



Contact: 512.582.2197, info@nvcnetwork.org; www.ncvnetowork.org

WEBINAR

Legacy Gifts and Planned Gifts

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Legacy Gifts

- You CAN do this
- You SHOULD do this
 - You can START now by asking simple questions



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Definitions

Planned giving uses tax, financial and estate planning techniques to enable a donor to make a substantial gift commitment to a nonprofit organization.

Legacy Gifts: Regardless of age and income level – we each have the ability to “make a difference in the lives that follow” by leaving a charitable legacy. What will be your legacy? How will you be remembered?

Most common:

Bequests

- Non-cash assets
(like real estate)
- Appreciated assets
 - Gift Annuities
 - Charitable trusts
- Bargain sales, life estates
- Closely held stock, and more...



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What is a bequest?

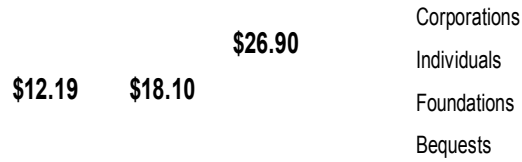
Why do people make legacy/estate gifts?



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Where Does the Money Come From?

\$183.73



Source: Giving USA

#'s in Billions

My worst *fear* about legacy gifts is _____.

Why *PURSUE* Legacy Gifts?

- Demographic trends - Marketing 101
- Makes possible GREATER gifts
- Generates GREATER current gifts
- Lowest long term cost of fundraising
 - People of modest means can make MAJOR gifts

**Wealth transfer
is on track:
\$6 trillion
will be given to charity**

Millionaire households

Arizona: 76,805

Connecticut: 92,677

Georgia: 146,064

Maryland: 149,085

Ohio: 197,554

Oregon: 62,276

Washington: 134,570

Source: Estimates for 2005; Millionaire Next Door, Danko & Stanley.

\$1 Million-Plus Estates

Arizona: 1,249 (\$3.2 Billion)

Connecticut: 2,588 (\$7.8 Billion)

Georgia: 1,799 (\$5.6 Billion)

Maryland: 1,884 (\$5.2 Billion)

Ohio: 3,438 (\$9.6 Billion)

Oregon: 789 (\$1.9 Billion)

Washington: 1,714 (\$5.4 Billion)

**What would you do
if you got a gift of --**

\$90,000?

\$1,000,000?

- **8%** already include charity.
- Another **14%** are considering without being asked.
- Another **30%** would if asked.

$$8 + 14 + 30 = \underline{\hspace{2cm}} \%$$

Every Donor is a Legacy Gift Prospect

- Every donor—has capacity to make a bequest
- Even the large programs with many staff seeing trend toward bequests

Make Your Own Plan First

- Write down the reasons you made the choices you made. Why did you consider one group and not another?
- Why would you consider the group you are volunteering with (or on the board or a staff member or donor)? Why NOT?

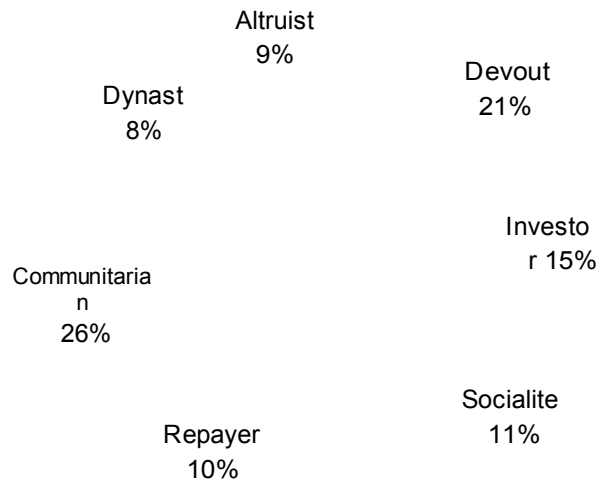
Next: Ask for Advice

- Ask loyal donors what they think
- Listen (ask clarifying questions)
 - Integrate the spirit and focus of their response in your organization's messages

- 1. Self-respect.**
- 2. Family ties.**
- 3. Faith and religion.**
- 4. Warm relationships.**
- 5. Kindness & compassion**
- 6. Intellectual curiosity.**
- 7. Health and well being.**
- 8. Conservative attitudes.**
- 9. Financial security.**
- 10. Power and recognition.**
- 11. Excitement.**
- 12. Material possessions**

Source: Ageless Marketing.
Refers to 5 studies over
two year period conducted
by J. Walter Thompson.
Focused on those age 62+.

Seven Faces of Philanthropy



From: The Seven Faces of Philanthropy by Russ Alan Prince and Karen Maru File

- Communitarians: Because It Makes Good Sense.
- The Devout: Doing Good is God's will.
- The Investor: Doing Good is Good Business.
- The Altruist: Doing Good Feels Right.
- The Socialite: Doing Good is Fun.
- The Repayer: Doing Good in Return.
- The Dynast: Doing Good is a Family Tradition.

Foundation for
the my your our
Future

- **Define Role of Legacy Gifts**
- **Explain How You
Are Creating a Future
Your Donors Need and
Want**

**Each
person's life
is a story.
You are
auditioning
for a role in
donor's life
story.**

Define Your Plan

“During the next 12 months
we wish to position our organization
as a worthy and appropriate organization
to receive a legacy gift.”

Beginnings...

Period 1: Setting the Stage

Period 2: Build Trust and Credibility

Period 3: Reaching a Tipping Point

Period 4: Going Public

Period One: Set the Stage

- **Update and agree on the case for a gift.**
Write the case in a simple, compelling manner. Spell out resources needed and how past contributions were used wisely. This is a DRAFT and will continue as a draft for quite some time.
- **Clarify and agree upon specific financial needs** (how will the money be used).
 - Form a small legacy gift work group.
 - Screen database to identify prospects

Challenges

- Assumptions (Yours and those of staff and volunteers)
- Don't assume you know what donors want (hint: you don't)
- Investing your TIME

What are your NEXT steps?

1. __

2. __

3. __

Period 2: Build Trust and Credibility

- Build confidence and credibility among donors, volunteers, and the larger community.
- Address such questions as: How will people make a gift? How will it work? How can they be assured you will do the right things with the money? Who will you rely upon for advice? Who can they rely upon for advice? What do professional advisors think about your organization?

Clues

- I'd like to give back something.
- I want to honor my daughter's memory.
 - I'm grateful for what I (or family) received there and I want to show my thanks.
- I'd like to honor Dr. Smith.
- I want to perpetuate my ideals.

Clues

- **All I have is my retirement fund.**
- **I need to provide for my children and grandchildren**
- **All my money is in the business**
- **I'd like to make a gift, but ...**
- **My assets do not produce much income.**
- **I am invested in real estate.**

What do you do
when you hear a clue?

- Identify resources now (before you need them)
- Keep focused on the use of the ultimate gift (MISSION!)
- Don't be afraid to admit you don't know
- Act as the facilitator or broker – keep everything moving

**“When you leave this earth
you cannot take with you
anything you received, only
what you have given.”**

St. Francis

Handouts

1. Bequest language - sample
2. "Ageless Charity" article (you may reproduce with credit)
3. Conversation Starters
4. True or False Questions
5. Planned Gift Types (Crescendo Interactive materials)
6. Model Standards

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Kevin
Johnson (and Mollie the
Labrador)
with Mt. Hood in the background.