Best Practices for Launching or Reinvigorating Your Gift Planning Program

Presented By:
Carlo Laurore, CFP® CHFC® CLU® RICP® AEP® CFRE CAP®

Presenter

- Leads the national planned giving efforts, corporate giving strategy, and Private Foundation relations for the office of development
- Provides leadership for grant administration, restricted funds management and fundraising educational initiatives for the organization
- Current Executive Committee member of the National Association of Charitable Gift Planners Board and a current board member of local North Carolina Planned Giving Council Board
- Previously worked in higher education fundraising at NC State University and NC A&T University
- Responsible for starting the gift planning program at NC A&T, where he helped close the largest gift from a non-alum individual at that time
- Led a complete revamp and expansion of NC State’s gift planning marketing efforts which resulted in a 150% increase in closed gifts from marketing-related leads
- Has a heart for philanthropy, youth development and helping non-profit organizations big and small maximize their fundraising efforts through soliciting gifts of non-cash assets and optimizing their gift planning program
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What Stops Investment in Gift Planning

- Leadership does not understand how a strong Gift Planning Program impacts the bottom line today.
- Previous efforts have stopped and started with not much success.
- Leadership is concerned that gift planning efforts will interfere with current annual and major gift efforts.
Why Planned Giving Matters
Because it Impacts Annual and Outright Giving

It isn’t just about future gifts, it is about:

- generating increased retention
- increasing outright gifts
- supporting annual giving

Impact on Annual or Outright Giving

• Research in 2007 by Dr. Russell James,
  - the average size of a donor’s annual gift increases by just over 75% after they make a planned gift to the charitable beneficiary.

• Research in 2007 by Indiana University Lilly School of Philanthropy,
  - the average annual giving is close 120% more for donors who have a charity in their will vs. donors that have no charity in their will.

• "Individuals with a charity in their will donated more than twice as much money in any given year than those who do not have a charity in their will"
Leadership Must Believe in Growing Planned Gifts

- When Leadership Believes, you can now spend your efforts selling the donor, instead of management.

- Without the support of Leadership, your program will be transaction focused, instead of donor-centered.
Donor-Centric Engagement and Management
Connect donors to your mission and create transformational donor experiences.

Unlock Opportunity. Unlock Giving Potential
Give them a reason to *invest* in a *shared vision*. 
Standard 12: Case for Support
The nonprofit has a compelling, urgent, visionary case for donor near-term and long-term organizational support.

The Case for Support is Your Vision

• It includes your Strategic Plan
  – Where do you want to be in 5 Years? 10 Years? Next year?

• What resources do you need to get you there?

The $10 Million Donor – do you have answers?
-What about the $100 Million Donor?
Market Research Tip:

Look at case statements from other charities – what do you like, what turns you off?
-- Your donors probably see it too...

Decision-Making: New 80/20 Rule

80% emotional and 20% rational
“Reason leads to conclusions”
“Emotion leads to action”

-Kevin Roberts, CEO Saatchi & Saatchi
“Most giving is 80% emotional and 20% rational. And the best way to get to someone’s emotions is to tell a story.”

Storytelling in Giving is Critical

Every box of raisins tells the tragic story of grapes that weren’t made into wine.
Sell Your Story....... Always!

“Share your message & your mission visually!”
USE PICTURES!- Even More....

Sometimes, Pictures Tell the Whole Story

As winner Victor An raised his index fingers in victory on Sunday, Dutch speed skater used two different fingers to curse his second-place finish.
Sometimes, Pictures Tell the Whole Story

Pictures Tell a Better Story
Evaluate Your Program

• Does your organization have an active strategic plan or case statement?
  – Is it leveraged within your gift planning messaging?
• Are you effectively & consistently using pictures and stories of impact (donors or clients)?
  – What could you do differently? Better?

Evaluate Your Program: Continued

• Are soliciting inspired gifts or required gifts?
  – Most loyal donors: giving inspired or invoiced?

• How many of your most loyal donors have made a planned gift to your organization?
  – Have all of them been asked?
Standard 13: Consistently Communicate the Tools
All donors and prospects are offered timely, accurate gift planning info to ethically maximize the donor’s charitable impact and personal benefit.

Evaluate Your Program

- When was your gift acceptance policy last modified or updated? Receive bitcoin?
- Are you actively marketing stock gifts?
- QCD gifts?
- Grants from Donor Advised Funds?
  - Appropriately handling gift crediting issues?
- Have you ever conducted a donor survey?
- What could you improve?
why don’t donors make major bequests?

- Every year, approx. 80% of Americans make charitable gifts during their lifetimes.
- Every year, only 5-6% of Americans who pass away made charitable bequests.

56% lost to taxes

Contested for years by 48 claimed heirs costing a fortune

No Charities
Will Gifts Can't Happen, Without Completed Wills!

- 55% - 60% of Americans do not have a will.
- MANY who do have wills have NOT updated them for new children, wives, grandchildren.

