



Gift Planning in a Capital Campaign



Date:

September 29, 2016

Time:

1:00 – 2:30 Eastern Time

Presenter:

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Director of Gift Planning
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Agenda

- **Background – Penn’s Campaign**
- **Why gift planning is important to campaigns**
- **The planning stage – issues to consider**
- **Counting and recognition**
- **Increasing gift planning collaboration**



Campaign Goals



Overall Goal: \$3.5 billion

Overall Raised:

\$4,302,890,707

GOALS BY PURPOSE:

Current Use 24%

Capital 26%

Endowment 50%

\$826 million

\$924 million

\$1.75 billion



ENGAGEMENT

There are many opportunities for Penn alumni, students, parents, and friends to participate in Making History. Beyond the financial targets are specific goals for engagement that represent Penn's commitment to broadening and cultivating its most important relationships. These goals include:

- **Strengthen campus and regional activities that engage alumni, students, parents, and friends and provide increased access to Penn's vast academic resources.**
- **Build on the success of alumni class and affinity group programming, creating new ways for alumni to connect with each other.**
- **Grow the number of alumni who support Penn's commitment to educational excellence through their annual gifts.**
- **Increase the number of individuals who create lasting legacies at Penn through their planned gifts and Harrison Society participation.**



An essential campaign component

Campaigns have changed

Tough times (recession) - competition for dollars

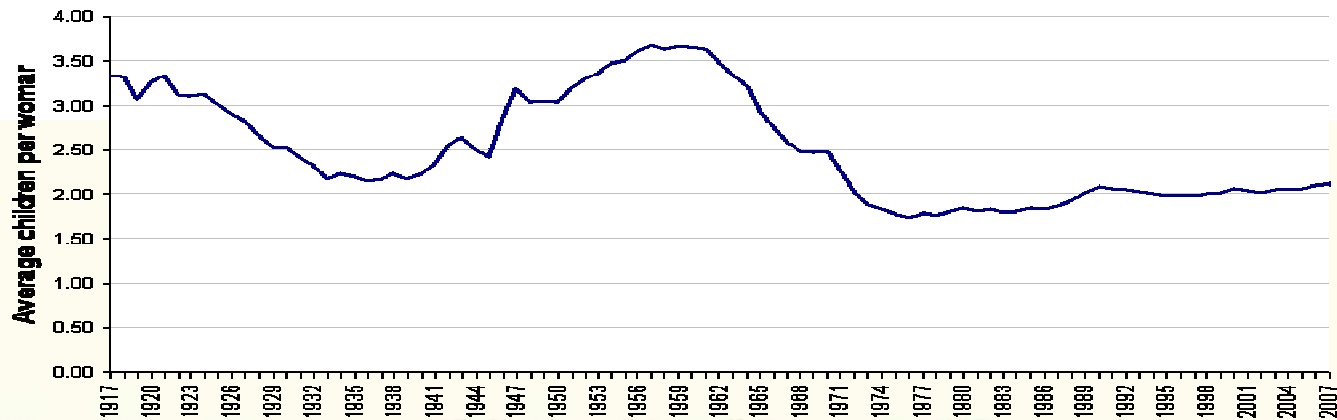
Boomers are concerned about costs of retirement, education, health care, and parent needs

Deeper relationships with donors are more critical - with a sensitivity to their needs - and the ability to be creative and flexible



Baby Bust

U.S. Total Fertility Rate. 1917-2007





Why gift planning is critical

**10 - 25% of campaign dollars
Represents extraordinary ROI**





Assets versus cash

**Wealth is not held in cash.
It is held in assets.**



**If you're asking for cash,
you're asking from the **small** bucket.**



Gift planning in a campaign

“jump start” a planned giving program

**Creates awareness – opportunity to educate
(donors, prospects, staff and volunteers)**

Provides a sense of urgency – closes gifts

Uncovers existing gifts and values

Builds the prospect pool



Ideal time: Strategic Planning

- ❖ **Include Gift Planning at feasibility stage**
- ❖ **Include in Campaign Goals**
- ❖ **Get “buy in” from the start, from campaign leadership, staff, volunteers and key donors**
- ❖ **Establish that GP is not a “fallback”**
- ❖ **Regular reporting**



Policies

Establish/update gift acceptance policies

Establish/update counting policies

Update prospect management policies





What to count and how to count it?



- ❖ **Outright gifts and pledge commitments**
- ❖ **Five year period – policy for exceptions**
- **Written documents**
e.g. gift agreements



What counts?



Bequests and Beneficiary Designations

Intentions:

- ❖ **Age consideration**
- ❖ **Revocable vs. Irrevocable**
- ❖ **Gift agreement – binding**
- ❖ **Face value or discounted**
- ❖ **How to establish value**
 - ***Specific dollar amount***
 - ***Percentage or residuary***





What counts?

**Life income or term-of-years gifts
(CRT's and CGA's)**

Irrevocably designated

Face value or present value?

“Outside” trusts – documented?





What counts?



Charitable Lead Trust:

- ❖ **Irrevocably designated**
- ❖ **Documented**
- ❖ **5 years at face value**
- ❖ **Remaining payments –
discounted or face?**



Complex assets or tangible property

Appraisal requirements



Reserve right to adjust gift credit



Empower partnerships

Prospect Management

Donor Centric

Documented and shared

Cultivate **INTERNAL
relationships**





Foster Collaboration

Keys to Success:

Trust

Communication

Shared Credit





Partner through Engagement (non-financial goals)

**Participation: Goals for Legacy
Society**

Measure and report success

Recognize planned gifts

Consider metrics



We get what we measure...METRICS

Conversations

Education

Collaboration

Cultivating a donor



Collaboration

Office of Gift Planning:

- ❖ **Collaboration with Schools and Centers**

- ❖ **Collaboration with**

Alumni Relations and Annual Fund

- ❖ **Collaboration with Penn Medicine**



Collaboration with Annual Gifts



- **Then: stretch for 50th – then a let down**
- **Started with “Old Guard”**
- **Now: legacy goals for ALL reunion classes**
- **Joint visit and ask goals**
- **Analytics - annual gifts DOUBLED with legacy membership**



Penn Medicine Gift Officers



Penn Medicine

- **Visits – solo or with GPO**
- **GP asks**
- **New legacy society members (annual and campaign goals)**
- **GP training requirement**
- **Annual portfolio review with GPO (identify expectancies and prospects)**
- **At meetings and updates**



Conclusion

**One size does not fit ALL campaigns –
but consistency, transparency and fiscal integrity
are
*CRITICAL***



Questions and Answers





Still Have a Question?

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