Regaining Momentum in Your Planned Giving Program

PG CALC WEBINAR

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I. Introduction

Does this sound familiar? You've been conducting your planned giving efforts based on everything you've read, learned at conferences, and from listening to web-based presentations. Donor visits are taking place, you are doing marketing, and you occasionally feature a testimonial from a legacy society member. You're working hard. Yet, the harsh reality is your hard work is not bringing the results you envisioned or that leadership expects. Planned giving programs with competent staff can lose momentum. Why is that, and what steps can be taken to reenergize your planned giving program?

II. Evaluation Options

If your planned giving program is losing momentum, an evaluation needs to take place. There are options a charity has when evaluating its planned giving program. At one end of the continuum is an internal review of a single factor of the program, such as its marketing materials or the sufficiency of its gift annuity reserves. At the other end is a comprehensive audit conducted by one or more outside parties. Of course, it is possible for a single-facet review to be conducted by a planned giving consultant or some other external source(s) with expertise. By contrast, a truly comprehensive audit really must have at least one outside party playing a significant role.

This paper assumes that the evaluation will be done internally by organization staff to determine what is causing a loss of momentum. While an internal assessment may be useful, it may also lead staff to the realization that a more comprehensive assessment from an outside consultant is necessary. While some of the causes for lack of momentum may be easily resolved, other causes may be more difficult to address. There is value in identifying the issues, even if resolution will be challenging.

III. Why the Potential of a Planned Giving Program Often Is Not Realized

In 2007, Dr. Frank Minton presented a PG Calc webinar *Operating an Effective Planned Giving Program*. Dr. Minton provided reasons why the potential of a planned giving program is often not realized. Those reasons, still as relevant today as in 2007, are detailed below.

A. Planned Giving is added to the portfolio of a development officer, but because of too many other duties, little time is devoted to it

Many planned giving officers have multiple responsibilities. In smaller organizations, often the development officer is responsible for annual giving, communications, events, grants, and a variety of other development functions.

B. The charity hires a full-time director of planned giving and appropriates money for salary, but very little for programmatic support.

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To be effective, a planned giving director must have a budget for marketing material, travel and entertainment expenses for meeting with donors and prospects, donor recognition, technical resources, and continuing education. It is a waste of money to hire someone and then not give that person the tools to do the job.

C. The charity hires gift officers who do not have the right skill set for planned giving.

People who are successful in planned giving almost always have excellent interpersonal skills, are able to understand and explain technical concepts, and have a tremendous amount of initiative and drive. Some planned giving professionals lack one or more of these characteristics. Having the technical skills without the interpersonal skills will generally not lead to successful planned gift fundraising.

D. There is too much staff turnover.

It takes a couple of years on the job to learn the institution and earn the trust of donors. The most productive planned giving and major gift officers are those who have made long-term commitments to the institution. Job hopping does not make for successful planned gift fundraising.

E. Marketing is unimaginative and there are too few prospects.

In the successful program, there will always be persons to call for appointments. To have such a reservoir of appointments, there should be a prospect-generating marketing initiative every month of the year. For these initiatives to be effective, they must be imaginative, innovative, and appealing.

F. The head of Development fails to establish realistic expectations and holds the planned giving officer accountable.

Sometimes two years slide by with little productivity, and the explanation (or excuse) is that it takes time to see the results of a planned giving program. It does take a while to see much spendable cash, but a number of planned giving commitments should have been secured by the end of the second year. Other times, the planned giving officer is presented with a totally unrealistic goal.

G. Planned Giving operates in a silo.

Although there should be at least one gift officer with a high degree of competency in planned giving instruments, every development officer should be cross-trained to be able to recognize planned giving prospects and to introduce the subject of a planned gift. There needs to be collaboration between planned giving officers and other gift officers who are cultivating prospects for planned gifts.

H. The board and other leadership fail to give the planned giving program its full support.

Board members are vital to the success of a planned giving program, both in appropriating an adequate budget and being advocates for the program. It is much easier to secure planned gifts if at least some board members have set an example by completing such gifts.

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I. There is a lack of cooperation between the Office of Planned Giving and the Business Office.

