giving TOMORROW

TOUGH CALLS, TERRIFIC RESULTS
Grow your reputation as the one who takes the difficult phone calls.

WHAT A WEALTH ADVISOR KNOWS
Learn from this inside conversation with PIMCO's Head of Advisor Education.

7 CONVERSATION STARTERS
Questions your legacy donors have probably never been asked.

Paul 'Chip' Hurd

Chief Philanthropy Officer, United Way of the Greater Lehigh Valley, PA

When you live in the same community for 50 years, relationships go deep. For Chip, who was born and raised and raised his kids in the Lehigh Valley, many United Way donors are not just professional acquaintances, but personal friends.

ISSUE NO. 64
PlannedGiving.com

Here's to the Doers

If I were a betting man, I'd put money on this: *Successful planned giving professionals get fewer root canals, are up-to-date on their oil change, and have a comfortable retirement savings plan.*

You might wonder, What does any of that have to do with planned giving? Or maybe you recognize the common thread: proactivity.

Planned giving is a proactive field. It's so easy to put off, and put off, and put off … and most people do. Just like most people put off saving for retirement or getting their oil changed or dealing with a cavity before it gets to the root canal stage.

The people I know who are really good at planned giving are proactive people, not only in their profession, but also in life. Paul "Chip" Hurd, our cover story this month (p. 6), is one of those people. I've known Chip for 20 years. In every stance he is a doer. He gets s*** done. As an A+ performer with a great attitude, he has a way of attracting other A+ performers. When we interviewed Chip for this magazine he told us something he's proud of: "I've never had to fire anyone I've hired." Chip is a doer and he knows how to hire and inspire other doers.

Another proactive person in planned giving: Wayne Olson. (Don't miss his article on p. 11!) Wayne is willing to do the dirty work, like taking the calls others avoid. Other people talk about writing a book "someday." Wayne did it. Six times. Wayne is a doer.

I could say similar things about many of you reading this. You are the kind of people who make your own luck. You tackle the hardest thing on your to-do list first thing. You are smart enough to know "someday" will never come and so you are planting planned giving seeds today. You get s*** done. You are the doers. You are in the top 1% of fundraisers who get it. Cheers to you!

VIKEN MIKAELIAN *PlannedGiving.com CEO*

giving TOMORROW

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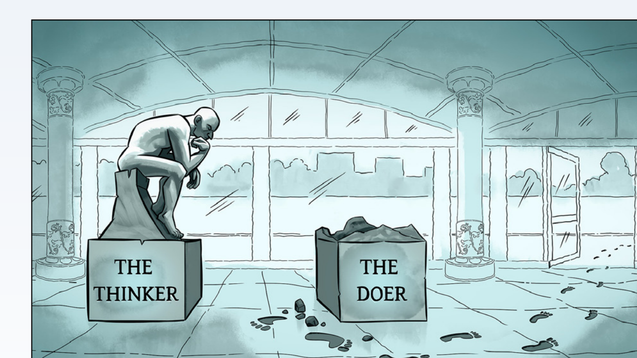

The Real You

"Are those chickens I hear?" I was mortified by the question. It was early in my writing career, and I was interviewing someone for a story by phone from my back deck, when my backyard chickens decided to proudly and loudly announce their egg laying. Embarrassed, I apologized and hurried inside.

Now I look back and realize there was no need to be embarrassed. It's not like I was interviewing royalty—and even if I was, maybe they would have appreciated some levity. Now I know that getting a good interview is all about making the person feel comfortable and creating points of connection. Same goes for donor relationships. The point is not to appear like some sort of unflappable "professional" who's all buttoned up and perfectly organized; the point is to make people feel comfortable and let them see you as a real person—someone they can trust enough to talk to about their memories, their kids, their values, and their finances (p. 9).

Chip Hurd gets this. When I interviewed him for our cover story this month (p. 6) he talked about his familiar relationships, even friendships, with many of the Untied Way's donors. He's still every bit a professional, but no longer feels the need to be formal. In fact, he says the only reason he even owns a tie is for meetings with one particular donor, an older gentleman who wears a suit and tie himself at all times.

