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Harnessing the Power of the Bequest Challenge Match



Date: March 31, 2016
Time: 1:00 – 2:30 Eastern Time
Presenters: Mohammad Zaidi
Director of Gift Planning and Special Campaigns
ACLU Foundation
Michael Pohlmann
Campaign Strategist, Gift Planning
Planned Parenthood Federation of America



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Legacy Challenge Campaigns

The collage features several legacy challenge campaign websites:

- NRD (Natural Resources Defense Council):** Promotes a "SPECIAL LEGACY CHALLENGE" with a deadline of 12/31/15. It offers a 100% match on gifts up to \$10,000.
- WILSON LEGACY CHALLENGE:** A form-based campaign for the Wilson Charitable Trust, requiring a matching gift of \$10,000.
- JDRF (Jewish Diabetes Relief Fund):** Announces the "2012 JDRF LEGACY CHALLENGE IS NOW CLOSED." It includes a photo of a family and contact information for JDRF.
- EDF (Environmental Defense Fund):** Features an "EDF Legacy Match" section under "Estate and Planned Giving," explaining how a generous supporter will match a portion of a future gift.
- ACLU (American Civil Liberties Union):** Promotes the "ACLU LEGACY CHALLENGE" with a deadline of 12/31/15. It includes a photo of a building and a list of steps: 1. Name the ACLU in your will, 2. Tell us about your future gift, 3. Generate an immediate cash donation to the ACLU.
- Other elements:** A "Legacy Match Challenge" by AmeriCares, a "20 YEARS 20 ACTIONS" banner for the Holocaust Museum, and a "Legacy Challenge Achieve" banner.



What is a Legacy Challenge?

- Special program to encourage bequest intentions and other planned gifts
- Match Donor makes an outright cash gift whenever a qualifying bequest intention or other planned gift is made or notified to the charity



How Does a Legacy Challenge Work?

- Name charity in your will
- Tell the charity about it
- Charity receives a matching gift today
- Typical matching formula
 - 10% of face value
 - e.g. \$100,000 planned gift = \$10,000 match



Harnessing the Power of the Bequest Challenge Match

- Where we started at the ACLU
- What we discovered
- Why we are talking about this today?



Why It Works

- Donors like matches
- All donors can participate
- Matching donation often exceeds donor's annual gift by multiples
- Removes “death” from the conversation
- Provides staff with an opportunity to talk about planned giving with donors



Why It Works

Only 5.9% of those who made a charitable bequest removed a charitable organization from their will.

Source: Russell James in his report Causes and correlates of charitable giving in estate planning: A cross-sectional and longitudinal examination of older adults, 2007



ACLU Results

- New planned gifts increased from \$15 million to \$43 million in first year of challenge
- Ten years out, subsequent iterations of the challenge have continued to increase results, reaching over \$80 million this year
- Marketing dollars became more effective, allowing us to invest more in planned giving
- Measurable ROI: Every \$1 of expense budget generates planned gifts with a face value of \$30



ACLU Results

Top 10% of Planned Gift Donors = 70% of Gift Dollars

Gift Amount	Count
\$5 mil - \$10 mil	7
\$3 mil - \$4.9 mil	8
\$1 mil - \$2.9 mil	90
\$500k-\$999k	97
\$100k-\$499k	629
\$1-\$99,999	1,717



EDF Results

- \$1 million bequest challenge leveraged \$27 million in current value bequest intentions.
- The value of new planned gifts rose from \$1.5 million to \$8 million the first year and to \$11 million the second year of the Challenge.
- Annual number of planned gifts increased from average of 50 to over 120 during first two years of challenge.
- Average amount of bequest intentions more than doubled from \$25,000 to \$73,000.