This leads to inefficiency and sometimes delays in acting on gifts, which alienates donors.

J. Investment results are mediocre on endowments and on trusts managed by the charity.

Donors pay attention to returns and are more likely to contribute to charities that grow funds.

K. The charity does not practice good stewardship.

The best prospect for a future gift is an existing donor. If gift receipts are late, payments not made on time, reports on the use or status of their gifts are sporadic or non-existent, donors are not likely to make repeat gifts.

L. The charity does not meet the prerequisites for establishing a planned giving program.

Not every charity should formally establish a planned giving program. Only charities that have a positive community image as an enduring institution, have a significant constituency of relatively affluent donors over age 50, and can afford to defer the return on its investment should formally establish a planned giving program and hire or assign a staff person.

M. Even if a charity meets the prerequisites for a planned giving program, it establishes the program prematurely.

Sometimes a charity launches a planned giving program without first having a successful annual giving program, or without a tradition of attracting major gifts. It is difficult to move immediately into a planned giving program before these foundations are laid.

IV. PROGRAM AREAS FOR EVALUATION

A. Infrastructure

Inadequate program infrastructure can result in a lack of momentum. An examination of the infrastructure can identify weaknesses that, if addressed, may result in improved program results.

1. Gift Acceptance Policies

Some institutions have policies specifically dealing with planned gifts. Others have general policies applicable to all kinds of gifts, including planned gifts. The purpose of the policies should be: (1) to protect donors by requiring the charity to provide full disclosure of all relevant facts about a gift and to encourage donors to consult with independent advisors; and (2) to protect the charity by assuring that every gift will be suitable and cost-effective in terms of the assets contributed, the way in which the gift is structured, and the purpose to be served by the gift as it relates to the charity's mission. Well drafted policies will contain guidelines to minimize risk to the charity for gifts offered. The policies should provide for a

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gift acceptance committee to screen aspects of certain gifts. The policies should be in existence, known about by the relevant parties, and followed when gifts are offered to the charity.

2. Procedures

Many steps can be involved in securing a planned gift. Having detailed procedures will help ensure that the transfer process goes smoothly, resulting in donor satisfaction and laying the foundation for possible additional future gifts. Procedures should be in place for: (1) completing gifts of publicly traded securities; (2) monitoring life insurance policies owned by the charity where premiums are still due; (3) managing and selling illiquid assets; and (4) meeting IRS or other governmental compliance requirements when a gift is received. Procedures can also ensure that if due diligence is required steps will be taken so that the charity does not accept a gift that can result in liability or that can be difficult to administer. If the gift requires the preparation of documents, procedures should be in place so that documents are prepared in a timely fashion, accurately, with oversight before being sent to donors.

3. Administration

Planned gifts, and in particular life income gifts, require ongoing administration. Some charities choose to handle the administration in house, while others outsource administration. This is a function of cost, staff availability, and expertise. When evaluating the administration of life income gifts, factors include the timeliness and accuracy of payment issuance, filing of IRS tax reporting forms, filing of reports required by the various states, and investment management of the assets. If the administration of life income gifts results in donors not receiving payments or documents in a timely manner, planned giving program performance can be negatively affected.

4. Legal compliance

Charities must comply with federal and state regulations governing charitable gifts. At the state level, charities may need to be registered to solicit charitable funds and to issue charitable gift annuities. At the federal level there are various IRS regulations for tax reporting, disclosure requirements for charitable gift annuities, and filing Form 8282 when required. Non-compliance can result in state fines or legal actions, which can result in negative publicity dampening donors' willingness to make future gifts.

B. Development structure and staffing

Staffing structures vary for planned giving fundraising efforts, often determined by the size of the development department at the charity. At larger charities, the question is whether to merge planned giving with major gifts. At smaller non-profits there likely will be a focus on annual giving with little attention devoted to raising planned gifts.

