Starting a Successful Planned Giving Program on a Shoestring Budget

Setting It Up and Doing It Right

June 8, 2012 – FRDNY Workshop

Lorri M. Greif, CFRE  212-505-6171
lgreif@easypg.com  www.easypg.com
WHY HAVE A PLANNED GIVING PROGRAM?
STRONG COMPETITION FOR CHARITABLE DOLLARS

Another nonprofit will get the gift if you don’t

I want all your planned gifts!!
People tend to make larger current gifts to you once they’ve made a planned gift commitment.
DONORS CAN USE ASSETS INSTEAD OF INCOME

Most people’s assets are 5% in cash and 95% in other assets
ADDITIONAL WAY FOR DONORS TO GIVE TO YOU

Annual gift, capital or special campaign gift, event gift, – Ask for the planned gift too!
Once you’re in the will – you’re like family!
More stewardship needed but worth it.
THE “ULTIMATE GIFT”

Often the largest charitable gift the donor will ever make – Not worried about not having enough to live on
LONGEVITY

Over time, planned gifts provide an ongoing stream of major gifts.
IMPACT

• Results
  – Highly committed donor base & more volunteerism
  – Additional cash flow
  – Larger current gifts
  – Less dependence on corporate & government grants
  – More credibility
  – Longevity
SOME PLANNED GIVING STATISTICS

- IN 2008, 8 OF THE 11 LARGEST GIFTS (73%) TO NONPROFITS WERE BEQUESTS
  - CHRONICLE OF PHILANTHROPY

- IN 2009, $23.8 BILLION WAS RECEIVED IN BEQUESTS
  - GIVING USA 2010

- IN 2010, $22.8 BILLION WAS RECEIVED IN BEQUESTS
  - GIVING USA 2011

- 7%–9% OF ALL CHARITABLE GIFTS ARE BEQUESTS
  - GIVING USA – GOING BACK DECADES

- NO ONE’S SAFE!
  - Lorri Greif, CFRE & EVERYBODY ELSE
2009 charitable giving total = $303.75 billion

($ in billions – All figures are rounded)

- Individuals: $227.41 (75%)
- Foundations: $38.44 (13%)
- Bequests: $23.80 (8%)
- Corporations: $14.10 (4%)

Source: Giving USA Foundation™ / GIVING USA 2010
GREAT EXAMPLE:
YIVO INSTITUTE FOR JEWISH RESEARCH RECEIVED A SURPRISE BEQUEST IN JANUARY 2010 – THE HEIGHT OF THE RECESSION – IT CHANGED EVERYTHING!
YIVO Receives Largest Single Gift in Its History: Bequest of Mickey Ross Yields $4.5 Million

(New York City – January 7, 2010) The YIVO Institute for Jewish Research is pleased to announce that it has received a gift of approximately $4.5 million from the estate of Michael (Mickey) Ross, an award-winning television writer who was first generation son of Jewish immigrant parents. The initial bequest will be supplemented by periodic residual payments from the estate. YIVO shares the estate with the National Yiddish Book Center and the Los Angeles Jewish Foundation.

"This bequest comes at a critical time for us," said Jonathan Brent, YIVO's new executive director and CEO. "It will bolster our endowment and help ensure that YIVO will continue its work of preserving the legacy of East European Jewish history and culture."

Michael (Mickey) Ross, born Isidore Rovinsky in 1919 in New York City, was an Emmy Award-winning writer and part of the team that created television shows like "All in the Family" (along with Norman Lear), "The Jeffersons," and "Three’s Company" during the 1970s and 1980s. Other television shows he penned include "The Martha Raye Show" and "The Gary Moore Show" in the 1950s. Ross said of himself: "I was born of immigrant parents. I loved their attitude, their ways, their morals. I don't want to see that lost."

"This timely gift will enable us to plan more innovative programs and initiatives in the near future, including scholarly conferences on topics ranging from 'The History of the Shtetl' and 'The Jews and the Left', 'Eastern European Jewish Emigration to America,' to 'Sholem Aleichem and Other Early Twentieth Century Jewish Writers' and 'The History of YIVO,'" Brent noted.

The YIVO Institute for Jewish Research, founded in 1925 in what is now Vilnius, Lithuania, is dedicated to the study of the history and culture of Ashkenazic Jewry and its continuing influence in the Americas. Headquartered in New York City since 1940, today YIVO is a preeminent global resource center for East European Jewish Studies; Yiddish language, literature, and folklore; and the American Jewish immigrant experience. The YIVO Library holds over 385,000 volumes; the Archives holds more than 22 million archival pieces. YIVO offers a series of varied cultural events and lectures, Yiddish language classes, fellowships, scholarly publications, and research opportunities.
YOU NEED **FOUR+** THINGS
YOU WANT A BOARD THAT WILL:

- Support this campaign
  - A campaign Chair & committee
  - Basic training and understanding
  - Each member makes their own personal planned gift commitment (so many ways to do this), solicited by a peer
  - Each member responsible for outreach

- Sign off on a Gift Acceptance Policy
  - To establish criteria and avoid problems
HERE’S THE DEAL

• Some people need to control their assets
  – “What if I run out of $$ ?!!” (so you get it later)

• Planned gifts are often the largest charitable gift a person makes

• $20+ Billion in bequests alone is received by nonprofits annually
  – For decades it’s averaged between 7%–9% of all charitable giving

• Where are your donors’ planned gifts going?
WHERE ARE YOUR BEST PROSPECTS FOR PLANNED GIFTS?
RIGHT IN YOUR DATABASE!!