EDF Results

Top 10% of Planned Gift Donors = 60% of Gift Dollars

Gift Amount	Count
\$5 mil +	1
\$1 mil- \$4.9 mil	3
\$250k - \$999k	16
\$100k-\$249k	33
Exactly \$100k	26
\$1-\$99k	225



Organizational Benefits

- Cash today
- Establishes value of planned giving program
- Reinforces the value of revocable bequest intentions
- Easy way for Major Gift officers to initiate planned giving conversations
- Focuses planned giving stewardship and cultivation activities
- Makes planned giving program data-driven



Organizational Benefits - Makes the PG program Data-Driven

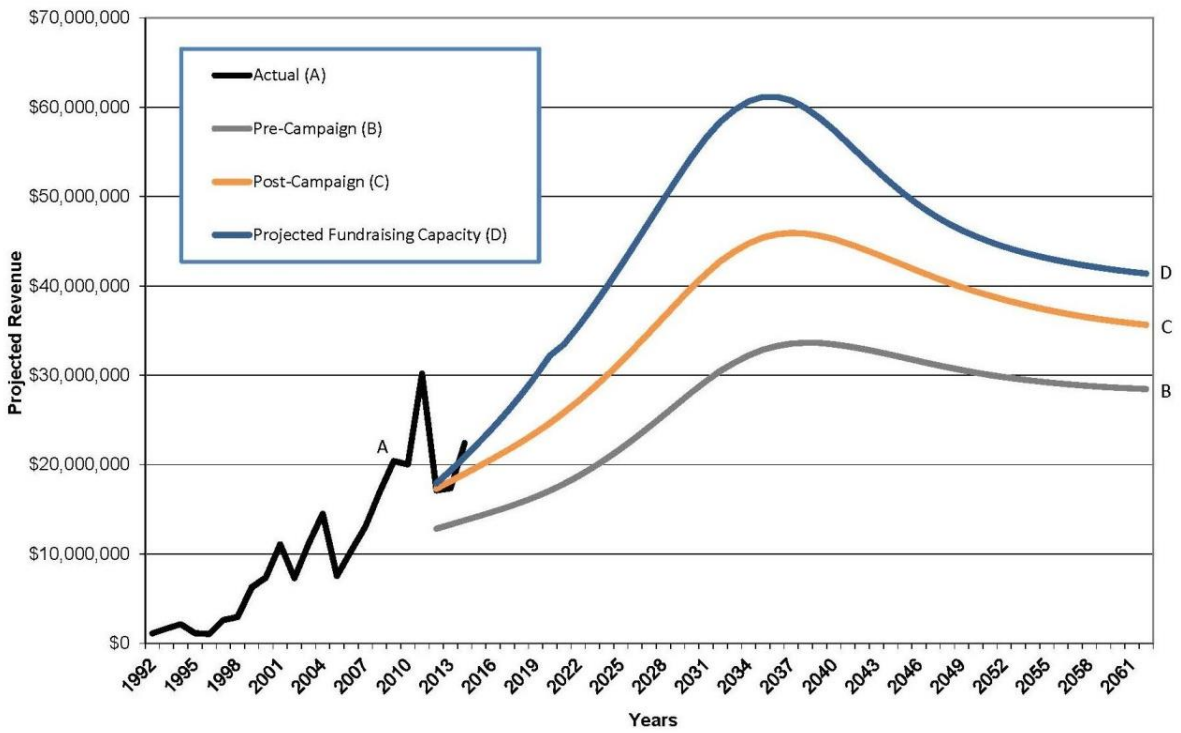
- What's your pipeline worth?
- How do we measure it?
- How much unrealized potential do we have?
- How do we reach our potential?
- Over what period of time and at what cost?
- When will the cash be received?



Organizational Benefits - Makes the PG program Data-Driven

- Bequest expectancies can be measured, reported, used to calculate return on investment
- Calibrate investment in the planned giving program
- Cash flow can be accurately forecasted and used for organizational planning

Projected Bequest Cash Flow





Implementing a Bequest Challenge

- Organizational readiness
- Securing a matching funder
- Options for the match formula and terms



Organizational Readiness

1. Does my organization have the right prospects?
2. Do we have the resources to reach them with our message?
3. Have we already been promoting and soliciting planned gifts?