Larger charities with planned giving fundraisers. The argument for merging planned and major gifts is that all gift officers will be promoting planned as well as outright gifts. This anticipates that major gift officers will have planned giving as part of their performance

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metrics. Gift officers building relationships for outright gifts will then be well-positioned to also solicit planned gifts. However, the process for soliciting an outright gift is often on a shorter timeline than what is required to close a planned gift. Also, planned gifts often require collaboration with the donor's financial and legal advisors. The benefit of merging planned and major gifts is that the silos that can separate the two units will be broken down and fundraisers will be more collaborative, resulting in more and potentially larger gifts.

Smaller charities with no planned giving fundraisers. In many smaller charities all development officers are generalists who are skilled in donor relations but have limited, if any, knowledge about planned gifts. At most smaller organizations planned gifts are not a priority, even though there may be a legacy society for bequest intentions. An audit may result in a recommendation that the charity have available a consultant or knowledgeable board member who can be a resource if gift officers get an inquiry about a planned gift. If the charity wants to raise planned gifts and, in particular, bequest intentions, development officers should attend trainings that will at a minimum give them the confidence to discuss bequest intentions. Bequests are estimated to be 80% or more of all planned gifts. Just a few realized bequests annually can make a substantial difference in the bottom line of the smallest charities and improve the momentum of a nascent planned giving program.

C. Program Metrics

If an organization has determined that its gift planning program has lost momentum, then presumably some form of measurement is taking place. An effective planned giving program will definitively establish ways to measure success as a whole and the performance of those who staff it. The actual results should reasonably be expected to depend on the size and type of the charity and the maturity of the program. Program measurement should not take place in a vacuum and should include trends in planned gift fundraising. For example, a program may be closing fewer gift annuities, but other charities may be experiencing the same phenomenon. Benchmarking with peer organizations is important.

In the early stages, a planned giving program can be judged by activity, the most important of which is the number of substantive contacts with prospects and donors. These contacts should be geared toward moving the donor closer to making a commitment. Productivity of gift officers should also be measured. Productivity can be hampered by other responsibilities assigned to the gift officer, such as coordinating special events or administrative and clerical matters.

In the early stages of building a planned giving program the number of new legacy society members can be one measurement of success. As the program matures, and if life income gifts are offered, then dollar goals for irrevocable life income gifts should be added as a means of determining gift officer productivity and program success. While the dollars coming from realized bequests may fluctuate from year to year, a successful program will show a trend for growth in both dollars and the number of realized bequests being received. This will be somewhat determined by the activity that was taking place for planned gift fundraising in previous years.

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D. Stewardship

The best prospect for a new planned gift is an existing planned giving donor. It is important for charities to have proactive stewardship programs, both to receive repeat gifts and if they wish to be retained in the final estate plans of donors, most of which are revocable. A charity can lose out on increasing the size of a planned gift, acquiring additional gifts, or structuring a larger blended gift if stewardship is lacking. It is insufficient to merely send a thankyou letter when informed of an estate commitment and perhaps invite the donor to an annual luncheon that the donor likely will be unable to attend. Momentum can be lost and opportunities missed for new gifts if donors are not receiving ongoing, engaging stewardship.

E. Marketing

If your planned giving program is losing momentum, an evaluation of your marketing also needs to take place. An audit of your marketing plan and the tactics within it will help you evaluate where improvements can be made. Here are some questions you should ask:

1. Are we following the marketing plan?
2. If not, why not?
3. Do we need to re-write the marketing plan?
4. Are we getting enough leads?
5. Are we following up on all leads?
6. What marketing tactics are working?
7. What marketing tactics are not working?
8. Do we need outside help for our planned giving marketing?

These questions will help determine what needs to change or be improved. Often a charity's marketing plan is solid, but they do not have the time nor staff to execute it.

Every charity's donors are different. As such, all marketing plans should also be different. There are no "one size fits all" solutions that will solve all your problems when looking to regain momentum in your program. However, they are some common aspects of planned giving marketing that every organization should examine when doing an evaluation.

1. Use your existing assets

When attempting to invigorate an existing planned giving program, first examine the integration with your current development efforts and communication strategies. All your existing communication assets are essential to the success of your program to educate donors about the benefits to both your organization and the donor of donating these high-impact gifts. Your charity has an existing marketing infrastructure already in place. Use as much of the existing resources available to get the word out about your planned giving program.

