Stewardship of Planned Giving Donors

Date: September 24, 2015

Time: 1:00 – 2:30 Eastern Time

Presenters: Alison O'Carroll
Associate Director, Planned Giving
Fred Hutchinson Cancer Research Center

Sara Elward
Previously: Manager of Gift Planning
KCTS 9 Public Television

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Invested in your mission

Introduction

Why be concerned about stewardship?

We already have the gift …

right?

Introduction

I. Case for stewardship

II. Stewardship activities

III. Expanded view of stewardship

IV. Special considerations

I. Stewardship Matters

Right thing to do but also:

- Keeps bequest in place
- Encourages intergenerational giving
- Results in additional planned gifts
- Increases bequest amount
- Increases outright giving
- Accelerates deferred gifts

A. Keep Bequests in Place

- Oft repeated statistic – true or false?

90% or more of bequest donors don't change their plans.
Once you are in, you're in.

- Genesis -- NCPG 2000 Survey of Donors?
- The question: ***"Has the amount of the charitable bequest ever increased or decreased?"***
- Less than 1 in 10 said "decreased"

A. Keep Bequests in Place

- Gift plans change over time
- Dr. Russell James, J.D., Ph.D., CFP, Director of Graduate Studies in Charitable Planning, Texas Tech University
- Large, federally-funded, **longitudinal**, nationally representative study on health and retirement issues since 1992

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Research Findings – Gift in Estate

- 10-Year Retention Rates: 50% – 60%

  (5 groupings of 10 years each, 1993-2012)

- Charitable Plan: from 100% to 65%

  Loss Trajectory

  (Charitable gift in both 1998 & 2000, and who retained the gift through 2012)

B. Encourage Intergenerational Giving

- Family members often have same interests and values
- Give to honor older generation
- Continue family giving tradition

C. Multiple Planned Gifts

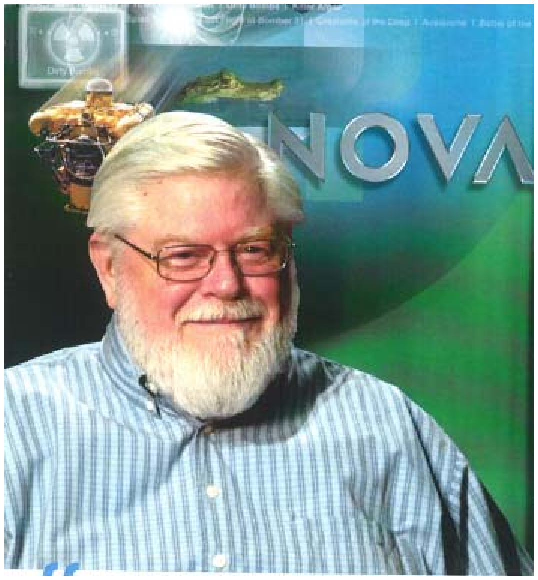
"Planned Gift Collectors"

Husband and wife donors to KCTS

- Single life gift annuity (W)
- Single-life gift annuity (H)
- Two Single-life gift annuities (W)
- Bequest in will (W)
- Beneficiary designation, retirement assets (W)
- Latest: a joint-life gift annuity!

D. Increase Size of Planned Gifts

- Meet KCTS 9 Donor Gordon Olson
  - Known legacy donor
  - Volunteer
  - Annual donor



- Stewardship: event invitations, first legacy on-air spot, national spot by PBS, Legacy Circle brochure, personal contact, legacy lunches, etc.

Result?

Gordon Olson eventually:

- Doubled the size of his bequest
- Increased annual gift to the major gift donor level

E. Increase Annual Giving

- Dr. Russell James again
- 9,439 observations from the longitudinal study, in constant (inflation adjusted) 2012 dollars
- Average annual gift over 8 year periods:
  - preceding estate gift plan: **$4,210**
  - after estate gift plan: **$7,381**

F. Accelerate Deferred Gift

Long-term supporter of KCTS 9

- Invited to numerous events
- Attended events, brought friends
- Regular communications:
  PG newsletters, Quarterly "Insider Reports", Telephone Calls, Occasional visits

Result?

- accelerated bequest, established $500k endowment
- repeated annual gift!

II. Stewardship Activities

Consider an Annual Event, but so much more…

- Planned gift (legacy) society
- Unique benefits for PG donors
- “Piggyback” on other events
- Personal calls and visits
- Cards, Notes, and E-mail
- Thank for outright gifts
- Donor stories
- Insider reports
- Recognition
- “Outside the Box” actions

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A. Create a Legacy Society

- Formalizes stewardship
- Donors feel part of a special community
- Provides an avenue for donor recognition
- Marketing benefits

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LS: Membership Criteria

Be Inclusive

- Contingent bequest donors
- Go easy on required documentation

LS: Membership Benefits

- When deciding upon benefits to offer, keep in mind
  - they serve multiple purposes
  - quality not quantity is important
  - be done consistently
- Offer “standard” benefits
  - Donor listings
  - Membership certificate/pin
  - Non-profits publications
  - Memento?
  - Annual event?