Why Don’t Donors Make Major Bequests?

The most critical step in securing bequest gifts is educating and inspiring your donors to update their estate plan.

.... and consider your organization in that plan.
Donor Advised Funds

- 60% of all funds going into DAFs are in non-cash assets, primarily stock
- 79% of DAF Donors are over 50 years old

- How does those demographics compare to your current or former Board Members?

Donor Advised Funds - Gift Opportunities

- DAF donors are typically non-cash donors
  - 60% of all funds going into DAFs are in non-cash assets, primarily stock

- Even if you are not getting many non-cash gifts directly donated to your organization, focusing on soliciting gifts from DAFs is another path to that philanthropy.
Donor Advised Funds - Gift Opportunities

• Incorporate DAFs as a possible giving method when making major gift asks
  – “Many of our supporters make their gift out of their donor advised fund. Would you like more info about making a gift to us from a DAF?”

• Many donors do not have a beneficiary designation for their DAF. Opportunity?

Source: Free Will

Evaluate Your Program

• Does your organization market non-cash giving well? Which vehicles?
  – Are there any gift vehicles being left out?
  – Are there areas that are points of emphasis for 2022?

• Is there one actionable improvement you can make to your communication efforts? DAFs?
Standard 14: Donor Stewardship

The nonprofit has a robust, well-executed stewardship plan across all lines of fundraising focused on engaging donors in a meaningful way, building long-term donor relationships and maintaining a high donor retention rate.

Stop Prospecting!!

Look in your existing donor files

Renew your stewardship efforts with the donors you already have – you will get far more new gifts
What is ROI?

Results...Outcome...Impact

The Biggest Hurdle?

“The main reason donors stop giving, give less, or just go away is because they did not know their giving made a difference. It’s up to you to make sure that doesn’t happen – tell them what’s going on.”

Veritus Group, August 2017
The Simple Truth

85% of donors said they would make another gift, and 86% said they would make a larger gift – IF a board member called to say “Thank You.”

Penelope Burke
Donor Center Fund-Raising

Donor Recognition: What Gift Planners Think
Donor Stewardship Evaluation

• How are you currently recognizing donor giving?
  – Do you think it is compelling or should be improved?

• Do you involve your Board, volunteers, or people you serve in your stewardship efforts?
  – Could you? Would it be well received?

• How would you rate your organization in terms of communicating ROI?
  – What could be done to improve that rating?
Standard 15: Gift Planning Awareness & Marketing
The nonprofit integrates gift planning messaging in all its marketing, and all marketing and messaging position donors as partners/investors in mission and clearly acknowledges the donor’s role in the nonprofit’s mission success.

Everybody Doesn’t Know Your Name
Planned Giving Awareness

- Develop a PG Awareness & Education Campaign for various Target Audiences.
  - Introduce gift planning in various media to educate your donors
  - Focus on expanding the prospect pool by working constituency and stakeholder groups

Gift Planning Awareness

- Target Audiences (incorporate segmentation strategies)
  - Group 1: Internal resources – Train and support fellow development officers
  - Group 2: Internal Contacts – Board members & volunteers
  - Group 3: Prospects – alumni, friends, consistent donors, retired employees, volunteers
Gift Planning Education

- **Host educational webinars for various constituencies:**
  - Endowment Committee Volunteers
  - Development Officers
  - Volunteers/Donors
  - Board Members, Affinity Group Members
  - High Net Worth Donors
  - Legacy Society Members

Prospect Identification

- **Develop a PG Prospect Pool, Marketing Funnel**
  - Assess the existing marketing resources & distribution list
  - Consider Data Modeling (working with Dev Services)
  - Consider ways to expand the list or target your focus
  - Develop a marketing segmentation list
  - Leverage Donor Stewardship and Legacy Society to capture unknown PG prospects
Always Open For Business

Use Every Opportunity: Checkbox

✓ Market gifts of stock
✓ “Have you included us in your Estate Plans”
✓ Would you like to have a conversation
✓ “I have a donor advised fund and would like to learn more about giving to the BSA (your organization name)”

Checkboxes Are Marketing Tools
Embrace DAFs- **Actionable Steps**

- Integrate soliciting from DAF in digital fundraising efforts
- Have a DAF question in your Donor surveys
- Leverage this data for future prospecting/segmentation
- Share stories about DAF donors in print & web marketing
- Create a form that allows donors to inform about possible gifts from DAFs you may receive
- Consider marketing efforts targeting past board members or long-time donors -> likely to have a DAF
- Small shop- non-cash gifts likely to go through DAF before gifted to your organization

Source: Free Will

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**Standard 16: Donor-Centric**

The nonprofit has a donor-centric culture that meets the needs of each donor.
Where Donor Investment Occurs!

Donor-Centric Proposal

Donor Interest, Capacity, Timing

Your Funding Priorities

BE SPECIFIC AND FOCUS ...