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You may have started to do this at program launch, but is this messaging still going out?

With proper cooperation, these efforts will promote your planned giving program with little or no additional cost. It can be as simple as using the back of your business card. Use the back to provide bequest language, legal name, and tax ID number. Annual reports, newsletters, and magazines should all be significant contributors to building awareness of your program. Access can range from a quick note, or advertisement, to the opportunity to publish personalized stories about planned giving donors. A donor story that shows your prospects examples of people "just like them" who were able to make a planned gift is very powerful.

Work with your internal communications team and get what space you can. Any messaging about your planned giving program will suffice as it is critically important for donors to always remember that your program exists.

2. Don't forget your new board members

Make certain you have contacted all new board members for planned gift commitments. Contact each board member individually, rather than making a broad appeal to the entire board. They need to know that participating in the planned giving program through their own personal commitments will send a strong message to your donor list that these types of gifts are important and should be made in addition to participating in the annual fund.

Every committed board member can serve as a great testimonial and reinforcement during your one-on-one and small group meetings. The help of a board member who has given can be the best way to close future gifts. They can avow to all future donors how important planned giving is to the overall health and success of the charity. Board members can also be a good source for lead generation by making introductions to those they know who could and would be interested in making a planned gift.

3. Remember the simple gifts

Consider re-focusing on simple gifts. Start marketing bequest giving and gifts made by designating your charity as a beneficiary. Charities often spend too much of their marketing budgets on life income gifts and forget the basic gifts through a will or bank account transferable upon death. Thinking that your donors know this already is folly.

Your job as a marketer is consistently to mention these simple gifts as well as the more complicated opportunities. If you do nothing else but regularly include sample bequest language in your charity's communication devices, you will have initiated a planned giving marketing practice that will pay dividends for years to come.

4. Training

Your entire development staff should be aware of the value, benefit, and purpose of your planned giving program. It is not necessary for everyone to become a planned giving expert, but, as it relates to planned giving marketing, it would be extremely helpful if each staff member is at least capable of at least two things:

1. The ability to listen for clues when talking with donors that they would like to support your charity after their death. These donors won't use jargon or technical

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terms, so it's a matter of developing listening skills about long-term support and encouraging colleagues to hand off the donors to you.

2. The ability to handle a donor inquiry about the different planned giving opportunities available. There are a number of vendors that offer planned giving training both virtual, (webinars, GoToMeetings, etc.,) and LIVE on-site training in your office.

If your marketing goal is to acquire leads, don't let those leads, or rather legacy gifts, fall through the cracks.

5. Review your overall messaging

Planned giving awareness or branding is essential to rejuvenate your planned giving program. Brand your program as an opportunity for donors to gain the satisfaction of creating a legacy and leaving a lasting impact with their gift. Include testimonials of current members as much as possible. Let their words sell the viability of the program. New donors look to see themselves in these current members of the program. Showcase their judgment and knowledge. Nothing is stronger for your marketing.

Your message should also be more about the huge impact a gift will have on your mission than the technical aspects of planned gifts. Keep the messaging simple. Tax benefits can be important to many donors, but the bottom line is that a planned gift can create a life changing impact like no other. Don't lose your audience by being too technical or too detail repetitive.

6. Constant Cultivation

Your marketing must be consistent. One mailing every few years is not going to bring you success. You need constant cultivation with your marketing mix. Sometimes your best donors might see your direct mail several times before reaching out to you. They save it and discuss it later with a spouse or advisor. And when the time is right they call you.

Creating a marketing plan by itself will not make you a better marketer or bring in more gifts. It is your execution of the marketing plan that will lead to success. Following your plan will result in more organized and efficient marketing. If you are a small program with little staff and little time to waste, the more prepared and methodical you can be the better.

For example, your plan not only guides your activities, but it also helps you track which marketing approaches achieve the greatest rewards. If you don't have a plan in place, or if you don't follow your existing one, you won't have a formal system for assessing where your prospects and donors come from. This means you won't know which of your marketing approaches works. You could be wasting money on marketing that doesn't work while underutilizing effective marketing channels at the same time.

