

 **PPGCSANDIEGO**  
Practical Planned Giving Conference

## Using Planned Gifts to Increase Major Gifts

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Purpose of this Presentation is to show ways that a planned gift can be used to generate Major Gifts.

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Often the topic of a Planned Gift comes up when the effort to get a cash gift hits a dead end.

Or

The donor fears that they cannot let go of the cash right now and so they volunteer a planned gift.

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### First Case: Insurance and the company match.

Bill wants to create an endowment to honor a family member:

- Wants the endowment to be larger than the minimum required size
- Does not want to part with the cash needed to fully fund that size endowment
- Would like to see the people helped by the endowment before he dies.




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### Bills Situation

- Plans to retire in 5 years.
- Good Health
- Company offers a 100% match on charitable gifts while he works for the company up to a percentage of salary. In this case \$6,000
- Minimum amount to fund the endowment is \$25,000 paid in over no more than 5 years




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### Solution to incorporate multiple Gift Channels

- Bill applies for a life insurance policy where the policy is owned by the charity and the endowment is the beneficiary.
- Bill gives the charity \$6,000 per year for 5 years
- The charity pays premiums on the policy with the \$6,000
- The company match is used to provide the \$5,000 per year for the endowment.
- The extra \$1,000 goes to make a currently expendable award.




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### Why team up with an advisor?

- Expertise
- Reach additional Prospects



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### Second Case: Land and sudden cash, Tax, Income and Philanthropy

- Rita owns a building on some very desirable property where the city is seeing considerable growth. While perhaps thinking about selling later an opportunity presents itself to prompt a move sooner...like NOW.
- The front portion of the property is being taken by eminent domain.



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### Ritas Situation

- Has unexpected cash from the eminent domain
- Wants to sell the rest
- Tax problem with all of the influx of cash
- Wants to have income for the next 4 years while waiting on retirement accounts to kick in
- Wants to make charitable commitments, short and long term



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### Solution for Rita

- Take the eminent domain funds and purchase a CGA from Charity A
- Split the interests in the property up so that the majority goes into a CRUT with Charity A (if the property is held by a C corp, just give shares)
- The remaining portion of the property is given to all three charities that she desires to support
- Sell the property
- Donor draws income off the CGA and the CRUT for the 4 years.
- After the 4 years the donor can make gifts to the charities from the payments



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### Why it works

- Charity A gets two planned gifts that are irrevocable
- All three charities get cash gifts immediately
- Donor gets favorable tax deductions and income
- Charities get future cash payments



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### The Right Side of the Table

- Who is at the table?
- Where should you sit?



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### Third Case: Need Tax deduction and future income

Oscar and Meredith have good incomes, right now. Both will retire in 5 years. They have paid off their home and have no tax deductions. In fact they are not really philanthropic. But your organization would like their help with a capital project.



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### Oscar and Meredith's Situation

- Need Tax Deductions!
- Will help the charity if....there is a benefit to them



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### Solution for Oscar and Meredith

- Purchase a CGA from the charity
- Donate the income for the 5 years that they intend to continue working for extra tax leverage



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### Why it works

- Donors get tax help
- Charity gets 5 years of income



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### Why do People Give?

- Mission
- Leadership
- Impact



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### What causes it to fall apart?

- Lack of Trust
- Lack of Clarity



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### Fourth Case: Walking the Donor's dream forward

Kate is a widow. She wants to set up a scholarship endowment in honor of her husband. She desires to do it in her will because she does not feel that she has the current cash to do it now



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### Kate's Situation

- Husband had introduced her to advisors that he trusted to handle her affairs before he died
- She has more than sufficient income to live comfortably
- She does not necessarily agree with that statement



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### Solution for Kate

- Work with Kate to identify the type of student she wants to receive the scholarship
- Go with Kate to meet her advisors and explain what she is doing
- Set up the bequest



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### And now it gets better!

- The advisors know how much it means to her to fund this endowment
- The advisors trust you and your intentions.....because they have met you
- The advisors structure her RMD payments over a 2 year period to go ahead and fund the endowment




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### Why it works

- Donor gets to see the completed endowment
- Donor uses RMD
- Charity gets cash to fund the endowment
- The planned gift is still in place




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# PRACTICAL PLANNED GIVING CONFERENCE SPEAKER EVALUATION

Date: \_\_\_\_\_ Speaker: \_\_\_\_\_

Name (optional): \_\_\_\_\_

Please rate the following:

	Excellent	Good	Neutral	Fair	Poor
<b>I. OVERALL</b>	5	4	3	2	1
Were your major objectives for this session met? Was the content of the session vital, timely, substantive?					
Comments: _____					
_____					

<b>II. RELEVANCE</b>	5	4	3	2	1
Was the subject matter directly related to the requirements of your job?					
Comments: _____					
_____					

<b>III. VALUE</b>	5	4	3	2	1
Do you believe the benefits of this session were worth the time, effort and cost?					
Comments: _____					
_____					

<b>IV. SPEAKER</b>	5	4	3	2	1
How was their presentation style? Did the session move along at the right pace? Did they have appropriate knowledge on the topic?					
Comments: _____					
_____					

<b>V. MATERIALS</b>	5	4	3	2	1
Were the materials clear and organized and appropriately helpful for the session?					
Comments: _____					
_____					

**Vi. What did you like the most about the session?**

\_\_\_\_\_

\_\_\_\_\_

**VI. Any suggestions to improve future sessions?**

\_\_\_\_\_

\_\_\_\_\_

**XII. How many years of gift planning experience do you have?** \_\_\_\_\_