• LOW HANGING FRUIT
  – Board members (a must)
    • Current and emeritus (solicited by peers – not you!)
  – Long time supporters through:
    • Membership
    • Direct mail (consistency of giving is more important than the gift size)
    • Major gifts
    • Events

• EVERYONE ELSE
  – No close surviving family (best prospect)
  – Volunteers
  – Grateful givers (illness, family assistance, etc.)
• Ongoing, longtime, fairly consistent support
  – Regular annual giving (approx. 7 out of 10 years or more)
    • Size of gift not important if giving is consistent
  – Frequent participation in activities

• Volunteer
  – Serves (or served) as a board member
  – Often volunteers to help at activities and when asked

• Grateful
  – Grateful to nonprofit (illness, family assistance, etc.)
DATA APPEND—DO SOME RESEARCH

• AGE
  – Date of birth (it’s planned giving for heaven’s sake!)

• MARITAL STATUS
  – If a couple – are you in both estate plans?

• CHILDREN
  – No living children, grandchildren, etc. a plus but not an imperative

• WEALTH
  – Not always relevant
LIKE ALL TYPES OF FUNDRAISING

YOU NEED A CAMPAIGN PLAN
MOST COMMON PLANNED GIFTS

85% Bequests from wills & trusts
• 11%+ Charitable gift annuities
  – Immediate
  – Deferred
  – flexible
• Charitable remainder trusts
  – Annuity trust is a fixed dollar payout
  – Unitrust is a fixed percentage payout and is more flexible

Life insurance
  – Only permanent insurance
  – Outright gift or replacement insurance

Beneficiary designation
• Pension plan
  • beneficial taxation when estate planning
  – Life insurance
  – Bank account, brokerage account, CD, etc.
• Retained life estate
• Charitable lead trusts
• Gifts of securities, real estate, and other assets
  – are also common but they are not necessary planned gifts
CASE FOR SUPPORT

• **Every major fundraising campaign needs a case for support**
  – Create a “theme” slogan
• Remind your donors why they give to you already
• Let donors know why you need their “legacy” gifts
  – Show how they benefit as well
• Include short version with solicitations
• If created internally = almost $0 cost
DON’T BE SHY!

• Under your signature(s)
  – Email
  – Printed
• Home page of website
  – Easy to find navigation
• Front flap of envelopes
• Imprinted on self-addressed envelopes
• Business cards
• Event journals
• Facebook/Twitter
• Stickies
• Board room
• Program venues
• EVERYWHERE!

• Visibility is essential!!
• Not the first type of gift donors think about
• Make sure people know you really want these gifts
  Seen many times before it sinks in
• Be in action!

all rights reserved 2012 easypg.com
• WHY DONORS MAKE A PLANNED GIFT:
  – Ongoing participation – they already care
• Written collateral materials
  – explanations
• Testimonials
• Articles
  – Newsletters
  – e-blasts
• Speakers of interest
  – Financial professionals
• Professional/Parlor Receptions
• Events
LAUNCH YOUR CAMPAIGN

• **Segment** your prospects for marketing
  
  – **Who** they are:
    • Board member
    • Other volunteering
    • Age
    • Gender
    • Marital Status
  
  – **How** they give:
    • Membership
    • Direct Mail Solicitations
    • Events
    • Major Gifts
  
• In–house personalized vs. big generic printing/activities
You Have to Ask

**• HOW**
- Let everyone know there’s a campaign so no one feels singled out
  - Visibility
- Initial ask should be respectful of how the relationship works:
  - Regular form of communication such as a letter or brochure (but not an email or text) or
  - Make an appointment to meet

**• WHEN**
- After relationship is forged
- Never stop asking until you are told to by prospect
- Separately when meeting face-to-face but piggy-backed in other instances
HOW TO START THE CONVERSATION

Not About
- Death
- The End
- Doom and Gloom
- Make a gift now before it’s too late!!
- Charitable Trusts or Other Technical Gifts
- Taxes

About
- Donor’s Passion for Nonprofit’s Work and Mission
- Donor’s Vision and Dreams
- Donor’s Desire to Help
- Facilitating Donor’s personal Financial Desires
- Legacy
Recognition – Thank You!

• Honor legacy society
  – Wait for a few members
  – Declaration of Intent
  – Listed names

• Token gift
  – Bookmark/membership certificate

• Discounted something

• Complimentary something

• “Ya Gotta Love ‘em” – STEWARDSHIP!!
www.easypg.com
lgreif@easypg.com
888-8easypg (888-832-7974)
Lorri M. Greif, CFRE

planned giving campaigns made easy