7. Review your online presence

In today's digital world, if your planned giving program does not exist online it does NOT exist at all. You need an online presence, and your website is proof that your

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planned giving program exists. It also gives you the opportunity to reflect your core mission and establish your program's viability. This is your chance to introduce yourself to the audience and give donors an immediate feel for who you are and what you have to offer. It must reflect your program and mission, not your vendor or communications team.

The layout and flow of your website creates the atmosphere and perception of the level of service they will receive from you. If your planned giving site is complex they may think planned giving is too complicated. If it is devoid of useful information they may think your planned giving program is not sophisticated enough to handle planned gifts. A website without serious content does not just leave the donor wanting more, but what's worse, it can leave them with the perception that it's all you know.

Make your website a resource center. Education and awareness building are the key. If you're only accepting bequests, it's important to clarify this information upfront. Be sure to clearly define each giving option by explaining what the gift means for the donor. Most importantly, always invite your donors to learn more by allowing them to schedule an in-person meeting or phone call. A donor raising her hand for more information is our conversion point, so make this information easy to find.

8. Review your data analytics

Review the criteria you are using to segment your list. Re-examine your wealth screening, predictive modeling and donor research. Is it still relevant or is it old and outdated?

Make sure you are looking at your donors' lifestyles and giving histories to identify your best planned giving prospects. For example:

- Those who already have a planned gift
- Consistent annual fund donors (i.e., 10+ years, 8-10 years, 5+ years, etc.)
- No children, and/or no heirs
- Over 65
- Engaged board members and volunteers
- Those closest to your organization

You can also characterize it as FLAG, (Frequency of giving, Longevity of giving to the organization, Age, Giving history)

9. Keep marketing to your best donors

Make sure you are still marketing to those who already have a current planned gift commitment in place. Don't ever stop marketing to this group. Revocable gifts can be changed at any time. Use your recognition societies to keep these donors informed about your program. This includes thanking them for their commitments and establishing a personal relationship if one does not exist already. There is no reason why you shouldn't attempt to convert revocable arrangements, like bequests, into irrevocable commitments as your relationships evolve. Or show them the opportunities offered by life income gifts in addition to a bequest.

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Also, don't overlook donors who, although loyal through the years, fall below certain annual giving amounts. Some donors will never make high dollar gifts during their lifetime because they are conservative or need security that assets will be available for future unforeseen circumstances. These donors may be willing to make a significant gift at death.

10. Test new tactics
Executing your marketing plan will help ensure that you're using your resources most effectively and provide you the best chance for success. If your goals change, so too should your individual tactics. Common tactics include newsletters, brochures, mailers and postcards, email newsletters, planned giving ads, and articles in publications and social media.

But don't get in a rut. When did you last test something new? Sending email and direct mail together? An impact story posted to your social network? Keep trying new things. Your donors are changing with the times, so don't be afraid to change your marketing tactics. You learn what works best by testing different ideas. Finding a new message or channel will help you gain back the momentum you seek.

V. CASE STUDIES

A. Conducting audits

When PG Calc conducts an audit of a planned giving program, substantial time is spent observing and interviewing. Interviews are held with development staff, leadership, volunteers, donors, as well as with staff in the planned giving office if there is such an office. Often patterns emerge with respect to a practice. More than one interviewee will mention a situation, shortcoming, challenge, or hurdle to raising more gifts. At times the issues are the same, only the size or mission of the charity is different. While an audit may be requested for a well-performing program, more often they are requested because momentum has slowed and the causes are deemed better diagnosed by those outside the organization with access to information regarding how other charities are conducting their planned giving programs.

B. Case Studies

Five case studies are attached as addenda to this paper. The charities in the case studies are fictitious. The situations in the case studies are typical of what we have encountered at some organizations. The missions for the fictional organizations have been provided to give some context to the nature of their fundraising. When reviewing the case studies consider the characteristics listed in Section VI below.