B. Unique Benefits

What is unique to your non-profit?

- Parking privileges
- Custom books with mission related photos and quotes. (Snapfish)
  - Make-a-Wish: book of children's wishes being carried out
  - Children's Hospital: book of poetry with drawings from patients
- Wine release party

C. "Piggyback" on other events

- Giving-related events (e.g. endowment lunch)
  - Mixed seating
  - Distinguish PG donors – ribbon, stickers on nametags
  - Acknowledge
- Other events
  - "State of the Union" addresses
  - Surveys/focus groups
  - Regional gatherings
  - Science Over Lunch

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D. Personal Visits and Phone Calls

Some of the best stewardship you can do.

Goal: visit or substantive phone call with each member of LS once per year

- For those hard-to-visit donors:
  - Leverage event invitations
  - Create a reason to visit, e.g. membership certificate, materials or photos from event
  - Drop-in visits
  - In the area

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E. Cards, Notes, E-mails

- Birthday card
- Anniversary card
- Holiday cards
  - Thanksgiving
  - Valentine
  - Anniversary date of non-profit
- Include a photo
- Get well card
- Sympathy card
- Area of interest note (use a hangtag)
- Personal note of any kind

F. Recognition

- Use multiple channels to recognize donors
- Consider deceased members
- Decide if gift size matters

Georgetown University

We are pleased to welcome the newest members of the Georgetown Legacy Society.
The Legacy Society honors those who have included the University for a gift in their estate plans (bequests by will or trust, retirement plan designations, life income gifts, etc.) These thoughtful estate commitments help to ensure Georgetown's excellence, for generations to come.
For a list of the newest members, a full list of members and more information on the Legacy Society, click here.
If you would like to become a member or would like further information, please let us know by replying to this email. We would be honored to welcome you to the Georgetown Legacy Society!

YOUR LEGACY.
OUR GRATITUDE.

G. Other

- Collect donor stories
  - Newsletter article
  - Testimonial on website
  - Marketing piece
- Insider Reports / Quarterly letter
- Thank for outright gifts
  - personal
  - handwritten
  - share a poignant donor story
- Think outside the box

H. But How??

- Start small and build
- Contacts brief/short
- Volunteers – thank you calls, cards
- Other fundraisers – annual visits
- Centralize stewardship activities?
  - Broad activities (Insiders Reports, annual event)
  - Donors without a special relationship

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Example: Bloodworks Northwest (formerly Puget Sound Blood Center)

The Situation

- Some planned giving activity in the past
- Heritage Society – 30 members
- Very little activity/contact for years
- One fundraiser, doing PG part time

Stewardship: Puget Sound Blood Center

The Action

- Personal contact via e-mail, phone, visits
- HS certificate developed
- "Partners in Life" quarterly events around the sound
  - One-page HS newsletter
  - Brief explanation of the HS
  - HS member shared story
  - Asked to consider such a gift

PSBC: Heritage Society Newsletter

Heritage Update

The Future of Health and Well-being Throughout the Community

Special Edition

Inside This Issue

- Remembering Mom
- What is the *Heritage Society?*

La Conner resident, Rae Allen with her mother, Lorena.

Daughter Donates to Platelet Research

Heritage Society member Arleta "Rae" Allen of La Conner recently made a generous gift to a program at PSBC that is close to her heart: platelet research. Rae's mother, Lorena Honeycutt, passed away only six months after a diagnosis of Myelodysplastic Syndrome, a blood disorder known as "pre-leukemia" for which platelet transfusions are important treatments. Unfortunately, Lorena's body began rejecting the platelet therapy.

In Rae's words: "*My mother was a vital woman she hunted, fished, crabbed, and clammed along the ocean shore…I wish you could have seen her face when she caught a fish. She would grin like a five-year-old. She went from this energized, active woman to a person whose spirit wasn't crushed, but whose body was just a shell. It was hard to see over such a short period of time.*"

Rae was inspired to give when she discovered that the PSBC Research Institute is currently investigating the very condition that caused her mother's premature death - platelet rejection. Rae has pledged to match dollar for dollar all gifts to platelet research made through the end of the year.

"I am glad to be a part of the Heritage Society and to give gifts now, too."

To see Rae talk about her mother and why she supports PSBC, or to join her in funding platelet research, visit psbc.geocko.com/campaigns.

Did you know?

Your IRAs, 401(k)s, annuities, and life insurance policies are distributed according to the beneficiary you select, not based on your will. If you have an account like these, call your account manager and verify that you have accurate beneficiaries listed. Otherwise, IRA funds roll into your probated estate and heirs can be hit with a larger tax burden.

At your service!

End of life concerns about finances are difficult to talk about. Puget Sound Blood Center has a network of professionals to evaluate your estate needs and give you unbiased advice. Contact Jeanne Galloway, ND At (206) 398-5967 to discuss some options.