If I could go back to my younger self, I'd tell her not to worry about the background clucking. Because when you let your guard down and let people get to know the real you, you're bound to get some good stories—and gifts. ●

KAREN MARTIN *Executive Editor*
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INTERVIEWS BY REBECCA PRICE JANNEY

Extra Money to Spend

If your planned giving marketing budget was tripled tomorrow, what would you do with the extra money?

Lynn Elsken Brynes
Director of Leadership & Planned Giving, Office of Advancement, The Bryn Mawr School, Baltimore, MD

If I were presented with a windfall like that, I would focus on really targeted marketing to overcome misconceptions about planned giving, developing compelling materials telling a story of the impact of planned gifts of all sizes. Creating something visually and emotionally appealing, I would showcase more real stories of donors who have made a difference through planned giving. Most importantly, I would like to identify ways to educate and address those misconceptions I often hear—"I'm too young," "I'm not wealthy enough," "My family will be upset if I do this..."—in a thoughtful way that takes the fear out of contemplating a planned gift. Wouldn't it be nice if a three-times larger budget came with more time to share that message with our donors? ●

Mark Troyer
Vice President for Institutional Advancement & Strategic Partnerships, Asbury University, Wilmore, KY

Right away I would invest in regularly training our main gift officers and annual fund team in the basics of estate planning and planned giving tools. It's imperative for them to attain a baseline knowledge so the conversations don't scare them away. I would also invest in a strategic marketing plan with a minimum quarterly newsletter or piece. People aren't ready to have conversations "until they are," and having something on their kitchen table they can refer to is really helpful. Another investment would be continuing to expand a network of exceptional attorneys and estate planners through a planned giving council. There are also reasons to explore partnerships with organizations that have our mission in mind and are willing (at a cost) to handle much of the legwork. ●

Seetha S. Aiyar
Senior Director of Philanthropic Partnerships, Hindu American Foundation, Washington, D.C.

If our marketing budget were tripled, we would rapidly increase brand awareness and boost website traffic. Like all nonprofits, the big question is how? At the top of our list is investing in digital advertising campaigns, leading people to downloadable resources, ramping up fact-check video content, and supporting college campus associations. Our transformative giving program aims to scale K-12 professional development and textbook adoption, strengthen DEI enforcement and corporate sector training, take on substantial civil rights issues, and build up on-the-ground presence. That is a tall order. As a nonprofit leader, my philosophy is to be prepared for a sudden influx of extra money, and this calls for creating wish lists rooted in transparency around the use of funds. ●

"Hard work and a proper frame of mind prepare you for the lucky breaks that come along—or don't."

— Harrison Ford

BY KAREN MARTIN

Half a Century of Relationships

The gym erupted. Angry shouts and "boos" from one half of the arena drowned out the cheers from the other half. Paul 'Chip' Hurd ignored them all. He stood firm-footed in front of the scorer's table and held up two hands to display the jersey number of the player who committed the foul.

After years of refereeing high school and college basketball, Chip was used to the heckling. After all, he says, "I could make the easiest call and half the people would still disagree with me. Half would say you're right; half will say you're an idiot."

As a teenager, Chip wanted to be a referee in the NBA. But one too many knee surgeries took that option off the table, so he settled for refereeing high school and college games. The NBA's loss turned out to be a win for the Lehigh Valley community where Chip is Chief Philanthropy Officer at United Way of the Greater Lehigh Valley.

Not Afraid of No

Besides the rejection training he got on the basketball court, Chip learned something important about hearing 'no' at his first fundraising job at Muhlenberg College. The president at the time was a man named Arthur Taylor who remained a friend and mentor to Chip until his passing in 2015.

"He taught me not to take 'no' as 'never,'" says Chip. "When you ask for a large sum and you get a 'no,' it might just be that the timing is wrong or the project is not right."

At the same time, Chip's boss, Tilghman Moyer, taught him to beware of an immediate 'yes.' Chip recalls a woman in her 80s who was a donor to the college and had become a friend to his family. She would occasionally swing by Chip's house on a Sunday afternoon to take his kids out for ice cream. So, after her husband passed away and the college had a plan to ask her for a $1 million gift for a research lab in her late husband's name, Chip and Tilghman were the natural ones to make the ask.

She leaned over the table, grabbed Chip's arm and said, "I'd love to do that."

