWING TRAJECTORY OF WEALTH

Leading up to death

Is their net worth growing even in retirement?

- If yes:
 - Open to larger lifetime gifts
 - Open to split interest gifts
 - Open to CGA

10 CONSISTENCY IN VOLUNTEERING

- They are committed to your mission
- They know your organization better than the average donor
- It's a commitment of time

11 RELIGIOUS

- They have been taught to give to help others
- They feel blessed and want to bless others
- It does not mean that non-religious folks will not give

12 HEALTH-RELATED

- They feel healthy
- They are emotionally optimistic
- Someone has benefited from good healthcare

13 AGE

You must work with very mature prospects

- Most bequests are made the last five years of a donors life – 75+
- Their heirs are mature and nearing retirement and most likely made more than their parents
- When they write their Will, you want to be top of their mind
- Establish a relationship early
- Continue the relationship so they don't drop you
- Educate your donors starting at age 60+ making them familiar with planned gifts
- TRANSFERS AT DEATH, but easy to change so stay connected
- May increase their net income with a split interest gift
- Build relationship while their heirs are in college before you begin to educate on planned gifts

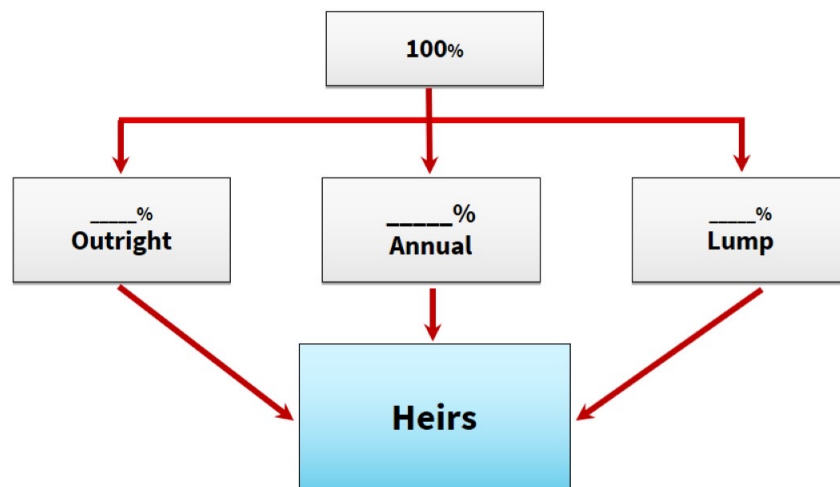
Is this the golden age of planned giving?

- Baby Boomers are very generous. They represent 21.19% of the US population, but are the source of 43% of charitable dollars (Johnson Grossnickle, Understanding Baby Boomer Donors and their Giving Preferences - 2017)
- 53.2% of American household wealth is held by Baby Boomers, 15% by the Silent Generation, 26.8% by Gen X and 5.1% by Millennials. (Federal Reserve Distribution of Household Wealth)
- 36% of Baby Boomers do not think it's important to leave a financial inheritance to their children. (2017 US Trust Study)
- Women currently control close to half the wealth in the US and they are expected to inherit 70% of intergenerational wealth in the next 50 years. They also surpass men in the common attributes associated with increased planned giving – education, living alone, volunteering rate, charitable giving. (Boston College's Center on Wealth and Philanthropy 2009, Pentera, Russell James)



A SIMPLE TOOL

To help donors decide how much & when to give to heirs



REMEMBERING...

- Memorialize someone
- Honor someone



Q&A

Eddie Thompson, Ed.D., FCEP
Founder and CEO
Thompson & Associates
www.ceplan.com

ADDITIONAL QUESTIONS

eddie@ceplan.com

nathan@stelter.com

jen.lennon@stelter.com

www.stelter.com

WEBINAR RESOURCES

- Recording
- Presentation handouts

www.stelter.com/webinars

13 CHARACTERISTICS OF HIGH PROPENSITY DONORS

Eddie Thompson, Ed.D., FCEP

Founder & CEO
www.ceplan.com