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VI. CONCLUSION

An effective planned giving program has the following characteristics:

- Support of the board and the administration
- Adequate financial resources
- A sound infrastructure
- The right staff
- A comprehensive marketing plan
- Clearly defined, realistic goals and fundraisers who are accountable for reaching them

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Case Study #1 - Education

Type of Organization – Education

Donor base

- 100,000+ alumni

Development Structure and Staff (other than Gift Planning)

- Annual Fund
- Alumni Relations
- Communications and Marketing – centralized
- Major Gift Officers – 22 based in various schools and colleges

Gift Planning

- Separate centralized unit
- Staffing – Director, one support staff
- Marketing – sporadic – no GP newsletter, limited information website
- Gift vehicles – CGAs, CRTs, Bequests

Reason for planned giving audit

- GP program lagging peer institutions
- Administer 190 CGAs; 4 new CGAs in last 3 years
- Administer 8 CRTs; No new CRTs in 6 years
- New realized bequests – 3-4 per year
- New legacy society members – 5-6 per year

Comments from staff

- MGO - Staff turnover in Gift Planning has resulted in limited support.
- MGO – I don’t have any background in planned gifts.
- Dir of GP – I only hear from 3 or 4 MGO’s about doing joint visits.
- VP of Advancement – We have only 8% of our trustees with planned gift commitments. I’m focusing on the Annual Fund.
- From AF Director – My annual goals are ambitious so I don’t have time to interact with Gift Planning. Am I supposed to?

Audit observations

- Gift Planning budget and staffing was insufficient
- The gift annuity program was not registered; annuities had been issued in 11 states, several regulated
- Infrequent interactions between GP and MGOs
- Legacy society stewardship did not exist

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Recommendations to regain momentum

Staffing

- GP staffing is inadequate for an institution of this size.
- Add two additional GP gift officers to work with the MGOs.
- Add one full time GP administrator to assume administrative responsibilities.

Major Gifts

- Initiate training by GP staff for all MGOs on at least a quarterly basis.
- Have monthly prospect review sessions with PG and MGOs.
- Have a GP orientation program for new MGOs.
- Offer lunch GP programs for MGOs who want to learn more about GP.
- Encourage MGOs to join the local planned giving council.

Budget

- Substantially increase the budget to the GP office for staffing, marketing, staff development, and training of MGOs.
- Dir of GP should project budget needed to increase momentum and work with development leadership to get an increased budget.

Leadership

- VP needs to make a commitment to funding the GP program (may be difficult because of board pressure to increase annual giving).
- Educate trustees how a more robust GP program can result in larger gifts. Appoint a member of the board (who is also a member of the Legacy Society) to solicit planned gift commitments from other board members. Consider a PG Committee with a board representative and hand-picked alumni in the various schools and colleges.

Legal compliance

- Initiate solicitation of charitable funds registrations in states where required.
- Initiate charitable gift annuity registrations in states where CGAs are being marketed and/or issued.

Stewardship

- Partner with Alumni Relations to develop a stewardship strategy for Legacy Society members.
- Coordinate Legacy Society stewardship with the various schools and colleges.

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Case Study #2 – Arts organization

Type of Organization – Arts

Donor base

- 5,000+ members
- 900 donors to the Annual Fund
- 20 donors giving at least $5,000 each year
- Nascent major gift program

Development Structure and Staff (other than Gift Planning)

- A development office also responsible for special events
- Staff – Director of Development, 1 full time assistant
  Gift officer – 1 full time, also responsible for events

Gift Planning

- No formal Gift Planning program
- Staffing – Gift officer is encouraged to solicit bequest intentions
- Marketing – One small blurb about the Legacy Society in the annual report
- Gift vehicles – Only bequest intentions; Legacy Society with 12 members

Reason for planned giving audit

- Board wants a more formal planned giving program
- Board suggestion is to start a charitable gift annuity program

Comments from staff

- Executive Director – I'd love to get more bequests, but development staff is stretched thin right now. I have no idea what's involved with gift annuities.
- Gift officer – I know I'm supposed to discuss bequests but that's not a topic I like to bring up, especially with older donors. I really prefer doing events.
- Trustee – My college offers gift annuities and they look like a good deal. I think we would have a lot of members who would do these.