Securing a Matching Funder

1. Longtime insider committed to the financial health of the organization
2. Understands the value: challenge is a highly leveraged investment
3. Understands that the overwhelming majority of bequest intentions are never revoked
4. Can pledge the amount you will need
5. Willing to lend their name



Match Formula and Terms

1. Model formula (10% of face value, with a cap)
2. Match for beneficiary designations
3. Match for undisclosed amounts
4. Increased bequests
5. Requiring copies of wills



Planned Parenthood Bequest Challenge

- National organization
 - Well established planned giving program
- 59 independent affiliates
 - Wide range of planned giving activities
 - Multiple legacy societies



Planned Parenthood Bequest Challenge

- Collaborative effort – 2.5 years in the planning
- Part of centennial campaign and celebration
- Benchmarked against other legacy challenges
- Bequest data determined match size and funds needed
- Gained support of CEO, CDO, and key affiliates
- CDO and MG identified and solicited donors for matching funds



Planned Parenthood Bequest Challenge

- \$10 million challenge matching fund
- 10% estimated current value of bequest intention
- Up to \$25,000 match per household
- No life income gifts
- Existing bequests count



ACLU Legacy Challenge

- 20% match on first \$1 million
- 5% match on amounts in excess of \$1 million
- 10% match on first \$1 million for pre-4/1/15 provisions
- \$100 flat match for undisclosed amounts
- Includes beneficiary designations, increases, life income gifts



Match Formula and Terms

2. My bequest is in the specific amount of: \$ _____
 - My bequest is stated as a percentage and is worth approximately: \$ _____
(Please provide your best good-faith estimate of the value of your future bequest, based on the approximate current value of your assets.)
 - I wish to keep the value of my bequest private at this time.
(Your intended bequest will qualify for a matching gift of \$100.)
3. My bequest to the ACLU depends upon a contingency, such as the prior death of a spouse, partner or child.
 - My spouse/partner has done the same. The ACLU will receive a gift upon the death of the second-to-die.
 4. I added this bequest to my will or trust, or updated my beneficiary designation forms to include a gift to the ACLU
 - Prior to April 1, 2015
 - After April 1, 2015*



Marketing

- Target audience
- Messages
- Most effective channels
- Examples of marketing collateral



Marketing

- Target audience
 - Traditional planned giving prospects
 - Younger prospects with beneficiary designations
 - Depends on who you can afford to reach

- Messages
 - Simple
 - Direct
 - Easy to reply



Marketing

- Most effective channels for responses
 - Direct mail
 - Organizational newsletters and magazines
 - “Special Edition” planned giving newsletters
 - Inserts with direct marketing appeals
- Branding opportunities
 - Annual report
 - Web
 - Email signatures

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Marketing Examples – American Civil Liberties Union

**Including the ACLU in your will
is worth more than words can convey.**

In fact, today it's worth up to \$10,000.

Through the LEGACY CHALLENGE, naming the ACLU Foundation in your will or trust qualifies us to receive up to a [\\$10,000 matching donation today](#) from our generous donor the Robert W. Wilson Charitable Trust. It's that simple.

So if you have the will, we have the way.

To learn more, visit www.aclu.org/legacy or call toll-free 877-867-1025.

Please act now. The Legacy Challenge ends May 31, 2009.



With a Single Sentence, You Can Defend Freedom Now and Forever.

Right now, by adding the ACLU to your will, you can leave a legacy of liberty for generations to come and defend our freedom today.

Name the ACLU in your estate plans and the LuEsther T. Mertz Charitable Trust will make a cash matching contribution of up to \$10,000 to the ACLU today, while matching funds are available.

For simple bequest language to include in your will and for information on other gifts that qualify for the Legacy Challenge, visit www.aclu.org/legacy or call toll-free **877-867-1025**.

AMERICAN CIVIL LIBERTIES UNION

LEGACY
CHALLENGE



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Marketing Examples – American Civil Liberties Union

AMERICAN CIVIL LIBERTIES UNION
LEGACY CHALLENGE

- Name the ACLU in your will, or as a beneficiary of your retirement plan, savings account or life insurance policy.
- Complete this matching form.
- A matching donation of 20%* will be made to the ACLU today in your name, while matching funds are available.

