



OKLAHOMA CITY
COMMUNITY FOUNDATION

Planned Giving Part I

Running a Planned Giving Program on Limited Staff

*Joe Carter · Vice President, Development
Oklahoma City Community Foundation*



Do Planned Gifts Make Up 25% of Your Annual Budget?

The average nonprofit generates 7-10% annually.

Within 5-10 years you should generate 25% - 40% of your annual budget from planned gifts.

Many of the largest most successful organizations generate over 50% in annual income.



Feasibility Test

1. Do you have donors, regardless of gift size, that have been faithful to your organization for 5, 10 and 15 years?
2. Do you have longtime volunteers?
3. Are your donors convinced the work you do will be needed well into the future?
4. Do you know why your loyal donors are consistent in their annual giving and what motivates them to continue?



Say it ain't So...

Pandemics and bad economies are the best time to secure planned gifts

Typical planned gift is 200 – 300 times an annual gift

Planned gifts do not affect one's cash flow

Prospects earmarking a gift from their will or trust typically double the amount of their annual support

33% of American are willing to consider a charitable bequest



OKLAHOMA CITY COMMUNITY FOUNDATION

Organizational Goals

Organizational Stability

Program Enhancement

Donor Stewardship



Defining Organizational Impact

Why a planned gift

Define charitable impact on your
organization and/or community

What is the value of your organization

Identify impact donors



OKLAHOMA CITY COMMUNITY FOUNDATION

Management Plan

Who is responsible for the plan

Who do they report to

Who will track the gifts, documents and record

**Who will be responsible for stewardship and
relationship building**



OKLAHOMA CITY COMMUNITY FOUNDATION

Administration Requirement Considerations

Outsource?

Gifts of Tangible Property

Example: Charitable Solutions, LLC

Tax Filing

Investment Options

Charitable Gift Annuities Admin

Example: Kaspick & Associates



Concentrate on Simple Gifts

Bequests

Beneficiary Designations

Transfer on Death Deeds



Program Potential – Rule of Thirds

Loyal Donors:

One third will be interested in making a gift

One third of that group will actually make a gift

Multiply that group by average planned gift size

Example: 300 loyals = 100 prospects = 33 planned gifts =
 $\$25,000 \times 33 = \$825,000$



Don't Over Indulge

Buying Birthdate Lists

Accounting Firms

Complex Gifts



OKLAHOMA CITY COMMUNITY FOUNDATION

Marketing: No Need to Reinvent the Wheel

Crescendo Interactive

Planned Giving Design Center

PG Calc

The Stelter Company

VirtualGiving.com



Online marketing is #1 outlet replacing print for effectiveness in planned giving, but nothing is more effective than one-on-one conversations.



OKLAHOMA CITY
COMMUNITY FOUNDATION

Planned Giving Part II

Before Your First Conversation





OKLAHOMA CITY COMMUNITY FOUNDATION

Number One Key to Success

You don't have to be a technical expert on planned giving or some masterful gift guru, you just need to effectively communicate to a donor how they can make an impact on your cause



Before Your First Conversation

Have a strong understanding:

Your mission

Your Donors

Your successful programs

Be passionate about your work.



Before Your First Conversation

Educate yourself on the basics of planned giving.

Understand that planned gifts can do only two things:

1. Lower taxes
2. Trade gift for income



Before Your First Conversation

Understand that this is a marathon, not a sprint; it typically takes multiple conversations before a donor is willing to commit.



Before Your First Conversation

Prepare to build a relationship which requires a level of closeness between you and the donor.



What's the Impact?

- Organizations need to define the impact of a gift and how it can change, improve or even transform the organization for the betterment of society.
- How much would you need to sustain a particular program or service?
- Would it allow you to expand your mission, if so, how?