Back at the office, they delivered the good news to the president.

"She said yes immediately?" asked Arthur.

"Yes!" said Chip, with a smile.

"You didn't ask for enough."

At Arthur's request, Chip and Tilghman requested another meeting with the woman and this time asked her to name the whole building with a gift of $3 million. Again, she grabbed his arm and said she would love to do that.

"Now 20 years later I'm kicking myself and wondering if $3 million was enough," Chip laughs.

Deep Roots

When you live in the same community for 50 years, relationships go deep. To Chip, who was born and raised and raised his kids in the Lehigh Valley, many United Way donors are not just professional acquaintances, but personal friends.

Left photo: The United Way's Day of Caring unites over 1,000 volunteers to do service projects at 50 nonprofit organizations in the Greater Lehigh Valley. Pictured left to right: Laura McHugh, United Way's VP of Marketing and Communications; Tony and Adrienne DaRe, 2023 Campaign Co-Chairs; Chip Hurd. Right photo: As much as Chip loves his work, his family has always been most important. Pictured left to right: Chip, Abby, Susan, and Matt Hurd.

Clockwise from left: Chip and Kristen Quirk, a member of the United Way's Tocqueville Society, attend a community leadership event; Chip chats with Tocqueville Society member Laurie Hackett at a community leadership event; a younger Chip gets ready for a baseball game with his brother Tim and father Paul in front of his Lehigh Valley childhood home, circa 1976; Chip and his family hang out at a Baltimore Ravens pregame party.

"I love that so many of my donors are friends," says Chip. "We text each other: Meet me tomorrow for breakfast?"

These kinds of relationships, combined with a lifetime spent in the community where he serves, combined with Chip's easy, friendly way of asking for support seem to be a winning recipe for fundraising success. From 2010-2023 the United Way of the Greater Lehigh Valley experienced an increase in their annual campaign every year.

"There are more than a thousand United Ways in the country, and as far as I know we're the only one that's up 13 years in a row," says Chip.

He says this without a trace of boasting and is quick to give credit to his colleagues and his community. "We have an awesome team. Cumulatively, our executive team has had 100+ years of United Way experience," he says. "And we have a resilient, caring community. Our volunteers, our corporate partners, our community philanthropists … when times were at their toughest, those who could stepped up and did more. This is the best job I've ever had!"

Chip's United Way has twice been recognized by United Way Worldwide as a Center of Excellence, where other United Ways send staff to the Lehigh Valley to learn best practices and how they have created a formula for success. Some of their secret sauce can't be easily transferred—a staff with longevity and deep roots in the community, for example. But one thing Chip can and does recommend to other charitable organizations: Learn to collect data and use it well.

9 YEARS OF STEADY GROWTH

Chip Hurd started at United Way of the Greater Lehigh Valley in 2015.

Total donors giving $100K or more

THEN	NOW
2	42

Annual campaign

THEN	NOW
$10.8M	$22.6M

Tocqueville Society membership
(families who give more than $10K a year)

THEN	NOW
160	368

Data Geek

Chip is surprised how many other United Ways don't utilize the demographic data they have available at their fingertips. "When I first started in fundraising in 1995, we didn't have data readily available like we do today. Now in seconds you can find out someone's annual household income, what their house is worth, how much they donate to charity, etc. Of course, you don't go into the first meeting and blast the donor with all this information you've dug up on them. But you do use it. David Lewis, our president, and I just geek out over data. We are so data-driven, numbers oriented—because data and numbers don't lie! It actually helps drive and frame our annual fundraising plan."

Chip is proud of the fact that his United Way's investment portfolio "shows where every penny raised goes into community. You can add up everything, and it will total exactly what we raised." Transparency builds trust. And without trust, you don't have much.

Chip feels certain that "donors give us more money because we have great results and great impact." He says, "They'd still support us if we didn't have the data because I believe I have built strong relationships over the years. But they give more because we get great results, and we can show it." ●

Karen Martin is a freelance writer specializing in true stories and strategic donor communications. As Executive Editor for Giving Tomorrow *magazine, she loves getting to tell stories of nonprofit leaders like Chip. karenthewriter.com*

BY BEN MADONIA

Ask the Expert

Got a question itching for an answer? Technical troubleshooting, marketing roadblocks, practical advice—any topic's fair game. Email success@plannedgiving.com and we'll get one of our experts on the job!

