TEN BEST PRACTICES THAT WILL ENERGIZE AND TRANSFORM YOUR GIFT PLANNING PROGRAM

Kathryn W. Miree

PRESENTER

• President and primary consultant for Kathryn W. Miree & Associates, Inc., now in its 24th year of operation

• Works with boards and staff of nonprofits and foundations to build strong fundraising platforms and establish fundraising strategies, with a specialty around major and planned gifts

• Spent 15 years in various positions in the Trust Division of a large southeastern bank before joining a regional brokerage firm to establish its trust company and serve as its initial President and CEO

• Worked extensively with not-for-profit organizations and their donors in the management of private foundations, community foundations, charitable trusts, pooled income funds, gift annuities and endowments

• Inducted into the National Association of Charitable Gift Planners Hall of Fame in 2018 and to the Estate Planning Hall of Fame (National Association of Estate Planners & Councils) in 2020

• Received B.A. from Emory University and a J.D. from the University of Alabama School of Law and is a member of the Alabama Bar Association
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LET'S START AT THE TOP (WITH STRATEGY)
**STRATEGY SHOULD DRIVE EVERYTHING YOU DO IN GIFT PLANNING**

- Just as your nonprofit has a strategy, your gift planning program should have a strategy.
- It will build on your greatest strengths, and address your greatest weaknesses.
- This will help you make a plan that will accelerate the success of your gift planning program.

**NACGP: NATIONAL STANDARDS FOR GIFT PLANNING SUCCESS**

- National standards allow nonprofits to create and execute a strategy:
  - Assess current gift planning program
  - Identify areas that need strengthening
  - Tools to leverage results
  - Path to generate more deferred gifts and augment current gifts
THE STRUCTURE OF THE NATIONAL STANDARDS

- There are 16 standards divided into three categories:
  - Support From the Top for the Gift Planning Program
  - Strong Operating Platform (the Ability and Capacity to Execute)
  - Donor-Centric Engagement and Management

MY CHALLENGE TO YOU

- As we walk through these ten best practices, think about your own program.
- Focus on those areas that most need strengthening when making your plan for the year.
- Network to see how others solve any problem you encounter.
THE TEN BEST PRACTICES

BP #1: YOUR CHARITY NEEDS A LONG-TERM VISION AND STRATEGY

• Long-term giving requires a powerful, compelling vision for the future.

• Resources (and budgets) as well as annual goals should be aligned to achieve those goals.

• Campaigns should also align with strategy.
BP #1: YOUR CHARITY NEEDS A LONG-TERM VISION AND STRATEGY

• How does this show up?
  • Current strategic plan
  • Marketing looks ahead with big, bold visions
  • Website addresses vision
  • Visions drive campaign
  • Budgets reflect goals which reflect vision

BP #2: ORGANIZATIONAL LEADERSHIP MUST BUY IN

• Organizational leadership must buy in:
  • CEO/Executive Team
  • Board
  • Key concepts:
    • Diversified revenue
    • Collaborative fundraising
    • Donor-centric gift planning
BP #2:
ORGANIZATIONAL LEADERSHIP MUST BUY IN

• How do foster this knowledge and excitement?
• Share the business case for gift planning - stats and numbers
• Ask for time with the board - to help them understand the opportunities, especially in campaign
• Take senior management with you on donor calls - they are the voice of the organization.

BP #3:
SET GOALS AND METRICS THAT FOSTER SUCCESS

• Activity metrics (leading indicators)
  • Face to face meetings with donors
  • Meaningful communications/conversations with donors
  • Advisor meetings/communications
  • Internal collaborations

• Outcome metrics (lagging indicators)
  • Irrevocable deferred gifts and value
  • Revocable deferred gifts and value
  • Known to unknown ratio
  • Legacy society stick rate
  • Matured gift revenue, by type
BP #3: SET GOALS AND METRICS THAT FOSTER SUCCESS

- How this translates:
  - Track contacts and conversations by line of giving to measure integration of the conversation
  - Make sure there are discrete fields to house the data
  - Use training to get everyone in the habit of recording the data
  - Use the data for dashboards that are shared with management and the fundraising team

BP #4: DATA IS PRIORITIZED

- Data does not replace eyes, ears, and conversations - but it does focus you on the donors you should be talking with and marketing to.
- Your nonprofit should prioritize data as an effective tool in developing strategy, regardless of size.
- There are no magic wands. If you are not tracking donor affinity, association, and ability, you will not see your prospects.
BP #4: DATA IS PRIORITIZED

• How this translates:
  • **Discipline in recording data**: affinity, association, ability, marketing responses (training and measurement)
  • **Access to data**: without the ability to generate reports that show patterns, you cannot respond.
  • **Use of data** to make decisions.
  • **Sharing data** with management.