Audit observations

- The organization has a loyal following. Membership renewal is high.
- A recently performed wealth screening showed a core of highly-rated prospects.
- There is no marketing of bequest intentions
- No technical support internally or externally for planned giving
- No serious expectations for the gift officer to discuss planned gifts
- No understanding in leadership about what's involved with a CGA program

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Recommendations to (re)gain momentum

Staffing

- Realign staff responsibilities. Have the current gift officer steward Annual Fund donors to create a MG and PG prospect pipeline and continue to do events.
- Hire a (preferably) full-time MGO with some PG experience

Prospect Portfolios

- Develop criteria based on length of giving, family characteristics, volunteer activity, and other relevant criteria to establish a portfolio of planned giving prospects

Gift annuity program

- Approach leadership and loyal donors to determine if there is serious interest in *their* establishing gift annuities with the museum
- Educate Development and Finance staff about the logistics of establishing and administering a charitable gift annuity program
- A report should be made to the board of findings from potential CGA donors and the legal and financial logistics of launching a CGA program

Technical support

- Consider retaining a PG consultant on an hourly basis or have a knowledgeable board member available to provide support for planned giving efforts (primarily bequest intentions)

Budget

- Provide in the budget for some planned giving marketing efforts (website, brochure)

Training

- Have staff who will be involved with planned giving get basic training, mostly about bequest intentions
- The gift officer soliciting bequest intentions should join the local planned giving council

Leadership

- If any board members belong to the Legacy Society, request that they be the liaison with Development to encourage other board members to make planned gift commitments to the museum

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Case Study #3 – Animal Welfare

Type of Organization – animal welfare non-profit

Donor base

- 300,000+ donors to Annual Giving
- 320 donors giving $20,000+ each year
- 55,000+ donors who have given for 10+ consecutive years

Development Structure and Staff (other than Gift Planning)

- Annual Giving Program (strong)
- Major Gift Program – 6 MGOs around the country
- Events Unit
- Donor Relations Unit

Gift Planning

- Integrated with Major Gifts
- Staffing – Dir of Major Gifts and Gift Planning
- No PG gift officers
- Marketing – one GP newsletter per year, basic GP website
- Legacy Society with 420 members, minimal stewardship
- Gifts offered – CGAs, bequest intentions

Reason for planned giving audit

- Realized bequests have been increasing more slowly than projected
- New Legacy Society members have been flat for last 4 years
- Administer 90 CGAs; only 2 new CGAs in last 3 years
- Do not offer CRTs as a gift option

Comments from staff

- MGO – I don't have that many prospects who I think will do a planned gift.
- MGO – I only get to see the other MGOs once a year at our Development retreat. We do monthly phone calls for an hour.
- Dir of MG & GP – We have a Gift Acceptance Committee that has rejected some non-traditional gifts that I thought would work.
- Dir of Finance – We accepted a gift of real estate about 4 years ago. What a mess! It took us 2 years to sell it and we got a really low price.

Audit observations

- Development leadership is ambivalent about raising planned gifts
- A bad experience with a real estate gift has made accepting non-traditional assets more difficult.
- MGOs are isolated from one another. They lack collaboration.
- Identification of planned giving prospects is lacking.

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Recommendations to regain momentum

Prospect Identification

- Either using internal database staff or an outside vendor, determine who are the best planned giving prospects and add them to PGO or MGO donor portfolios.

Gift Acceptance Policies

- Review and update gift acceptance policies so that gifts of non-traditional assets, with appropriate due diligence, are seriously considered.
- Consider offering CRTs as a gift option.
- Add members to the Gift Acceptance Committee with backgrounds in various types of assets who understand how to administer these assets.

Staffing

- Add at least one GP officer to the MG/GP unit who can support the MGOs.
- The number of loyal, consistent donors warrants additional GP fundraisers, as budget permits.
- Have monthly prospect review sessions with MGOs and GP staff.

Training

- Have MGOs identify PG training opportunities in their local communities
- Consider webinars where all MGOs participate in PG training; it’s also a good team building experience
- The GP office should conduct quarterly training sessions using electronic conference technology.