Q *We have a donor who wishes to establish a donor-advised or endowed fund but she's concerned about irrevocably assigning the funds to charity. What other options might she consider?*

A I can answer this question with a real-life example from my time at Hamilton College. This donor and her advisors determine that using retirement plan assets makes the most sense. She decides to move, or "roll-over," $100,000 from her retirement account to a new and separate IRA. She can establish the new account tax-free without subjecting her retirement assets to income tax. Then she makes the Trustees of Hamilton College, Class of 1974 Scholarship the primary beneficiary.

Benefits of this approach include:

- Hamilton College records a $100,000 estate plan provision
- The Class of 1974 reunion gift gets credit for the full amount
- If the donor dies the day after executing the beneficiary designation form, Hamilton receives $100,000 from the IRA
- Once the donor, she must begin making Required Minimum Distributions (RMDs) from her retirement accounts. For now, she plans to send RMDs from the IRA directly to Hamilton College as current expendable contributions for the Class of 1974 Scholarship as Qualified Charitable Distributions (QCDs). Hamilton College records each contribution with credit to the class gift. The donor pays no tax on the QCDs to Hamilton, while experiencing the joy of philanthropy in yet a second way.
- QCDs are incredibly powerful. The donor makes charitable contributions with assets which have not been subject to income tax when earned or on the capital appreciation or interest earned over time. Her benefit is equivalent to an income tax charitable contribution deduction because she avoids tax on a distribution she must take—not bad for a donor who no longer itemizes.
- As the years pass, the donor has the flexibility to change her plans, including keeping some portion, or all, of her RMDs and even changing the beneficiary designation.
- If she makes no changes, Hamilton College will receive the annual QCD while the donor is living, plus what is left, hopefully more than $100,000. If investment performance exceeds the RMDs, or she transfers funds to the IRA, the estate gift to the Class of 1974 Scholarship may keep pace with inflation.
- She knows that Hamilton College will receive 100% of the QCDs and the remainder value, while whatever she withdraws or leaves to her heirs will be subject to income tax.

Glossary of Terms

- **IRA - Individual Retirement Account:** A retirement account generally designed to accept additions of untaxed compensation. Passed by Congress to encourage supplementary retirement savings. As individuals have had multiple employers, IRAs are often used to combine retirement accounts.
- **RMD - Required Minimum Distribution:** The amount account owners must withdraw and subject to income tax each year from a retirement account. The annual percentage based on age is noted in an IRS table.
- **QCD - Qualified Charitable Distribution:** Lifetime charitable contributions made with untaxed assets from an IRA only. If donors don't have IRAs, they can create them with previously untaxed assets from another retirement account.
- **Virtual Endowment:** The concept described above is based on a "blended gift" strategy pioneered by legendary advancement professional David Dunlop at Cornell University. A donor agrees to make annual current restricted contributions and an estate commitment to endow a fund to cover the purpose in perpetuity, allowing her to see her endowed fund work before she funds it. •

Ben Madonia worked at Hamilton College in central New York for more than 40 years, mostly in planned giving. He retired in 2021 and maintains a presence in the planned giving world by advising younger professionals and volunteering. Contact: bmadonia@hamilton.edu

BY VIKEN MIKAELIAN

Planned Giving is Not Fundraising

Viken wants the nonprofit world to know: He is not (and never will be) a planned giving expert. He is a planned giving *marketing* expert. For over 20 years Viken has been helping nonprofits learn to leave CRUTs and CRATs to the attorneys and focus on making planned giving simple and accessible to their donors.

This might sound crazy, but the way I see it, planned giving is not really fundraising. *What is it then?* you ask. It's marketing. Planned giving is (mostly) marketing. And so it only makes sense that your planned giving resources—time and money—should be focused primarily on marketing and "sales" and building relationships, and only secondarily on learning and teaching how gift plans work. Like the very best salespeople, your job is to build relationships, grow trust, and "sell" your organization's mission and the excitement and hope it provides.