Essentials

- Cultivation: Providing informative material and education to aid in the development of a donor's passion toward the organization
- Stewardship: Art of building confidence and trust for the purpose of developing a donor/organization relationship in which additional gifts are possible



Planting the Seed - Cultivation

Define the Impact

Newsletter Articles

Direct Mail

Phone Solicitation - “thank you” campaign

Special Event Sponsorship

Memorial Gifts



The Lost Art

- Having a simple conversation with someone
- Thanking them for their loyalty
- Do you remember when you got involved
- What about the mission is compelling
- Have they witnessed the mission first hand



Initial Conversational Q&A

- Thank you for your support, I know in this economy of late we are blessed to have you as a friend.
- Tell me about yourself.
- Do you have family?
- Are you still working?
- Are you involved with other charities?
- Do you enjoy or get to travel much?



Initial Conversational Q&A

- Who introduced you to our organization?
- Why did you decide to get involved?
- What about our mission inspires you most?
- Have you seen first hand how your generous gifts have/are making a difference in the lives of those we serve?
- Is there a particular program or activity that you feel an attachment?



Listening for a Planned Gift

- Saving for retirement
- Unhappy with current investment returns
- Own or selling a business
- Have a second home or vacation home
- Have rental properties
- CD income provides little income
- Large amount of corporate stock
- No immediate family
- Taxes are a concern this year



Planned Gift Types

Bequests – over 90% of all planned gifts

Charitable Gift Annuities

Charitable Remainder Trusts

Charitable Lead Trusts

Pooled Income Funds

Life Retained Estate Gifts



Let the Stewardship Begin

- Follow up with any information that the donor may have requested
- Plan a time for them to personally visit a program or activity that they indicated as important to them
- Send them personalized notes and updates on the programs they've shown interest
- Send examples of a gift vehicle you feel may be of interest to them based on your conversation



Education via website, newsletters and social media – “Did You Know”

- Bequests
- Gift Annuities
- Life Estate Gifts
- Charitable Remainder Trusts
 1. Sale of Business
 2. Rental Properties, etc.
- Charitable Lead Trusts
 1. Large taxable event
 2. Estate Planning



Don't Forget the Women

Women's giving tendencies are:

1. Transformational – challenging the status quo
2. Personal – largely dependent on hands-on involvement in the organization; and
3. Social – with group relationships and interactions as an important part of the experience



Steps to Success

- Find a Community Partner –
Local Community Foundation
- Integrate Planned Giving Messaging
 1. Newsletters
 2. Websites
 3. Social Media
- Consider a Donor Recognition Society
- Start with the Board



The “Ask”

When should the ask be made?

How much?

What documentation is needed?



Allow Donors to be Philanthropists

Donors make gifts to support the organization

Philanthropists transform the organization

Philanthropists don't want to give money away,
they want to invest in:

Changing or saving lives and great causes

Not all people are investors!



Simple Survey

After a year of marketing and cultivation send out an email survey:

If you completed a will in the next 3 months, what is the likelihood that you might leave a gift to our organization?

- ☐ None
- ☐ I don't know
- ☐ Maybe
- ☐ Strong possibility



OKLAHOMA CITY
COMMUNITY FOUNDATION

Planned Giving Part II

Vehicles, Strategies & Execution



Bequests

Transfer on Death or Payable on Death

Transfer on Death Deed

Wills and Trusts

Life Insurance

Retirement Plans



Charitable Gift Annuities

Immediate

Individual

Joint

Deferred

Individual

Joint



Charitable Remainder Trusts

Charitable Remainder Annuity Trusts – CRAT

- Fixed Return on Original Gift

- Life

- Term of Years

- One or more lives

Charitable Remainder Unitrusts – CRUT

- Variable Return on Market Value, Jan 1

- Life

- Term of Years

- One or more lives



Charitable Lead Trusts

Charitable Lead Trust – Grantor

Charitable Lead Trust – Non Grantor



Retained Life Estate Gifts

Personal Residence

Farm

Vacation Home



Positive Outcomes

By educating, cultivating, stewarding, and taking time to get to know your donor's true passions and concerns, you will be performing a wonderful service to your donor and your organization by having these meaningful conversations.



Bottom Line

People invest in people they trust and causes aligned with their values.

Success = time, effort and most importantly careful listening
&

LASTLY

Nothing comes from Nothing



Thank you for Attending

Joe Carter

Vice President, Development

606-2914 | j.carter@occf.org



OKLAHOMA CITY COMMUNITY FOUNDATION

Simple. Effective. Forever.