Think small steps...

- When your org has established a strong foundation for development activities, take a gradual approach to adding gift planning...

- **Phase One**: the Bequest and Beneficiary Designation Program

- **Phase Two**: the Life Income Gifts Program

- **Phase Three**: the Charitable Gift and Estate Planning phase
Phase One: Bequest & Beneficiary Designation

- Basic – but results can be rewarding
- Effective educational efforts and marketing and public relations programs essential
- Sometimes outright gifts of appreciated securities and real estate are included
- For some charitable organizations, this phase may be prudent, affordable and sufficient
Phase Two: Life Income Gifts

- Charitable Gift Annuity (CGA)
  - Immediate or deferred CGA
- CGA rates tumbled in volatile economy; rising
- Target candidate: a donor with...
  - Charitable intent
  - Needs or wants guaranteed lifetime income from gifted asset
  - Wants better payout than CD’s or other investments
Phase Three: Charitable Gift and Estate Planning

O Split-Interest Trusts allow a donor to split trust property into two separate interests
  O An income stream payable over a period of time
  O A remainder interest payable at the end of that period

O Charitable Remainder Trust (CRT)
  O The charity is the beneficiary of the remainder interest

O Charitable Lead Trust (CLT)
  O The charity is the beneficiary of the income (lead) interest
Steps to Begin

- Get backing of governing board and executive staff, including approved budget
- Review PPP’s Model Standards of Practice for the Charitable Gift Planner (or CASE, e.g.)
- Begin a self-education program
- Attend a basic seminar
- Adopt gift planning program policies: gift acceptance, ethical statement, policy on types of gifts that will be sponsored by the org and who is authorized to negotiate & accept gifts
Guess who’s interested?

- Data from March 2007 Campbell & Company Bequest Giving Study at the Center on Philanthropy at Indiana University
- Individuals aged 40-60 and those with at least a bachelor’s degree most likely to name or consider naming a charity in their will
- Combination of having desire to do good and desire to fill other’s expectations is motivating
- Income was found to have no impact
Conclusions: to increase the number of wills that include charities...

Cultivate younger donors (40-60)

Focus on individuals who are educated and motivated by a desire to do good and a desire to meet other’s expectations

1 in 3 would consider a charitable bequest

You can help turn that consideration into action
Gift Planning Propensity Factors: Who do you market your program to?

- Age (40-60 peak)
- Relationships: current donor gift frequency
  - Each of 3 years = 25% more likely
  - Each of 10 years plus = 40-50% more likely
  - Monthly donors = 50% more likely
- Relationships: Volunteerism
  - Donor/member volunteers = 17% more likely
  - Board members, current = 75% more likely
  - Board members, past
- Special events: attendees 2/3 less likely than $25 donor
Focus on Bequests

- Remember: 89% of planned gifts are bequests
- How to start a Bequest Society?
  - One mailing or a few phone calls can do it
  - Simple: post card or letter to all Board members, volunteers, donors
  - Advanced: planned giving newsletter, Web site, face to face meetings
- The power of Ten Little Words:
  - Have you considered xyz Charity in your will and trusts?
  - On every newsletter, publication, letterhead
Often it’s now...and later

0 Strong annual giving program essential to create effective gift planning program...

~Establishing TRUST~

0 Effective gift planning program may strengthen annual & capital giving

0 75% of bequest donors and 2/3 CRT donors have also made a cash gift; many have established multiple planned gifts (PPP)
Planned Giving Resources

- Partnership for Philanthropic Planning
  pppnet.org
- WPGC wisconsinplannedgiving.org
- Stelter and Company
- Pentera
- Sharpe and Company
- PG Calc
- Crescendo
- R&R Newkirk
Thank you!

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