You're far better off with ten prospects and not knowing how a lead trust is taxed, than with zero prospects and a PhD in planned giving. If you have both, the force is with you. *Always focus* on getting the prospect in your door, or yourself in the prospect's door. And if you're not a PG guru, you can always hire the PhD.

Stop Promoting Death

If you're spending all your time in seminars on gift annuities or on how a unitrust works, you might as well learn how to sell cemetery plots. Ferrari, Rolex, and American Express have one thing in common: they promote a lifestyle, not the features of their products. Take a cue from the experts. Your planned giving marketing should also focus on benefits and results for the donor, rather than highlighting a gift plan's features. Emphasizing benefits and long-term results of planned gifts is a way to promote immortality. Emphasizing features of planned gifts inevitably brings death to the forefront and will kill or at least slow down your sales process.

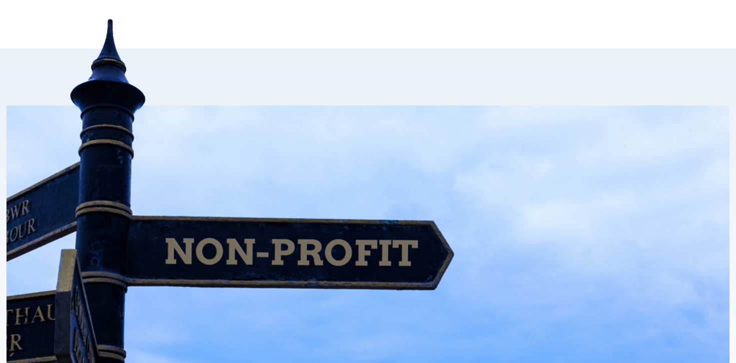
Make Your Marketing About Your Mission

Consider the following: The big players in the finance industry give investment advice—and turn profits—better than anybody else. So when you send canned investment brochures to your prospects, you're competing with the mega-financial institutions with their beautiful, informational pamphlets on their home turf. Why set yourself up to fail?

Your institution possesses a *unique advantage* over financial and investment giants. You're not just a retail investment-profit generator. Your organization already has a special relationship with its prospects because of the good you do. You can harness the power of this relationship with mission-driven messages. Leave the investment advice to the financial institutions, and save the details of how CGA works for a later conversation. In short, use your marketing budget to inspire!

Copy Those Who Lead

The successful nonprofits and for-profits use mixed media to communicate with their prospects. So don't rely too heavily on emails. Use cards, letters, display ads, and even the old-fashioned phone. If you stick to one single medium (like emails), your prospects will *tune you out*. (Savvy direct marketers in other fields know this well.) The goal of all these tools is getting face-to-face visits.●



FROM THE BLOG

Last year was another tough year in the nonprofit industry. Although all the numbers aren't in yet, 2023 is on track to be on par with 2022—perhaps worse. Nonprofits are struggling. The good news: nonprofits that incorporate a planned giving program (even a basic, bequests-only plan) have a built-in lifeboat for when the going gets rough.

Read the rest at pg.tips/2023performance

BY WAYNE OLSON

Take the Cranky Calls

We all know them. The phone rings and the caller ID shows this is a call from someone who we know will be trouble. He or she is calling to complain, and it will not be pleasant. Around the room, people suddenly get busy so they will not have to take the dreaded call. However, the next time someone calls to gripe to your nonprofit, don't see it as a problem. Discover the opportunity it really is. Take the tough calls.

When I help others by teaching fundraising skills, the one thing I say we can all do to solidify or accelerate our careers that will have the biggest effort-to-payoff ratio is to take the hard phone calls. Grow your reputation as the one who takes these calls. Seek them. Ask for them. Make sure people know you want to take the tough calls. Your coworkers will love you and you will be glad you did.

Why? Because you know the secret. Cranky callers say one thing, but mean another.

The Real Issue

When a donor calls to complain, you will hear tough words. They will tell you how horrible it is that:

A. You do not appreciate them (at all, enough, or the right way).
B. Someone did not respond to a call or email.
C. They do not like something they think your organization did.
D. Their pet hippopotamus is missing, and it is your fault.

However, no matter what the caller says, the underlying issue is always the same: *The donor has loved us more than we have loved the donor.* The script may be about not being properly recognized. The hurt is about, "How could you do this to me?" And that is something you can fix just by listening.