Heritage Update: The Future of Health and Well-being Throughout the Community **PAGE 2**

What is the *Heritage Society*?

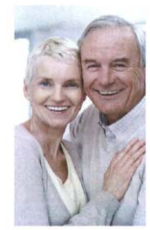
A number of years ago, several longtime blood donors and financial supporters of Puget Sound Blood Center came together with a shared desire to build a bridge to the future. They were grateful to live in a community with such wonderful health and wellness services.

They wanted to lay a foundation so that their children, grandchildren and great-grandchildren would have the same access to a safe and effective blood supply as they have had for nearly 70 years through the mission of Puget Sound Blood Center.

This group formed the *Heritage Society* — a recognition society for those who have placed the Blood Center in their will, created a charitable trust, or a charitable gift annuity.

You can save a life...not just today, but also in the future through your estate planning.

Send in the bottom of this sheet via mail, or call Jeanne Galloway, ND at 206-398-5967 to talk about saving lives in the future.



Joining the Heritage Society means saving lives far into the future!

CONTACT US:
Jeanne Galloway
Heritage Society Manager
Phone: 1-206-398-5967
Email: JeanneG@PSBC.org
Web: psbc.org/gifts/special.htm

Puget Sound Blood Center
blood services | medicine | research

Join the *Heritage Society*

Blood Saves Lives!

Mail this to:
PSBC Development
921 Terry Avenue
Seattle, WA 98029

Yes! I support Puget Sound Blood Center's work to save lives.

- ☐ Please note I have named Puget Sound Blood Center in my will.
- ☐ Please send me information on how to include Puget Sound Blood Center in my will.
- ☐ Please send me information on how to make a gift to Puget Sound Blood Center that pays income for life to me and/or other persons.
- ☐ Please contact me, I'd like to discuss estate planning questions.

Please send acknowledgement or information to:

☐ **Home** ☐ **Business**

Name (s): ______________________

Address: ______________________

City/State/Zip: ______________________

Phone: ______________ Email: ______________

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PSBC: Heritage Society Member Certificate

Vision for the Future

Heritage Society Member

Alison Smith

The Board of Trustees and staff of Puget Sound Blood Center thank you for your foresight and commitment to our mission – *saving lives, through research, innovation, education and excellence in blood, medical and laboratory services, in partnership with our community.*

Thank you for remembering the Blood Center through your planned giving.

Nancy Sclater, Chair
Board of Trustees

James P. AuBuchon, MD, FCAP, FRCP (Edin)
President and CEO

Michael Cheever
Director of Development

Jeanne Galloway, ND
Planned Giving Officer

Stewardship: Puget Sound Blood Center

The Response

- After a “Partners in Life” event, family contacted PGO. Let her know PSBC was in their will, now increasing gift from 5% to 25%, and additional gifts are being discussed
- HS member that had *never* been visited. PGO reached via e-mail, eventually visited (HS member certificate). Donor attended “Partners in Life” event, later met Director. Specific bequest left in will and another (residual) gift added
- Uncovered great donor story to inspire others

III. Expand Notion of "Stewardship"

Because of the nature of planned gifts, an expanded concept of stewardship is necessary.

- When stewardship begins
- When stewardship ends
- Family and friends
- Professional advisors

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Expanded Stewardship: When Stewardship Begins

- Moment your **non-profit** is informed of the PG expectancy
  - What happens before the good news gets to you?
  - How does it get to you?
  - Respond in a timely manner
- Mantra: This gift is extremely important and deserves timely, personal attention

Expanded Stewardship: When Stewardship Ends

Stewardship continues past the grave!

- Respond promptly when notified of a matured gift
- Ensure distribution is timely and correct
- Honor the deceased donor
- Ensure gift is handled correctly internally

Expanded Stewardship: Family and Friends

- While living, allow/encourage donor to invite to certain events
- Upon death,
  - Condolences
  - Report back down the road
  - Invite to the LS annual event in year of gift
  - Ongoing endowment reports?

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Family and friends

- Don't ignore friends
  - For some, friends are family
  - Best PG prospects likely to have close friend

- Example of family stewardship to the *nth* degree

Expanded Stewardship: Professional Advisors

Often play key role in planned gifts

- Respond quickly and professionally
  - Living donors/clients
  - Matured estate gifts
- With more bandwidth:
  - Cultivate in ways similar to donors
  - Dedicated event, e.g. annual lunch for advisors

IV. Special Considerations

- Physical space
- Physical limitations
- Sensitivity to schedules
- Generational differences

IV. Special Considerations

- Elevated to status of family, closest friend, or other loved ones.
- Participate in life events
- Celebrate the joy of the gift
- **YouTube:** Search for "Stroh Center Rap"

Questions and Answers

Still Have a Question?

Contact: Alison O'Carroll
Associate Director, Planned Giving
Fred Hutchinson Cancer Research Center
aocarrol@fredhutch.org

Contact: Sara Elward
Previously: Manager of Gift Planning
KCTS 9 Public Television
SElward@hevanet.com

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