Signature _____ Date _____

Name (Please Print) _____

Address _____

City _____ State _____ Zip _____


Email _____ Phone _____

I'd Like to Qualify My Planned Gift for a Matching Donation

1. I have included the ACLU ACLU Foundation as a beneficiary of my
 - Will / Living Trust Retirement Plan Savings Account Life Insurance Policy Charitable Trust
2. My bequest is in the specific amount of \$ _____
 - My bequest is stated as a percentage and is worth approximately % _____
 - (Please provide your best good-faith estimate of the value of your future bequest, based on the approximate current value of your assets.)
 - I wish to keep the value of my bequest private at this time.
 - (Your intended bequest will qualify for a matching gift of \$100.)
3. My bequest to the ACLU depends upon a contingency, such as the prior death of a spouse, partner or child.
 - My spouse/partner has done the same. The ACLU will receive a gift upon the death of the second-to-die.
4. I added this bequest to my will or trust, or updated my beneficiary designation forms to include a gift to the ACLU
 - Prior to April 1, 2015 After April 1, 2015*
5. Please contact me about being recognized on the DeGuliver Legacy Society honor roll, or
 - I prefer to remain anonymous.

Please return to:
ACLU Office of Gift Planning
125 Broad Street, 10th Floor
New York, NY 10004

For questions or more information:
website: www.aclu.org/legacy
toll-free: 877-683-1905
email: legacy@aclu.org


AMERICAN CIVIL LIBERTIES UNION

*Qualifying planned gifts up to \$1 million will be matched with a 20% cash donation if completed after April 1, 2015 and with a 10% cash donation if completed prior to April 1, 2015. A 2% match applies to the portion of a planned gift in excess of \$1 million if completed after April 1, 2015.



Name EDF in your will, or as a beneficiary of your retirement plan, bank account or life insurance policy and a generous supporter will make a matching donation today of up to \$10,000 (10% of your future gift's value).

Yes! I want my future gift to qualify for a matching donation today.

I have named EDF in my:

Will /Trust Retirement plan Bank Account Life Insurance

For EDF to receive a matching donation, please use your best estimate of the current value of your future gift.

My bequest is stated as a percentage and is worth approximately: \$ _____

My bequest is in the specific amount of: \$ _____

I wish to keep the value of my bequest private at this time.

Name _____

Address _____

City _____ State _____ Zip _____

Email _____ Phone _____

Thank you.

If you have questions about the Legacy Match or would like help in finding a gift that is right for you, please contact Mike Pohmann, Associate Director of Planned Giving, toll-free at 1-877-677-7397, directly at 212-616-1201, or by email at legacy@edf.org.

Use the enclosed envelope or return to:



Environmental Defense Fund
Office of Planned Giving
257 Park Avenue South
New York, NY 10010

Totally chlorine free 100% post-consumer recycled paper



Marketing Examples – Environmental Defense Fund

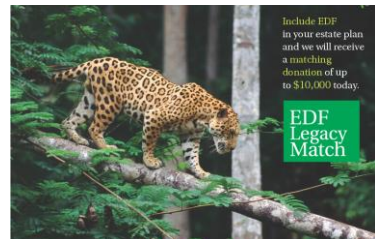


Here's how it works:

- Name EDF in your will, or as a beneficiary of your retirement plan, bank account or life insurance
- Tell us about it
- A generous supporter will make a matching donation today of up to \$10,000 (10% of your future gift's value)

It's that simple.

EDF Legacy Match





Takeaways

- Legacy Challenges are a proven way to secure untapped potential gifts from loyal supporters who would otherwise be "on the fence" about closing a planned gift
- They can be tailored to appeal to your organization's needs, donor base, and target audience
- They can dramatically increase the return-on-investment of planned gift fundraising, and raise current cash as well as future commitments



Questions and Answers





Still Have a Question?

Contact info:

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