The Best Solution

In a world where everyone talks and no one listens, **those who listen stand out**. When a complaint arrives, most fundraisers will respond with a list of reasons or excuses why the error occurred. But no one has ever won an argument like that. Don't try to be the first in history by winning one with a donor. It won't happen.

> "The underlying issue is always the same: The donor has loved us more than we have loved the donor."

Instead, listen. Be a friend. Don't say anything other than, "I understand why that would be upsetting to you," or "that's horrible," or "I would be concerned just like you are." Admittedly, this takes a little humility. However, remember your job is not to be right. *Your job is to have authentic relationships with the people who power your mission.* We always want to be honest with ourselves and our donors, including the grumpy ones.

The next time someone calls with a complaint, remember the call began with a pain—one that was significant enough for the donor to call. Consider, too, that the ones who call are the ones who want the situation made better. It is the ones who don't call, and who tell others about their misfortune, that cause the most grief.

Want to be a hero? Take the tough calls. You may discover they aren't so tough after all. ●

Wayne Olson is the Senior Director, Planned Giving for Shriners Children's. He is the author of six books and a frequent speaker at regional and international events. He can be reached at WayneOlson.com and @waynero.

Q&A with John Nersesian, Head of Advisor Education PIMCO Investment Management Company

INTERVIEWED BY KAREN MARTIN

John Nersesian teaches and consults with financial professionals around the country. He has nearly four decades of experience in investment and financial services, and he graciously agreed to speak with *Giving Tomorrow* about an encouraging trend he sees emerging among financial advisors.

Q *Do financial planners talk about charitable giving with their clients?*

A I'd say ten years ago most advisors didn't address charitable giving, but the good news is that's definitely evolving and improving.

Q *Why were these conversations not happening until recently?*

A For one thing, financial advisors didn't know much about charitable planning. Our job was to give investment advice. You don't want to embarrass yourself talking about something you're uninformed about. For another thing, in the older models, advisors weren't paid to have charitable giving conversations. It wasn't considered part of their job. For another thing, the clients didn't think of their financial advisor in that context. A client would go to a financial advisor for guidance on how to save for their child's education or if they were about to retire with a pile of cash. But they didn't think to ask for advice on charitable planning.

Q *And you think this is starting to change?*

A It absolutely is. Almost every conference I go to these days, this topic is receiving more attention. I teach a couple workshops myself on philanthropy, and it's well received. Good wealth advisors genuinely want to be helpful to their clients, and philanthropy is a huge part of that.

"Good wealth advisors genuinely want to be helpful to their clients, and philanthropy is a huge part of that."

Q *What's driving the change?*

A It's at least in part being driven by client demand. Clients are asking for guidance on charitable planning. Spectrem Group did a study a couple years ago among families worth $5M and up. The survey asked about the financial matters these families wanted help with. There was a huge gap between the desire for charitable and philanthropic planning services (87%) and families indicating they actually received that service (6%).

Q *So is it fair to say that today's families want help with charitable planning and financial planning institutions are providing it?*

A It's moving in that direction. I led a conference 15 years ago or so when we used the phrase "Advice beyond investing." That really describes a trend across the industry. When I started at Merrill Lynch almost 40 years ago, the job was very different. Manage assets and pick stocks—that's it. Now there's so much more. Today financial advisors can't provide the personal comprehensive advice clients need by only focusing on assets. They need to incorporate a bigger picture of that person's lifestyle, family, values, and goals.

Q *Do tax benefits motivate people in their charitable giving plans?*

A While not the primary motivation for charitable giving, tax savings are a consideration for many people. As we know, the Tax Cuts and Jobs Act (TCJA) eliminated or reduced many of the popular itemized deductions that were previously available to taxpayers, but charitable giving remains an available option for those who itemize instead of claiming the standard deduction. Many could benefit from two important concepts that maximize the benefits of their charitable activity: giving appreciated property (to avoid the capital gain recognition) and bunching their contributions to exceed the standard deduction amount.