Metrics

- Add metrics to the MGO position description for PG cultivation, solicitation, and new members to the Legacy Society

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Case Study #4 – Social Services non-profit

Type of Organization – Social Services

Donor Base
- 620 annual giving donors; 70% of gifts are under $75
- 20 donors who give $500+ each year
- 40 donors who have given for 5+ years

Development Structure and Staff
- Director of Development and Events & a part-time assistant

Gift Planning
- No GP program
- No Legacy Society
- No GP marketing

Reason for planned giving audit
- The Director of Development and Events previously worked at a charity with a strong bequest program and she would like to duplicate that here.

Comments from staff
- Director of Development – I know from experience how much bequests can bring in.
- Executive Director – If it doesn't cost any money and brings in resources, I'm all for it.

Audit Observations
- The Annual Giving program is largely undeveloped.
- The Director of Development has planned giving experience but has multiple responsibilities in her current position.
- The Director of Development acknowledged that she has inadequate support for her current responsibilities.
- Resources are stretched. There likely would be no funding even for a bequest program.

Recommendations to (Re)gain Momentum

- **Prospects** – The Annual Giving program is undeveloped and unlikely to provide sufficient prospects for bequest intentions.
- **Budget** – It does not appear that there would be any budget for planned giving, even for basics such as a website or printed brochures.
- **Staffing** – The Director of Development has other responsibilities and will at best have minimal time to devote to planned giving efforts.
- **General recommendation** – At this time the charity does not have the basic fundraising requirements to begin a planned giving program that would be successful.

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Case Study #5 – Religious Congregation

Type of Organization – Religious congregation

Donor Base
- 1,000+ members who make annual contributions
- 70 members who participate in a giving society
- Many families who have been members for multiple generations

Development Structure and Staff
- Director of Development
- Executive Director – no direct fundraising responsibilities
- Clergy – limited involvement in fundraising
- Fundraising is mostly with special events
- Recently completed a $5M million campaign – 420 members participated

Gift Planning
- No planned giving program
- Legacy Society with 22 members – largely dormant
- Marketing – no promotion of planned gifts; no PG website

Reason for planned giving audit
- Need for additional revenue streams; many members on dues arrangements
- Membership is steady, but each year members leave and new members come in
- Board recognizes many congregants have connection to the Congregation *and* financial capacity
- Many congregants who are age 60+ have never been asked for a planned gift

Comments from staff
- While we are perceived as a wealthy congregation we need additional resources.
- Our members are being asked for planned gifts by other organizations, why not us?
- Our membership fees, fundraisers, and other contributions are barely covering our expenses.
- We have not created a case for financial need.

Audit Observations
- While there is a Legacy Society, few congregants recognized the name when asked.
- Very few members leave legacy gifts, even those who have been lifelong congregants.
- Many members believed that the congregation has more than adequate financial resources.
- Congregants stated they did not consider a planned gift because they weren't aware the congregation needed that form of support.

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Recommendations to Regain Momentum

Staffing

- Director of Development – obtain training in planned giving, and particularly bequest intentions; put together an annual plan for PG fundraising
- Executive Director – assign some PG fundraising functions to the Executive Director, such as liaison with the board and assignment of select PG prospect congregants
- Assistant – assign tasks to an assistant who can fulfill functions such as database management of PG prospects, maintain calendars for PG marketing, and carry out PG administrative functions as set by the director
- Volunteers – create a PG Committee for congregant input for the PG program

Prospects

- Identify congregants who fit a profile for PG prospects (connection; multi-generation family members; participants in giving societies; childless; those with capacity)
- Develop a plan for how PG prospects should be cultivated, and whether by clergy, staff, or leadership

Budget

- Have a budget for PG fundraising, to include a PG website, brochure, and stewardship functions

Leadership

- Have presentations to the board about planned giving; create expectations for board members to make planned gift commitments
- Ask board members to reach out to congregants to support the planned giving program
- Create a role for clergy in planned giving fundraising efforts; clergy should reach out 1:1 to those congregants who have given generously to the congregation

Stewardship

- Brand the Legacy Society such that congregants recognize the name and understand what it represents
- Create a stewardship program for members of the Legacy Society; honor congregants at a service and include them in events that have customarily been held for members of current giving societies

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