Don’t impress with campaign goals – focus on donor impact
Remind & Reconnect Your Supporters

We can’t just sell donors the gift planning tool, they use the tool to help solve their philanthropic problem aka gift opportunity.

We Spark Donor Passion and help them translate that thought into impact

Getting Started: Incorporating Planned Giving into Your Fundraising Program
Establish a Planned Giving Presence

CREATE GOALS:

- Legacy giving to Scouting needs to be **top of mind** for donors.
- Coordinated efforts should be made at the local and national level.

- We want our donors to know that we are in the planned giving business.
  - We need to initiate planned giving conversations with our loyal long-time donors and volunteers...

- Legacy gifts can provide for **long-term sustainability**!

Internal Collaboration

The most critical component of success for launching and sustaining a planned giving emphasis is **strong relationships with internal stakeholders**.

These partners include: *(List Them)*

- Development Services- Blackbaud, Marketing, Digital Fundraising
- National Service Territories and Councils
- NESA & BSA Alumni
- National Constituency Groups & High Adventure Bases Staff/Volunteers
- Treasury & Accounting
- Other National BSA Development teams- Major Gifts and Principal Gifts
Integration of Planned Giving within Development Office Strategies

- Integration of planned giving information in our basic contact methods with donors, prospective donors, alumni, friends, and stakeholders.
  - Piggyback on *donor/alumni contact opportunities* to monitor planned giving.
  - Integrate PG info with the *digital fundraising efforts*.
  - Integrate PG info within other *National entity newsletters* or *annual solicitations*.
  - Provide internal support for development officers working through donor opportunities.

Prospect Identification

**Develop a PG Prospect Pool, Create a PG Pipeline**

- Work with Dev Services to utilize Data Modeling
- Create a donor assessment tool to analyze donor pool for initial development strategy
- Leverage the use of Lifetime Giving reports
  - NOTE: Reporting tool already exists in Blackbaud
- Develop a Prospect Segmented prospect list for marketing & communication strategy
- Leverage *Donor Stewardship and Legacy Society* to capture unknown PG prospects
Marketing Strategy (Initial Steps)

_**Created an initial 12-18 month plan marketing plan for planned giving**_

- Emphasis on simple gifts like bequests or beneficiary designations, which account for 80% of all planned gifts.
- Include a focus on making sample bequest language; make readily available to prospective donors.

- Compile a list of best practice strategies through reviewing examples from other shops.
- Focus on implementing Best practice strategies
- Utilize National Standards for Charitable Gift Planning Programs as a guide

Marketing Strategy (Next Steps)

_**Create an Annual marketing plan calendar**_

- Leverage and incorporate all methods/medium of marketing.
- Maximize usage of all electronic or other low-cost marketing options
  - Leverage Scouting publications and mailers from NESA and HABs to market Planned Gifts
  - Estate Giving checkboxes on annual support pledge cards
  - Develop Signature tagline to promote PG
Electronic Communication Plan

Develop & Promote our new gift planning website

- Consistent assessment of planned giving strategy by collecting feedback (e.g. survey, questionnaire, click rate/open rate info, response inquiries, etc.)
- The website is a tool that will be used to direct traffic and generate leads.
- Leverage donor stories, youth impact stories, and pictures to maximize effective of newsletter.

Next Steps
Follow Up Conversations

• When prospects download an estate planning guide or asks for additional material the protocol is:
  • Wait 3-5 business days and send a follow up email

Follow Up Conversations Cont.

When a prospect responds, and a follow up call is scheduled the script is to ask them a handful of questions including but not limited to:

1. Tell me about yourself?
2. Were you a scout as a youth?
3. How are you connected to Scouting? Do you volunteer? Do you have children in the program?
4. What is your favorite aspect of scouting? Is there a particular experience that serves as a highlight?
5. It seems like you might be interested in a PG?
   a) Are we already in your estate plans? [If yes thank you; what are the details...] Have you told us before?
   b) What impact do you/would you want to have with your bequest?
      • Typically, we may ask about the connection previously stated.
Conversation Outcomes

- Existing PG intentions are confirmed
- Documentation in Blackbaud is confirmed or secured as a best practice
- Donor stewardship plans are put into place
- **Induction into planned giving society**
- Future cultivation of prospective PG donors is implemented
  - Face-to-face follow up meeting and local event invitations are discussed with prospects or donors

Where Do I Launch, With Who?!
Missed Opportunity

• How many of you have experienced a key donor or Board Member pass away, but did not name us in their estate plans?
• Did we ask for a planned gift?
  • Did they tell us a clear answer yes or no?

• How many new donors will it take to replace that philanthropist's annual gift?

Initial Focus: Connected Donors

• Giving history
• Boards and Advisory Boards
• Alumni/parent Involvement
• Multiple generations of scouting alumni
• Participation in events
• Other Indicators
A Friend of Your Charity Forever

Example:
– A $5,000 donor per year, can name your organization in their estate plans for $100,000 and ensure that their gift continues beyond their lifetime!

Q&A

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