Q *What is reasonable for a client to expect from a financial advisor in terms of guidance for charitable giving?*

A If I'm the client, number one, you should understand what I'm passionate about. Money is not the ultimate goal, of course. Money serves an objective—for travel, lifestyle, giving back. My advisor needs to understand the purpose of my wealth. And number two, the advisor should be educated on how to implement charitable giving in a way that makes sense. For example, the standard deduction today is a lot higher than it used to be. The advisor need to know if I am claiming the standard deduction or if I'm itemizing. That has a big impact on my charitable giving. I would expect my advisor to understand my personal circumstances and advise me accordingly.

Most philanthropy is reactive. I get an email from my brother-in-law who's riding in a race to raise money for cancer. Will I pledge $100 for every mile? I do it. That's reactive philanthropy. But families can be more intentional and thoughtful. It's not always about giving away more money. It's about allowing the giving you're already doing to be more impactful. A good advisor can be very helpful in those kind of conversations.

Q *If a gift planning professional wanted to network with a wealth advisor, how might they approach that relationship?*

A Maybe they could say something like, "I know that your clients are actively involved in philanthropy and I suspect they would appreciate your help. Are you interested in learning more about charitable giving tools?" I would respond positively to a request like that. If I were asked to meet with the head of the organization just to generally learn more about that charity, no thanks. But if it's a meeting to understand a charitable giving tool kit, yes! Help me better advise my client. Tell me what I should be looking for. For example, if a family needs to make a five percent distribution from their private foundation, what are some attributes they should be looking at to choose a charity responsibly?

Q *Do you have any other advice for charitable organizations?*

A Make yourself visible. Help me understand your mission and the good work you are doing. Make it convenient or easy for me to find you and to give to you. And give me flexibility to give how and when I want. It's frustrating for people who have a donor-advised fund to "click here" and then be asked for their credit card to make a donation. I don't want to give my credit card! I bunched my charitable giving dollars to get the deduction, and now my money is growing tax-free in the DAF—those are the dollars I want to use. If I'm not itemizing, swiping a credit card does nothing for me. People don't think about this. If you get 10 investors to write a check for $1000 to a charity of their choice and ask them, "Are you getting a tax benefit for your gift?" I bet 9 out of 10 would say yes. But that's only true if they're itemizing, which most people aren't doing these days. Charities talk about the tax benefits of giving; they need to offer an obvious option to give from a DAF so their donors are actually getting the benefit. ●

"Make yourself visible. Help me understand your mission and the good work you are doing. Make it convenient or easy for me to find you and to give to you. And give me flexibility to give how and when I want."

BY DANA HOLT

Making the Most of Donor Advised Funds

Donor advised funds (DAFs) have exploded in recent years, and fundraising professionals are still learning how to engage with them. Here are some dos and don'ts to guide you.

First off, don't spend your time trying to "get in front of" a DAF provider's donors. It's not going to happen. Think about it. If a charity came to you and asked you to convene a meeting where you came and gave your pitch to *their* donors, would you agree? No, you probably wouldn't. It's not that they don't want you to know who their donors are. It's because 99 percent of donors who create DAFs already know who they want to make grants to. If they want help, they will ask the provider's expert staff to help them find charities doing the best work in a certain area.

That's where you can spend some time. Make sure that your local community foundations know who you are and what you do. That way, when a donor does come to them and ask for help selecting a charity, they can bring your organization's name into the conversation.

3 Proactive Actions to Attract More DAF Grants

First, talk to your existing donors and ask if they already have a donor advised fund. If they say "yes", you should be excited. This person is obviously intentional about charitable giving and has set aside money that can *only* be used for charitable giving. I would treat them like a donor you just discovered has their own family foundation. It's not that different.

Additionally, ask them "would you consider requesting a grant to our organization?" They may already be giving to your organization from their fund, but in an anonymous manner. This could be the conversation that prompts them to disclose that they are behind some of those mystery DAF checks your organization has received.

You could also consider asking them if someone close to them has a donor advised fund. They may not be in a position to establish a fund themselves, but a family member may. Imagine if one of your younger donors approaches her grandmother and asks, "Grandma, would you consider requesting a grant from your fund to XYZ charity?" Do you think grandma is going to say no? Probably not. She'll be thrilled to have a conversation about giving with her grandchild and more than happy to request that grant.