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<tr>
<th>Deferred Gift Production</th>
<th>Key Stats</th>
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<tr>
<td>1. New irrevocable deferred gifts</td>
<td>14. Stick Rate (Retention Rate) for Legacy Donors</td>
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<td>3. New revocable deferred gifts</td>
<td>16. Number of Members of Legacy Society</td>
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<td>5. Number of new non-cash outright gifts</td>
<td>18. % of Board Members with Legacy Gifts</td>
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<td>6. Market value of new non-cash outright gifts</td>
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<td>7. Market value of distributions from matured deferred gifts</td>
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<th>Contact Report</th>
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<td>8. Number of face to face/video visits with donors/prospects</td>
<td>19. Number of Tier I prospects in data system</td>
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<tr>
<td>9. Number of substantive contacts with donors/prospects</td>
<td>20. Number of Tier II prospects in data system</td>
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<td>10. Number of face to face/video visits with professional advisors</td>
<td>21. Number of responses to marketing campaigns</td>
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<tr>
<td>11. Number of substantive contacts with professional advisors</td>
<td>22. Number of attendees at events</td>
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<td>12. Number of Proposals for blended or deferred gifts</td>
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BP #5:
ACTIVE PROSPECT MANAGEMENT PROCESS

• Whatever the portfolio structure, portfolios are intentionally assembled.
• Portfolios are actively managed.
• Portfolios are “right-sized.”

BP #5:
ACTIVE PROSPECT MANAGEMENT PROCESS

• How this translates:
  • Donors are classified, and constantly moving through identification, qualification, cultivation, solicitation, and stewardship.
  • You’ve identified Tier I (ready for the conversation) and Tier II (best candidates for marketing) and marked them in all fundraising portfolios.
  • The gift planner is an active coach to insure integrated current gift/deferred gift conversations.
BP #6: QUALIFIED STAFF IN PLACE TO DO THE WORK

- Qualified staff is in place to engage with donors
  - Relationship-building expertise is more important than technical expertise
  - True interest in donors
  - Even where roles are split, time and goals are allocated to gift planning
  - There is emphasis on ongoing education

BP #6: QUALIFIED STAFF IN PLACE TO DO THE WORK

- Job descriptions accurately describe the role and tasks of the position
- Job description is updated regularly
- Education is encouraged, and there is a budget to back it
- Networking with other charities to keep abreast of trends is encouraged
BP #7: STRONG CASE FOR LONG-TERM DONOR INVESTMENT

- Separate case for long-term investment
- Builds on current case for giving, but is
  - Urgent
  - Compelling
  - Drives towards long-term vision

BP #7: STRONG CASE FOR LONG-TERM DONOR INVESTMENT

- How it translates:
  - Sets an expectation for “both/and”
  - Incorporates the donor in the solution - the donor makes it possible
  - Is integrated through the marketing materials
BP #8: STEWARDSHIP IS A PRIORITY

- Stewardship - care of donors - builds long-term relationships
- Stewardship impacts donor retention
- Stewardship positions donors as partners in mission

BP #8: STEWARDSHIP IS A PRIORITY

- How this translates:
  - Know your donor.
  - Show them the impact of their gifts.
  - Thank them - without holding your hand out in the same communication.
  - Let them know the work you do is not possible without their support.
BP #9: MARKETING POSITIONS DONORS AS PARTNERS IN MISSION

- Donors are partners and investors in your mission.
- You could not accomplish your work without them.
- Marketing should make it clear that together you have accomplished mission.

How this translates:
- Look at your language. Is it all about your organization, or is it about what you and your donors accomplished together?
- Look at your program brochures. Do you make it clear the work was possible only with the support of generous donors?
- Look at your website and social media. What do you tell them about the importance of donors?
BP #10: THE NONPROFIT IS DONOR CENTRIC

- The nonprofit values its donors as essential partners.
- It’s about what the donor wants to accomplish - rather than what the nonprofit wants them to do.
- The nonprofit builds valued relationships with donors - rather than perceiving them as ATMs.

BP #10: NONPROFIT IS DONOR CENTRIC

- Here’s how this translates:
  - Fundraisers want to know more about why the nonprofit’s work is so important to the donor.
  - Gift acceptance policies allow donors to contribute assets that best fit their goals.
  - Donors are thanked and recognized as part of the nonprofit’s culture.
MOVING FORWARD TOWARDS SUCCESS

MAKE A PLAN

- **Assess**
  - Begin by assessing where you are on each of these BPs
  - Engage the team to review results looking for strengths, weaknesses, and opportunities.

- **Plan**
  - Identify opportunities
  - Build on strengths and addresses weaknesses
  - Set clear goals
MAKE A PLAN

• Evaluate
  • Track results
  • Use data to look at patterns
  • Use the self-assessment at year-end to measure progress

• Plan
  • Create a new strategy for the following year
  • Learn from your evaluation
  • Continue to amplify strengths
  • Build new strategies to address weaknesses

FINAL THOUGHTS
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- Creating a strategy that builds on your strengths, addresses your weaknesses, and identifies opportunities is the single most important thing you will do.

- All nonprofits have fewer staff, and smaller budgets, than in the perfect world.

- It doesn’t take money to be more effective - it takes focus!

- Let your strategy drive your tactics - and your program will grow quickly!

Q&A

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ADDITIONAL QUESTIONS

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