Second, let people know they can request grants to your organization. In your annual appeal letters, you probably have check boxes for *Cash, Check, and Credit Card*. Why not add an additional box for *Request Grant From My Donor Advised Fund*. It's one more touch to remind the reader of that additional way to give.

Third, remember you're not the only game in town. Most donors give to more than one charity. If they want to donate a valuable non-cash asset to charity, they may very well want to use it to benefit multiple organizations. DAFs accomplish that perfectly. They can accept the asset, liquidate it, and then send the sales proceeds to the donor's favorite charities. I advise you to start a close relationship with your local community foundations so that you understand their DAF policies. That way, when one of your donors wants to use a non-cash asset to benefit multiple charities, you can be the one to help make that happen. Introduce them to your friendly neighborhood community foundation and the concept of the DAF. The donor will be impressed with your ingenuity and preparedness.

Partnering with DAFs

Community foundations can also be wonderful helpers when it comes to *your* organization's fundraising. Many of them offer endowment management, CGA and charitable trust management. Many also offer DAFs for charities! Yes, your charity can establish a fund at a community foundation to receive contributions to it directly from donors. You might consider doing this to receive non-cash gifts that you don't feel comfortable accepting yourself. You may also consider doing this to take advantage of the high-quality investments they may have access to that you don't.

Many people have little awareness of the vast service and support that their local community foundations provide for both donors and nonprofits. Explore these options. You'll be glad you did. •

Dana Holt helps charities start or grow their non-cash giving programs through consulting, her online School for Non-Cash Gifts, and her step-by-step guide, "Turning Wealth Into What Matters." HoltGiftPlanning.com

Your Call to Action

1

ASK A NEW QUESTION

Want to have interesting conversations? Ask interesting questions. Many of your donors are philanthropic to multiple organizations and they've had conversations with fundraisers before. Next time you talk with a legacy giving prospect, shake things up a bit—for both your sakes—by asking an open-ended question your donor has probably never been asked before. And remember: there's a reason you have two ears and only one mouth. Ask the question and lean in to listen. You may learn some fascinating new things about the person. **Page 9**

2

HIGHLIGHT BENEFITS, NOT FEATURES

Imagine a TV ad for a Ferrari that lists a bunch of features: antilock brakes, adaptive headlights, heated seats... Boring! Every new car on the market has that stuff. Instead, Ferrari ads promote a lifestyle of luxury and speed. In planned giving, nonprofits often make the mistake of highlighting the features of various gift plans. Boring! Instead, sell the benefits. Ferrari can have luxury and speed—you're promoting immortality. So keep the CGA vs. CRT charts out of your marketing, and inspire your donors with mission-driven language. **Page 10**

3

TAKE THE TOUGH CALLS

No one wants to deal with a donor who calls to complain. But these are golden opportunities for fundraisers who are willing to be humble, listen well, and let go of the need to be right. If a donor takes the time to call, even if they are quite angry and threatening to take you out of the will, they are telling you something important with that phone call: *they care about your organization*. And that right there means they deserve time and attention and a listening ear. Resist the urge to "win" and simply listen and apologize. At the very least, your coworkers love you for taking the tough calls. Best case scenario, you will win back that donor's respect and deepen their loyalty. **Page 11**

4

MAKE IT EASY FOR PEOPLE TO GIVE

Does your organization accept gifts from donor-advised funds? (Hint: the only right answer here is "yes.") When you solicit donations from high level donors, are you making it clear and easy for people who have a donor-advised fund to give that way? Or do your appeals, cases for support, and website simply offer the old stand-by options of giving by credit card and check? By including language about accepting gifts from donor-advised funds, you help your donors give in a tax-savvy way and you communicate an important message about your organization. **Page 12**

did you know?

You can rewire your brain to overcome negativity bias.

It's human nature to focus on the negative. The official scientific term for this is negativity bias. Neuroscientist Rick Hanson has a more colorful way to describe it: "Your brain is like Velcro for negative experiences and Teflon for positive ones." Hanson also offers suggestions for how to shift your brain to focus on and respond to the good and positive things instead. Here's one: consciously hold on to a positive thought or feeling for a minimum of 15 seconds to allow it to leave an imprint on the neurons.

Source: *Buddha's Brain* and *Hardwiring Happiness*, by Rick Hanson

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