It's about relationships.

Spring 2016
CIRCULATION 15,100

planned giving tomorrow

PRACTICAL PLANNED GIVING MARKETING IDEAS FOR **ALL** FUNDRAISERS

The 1% Challenge

What would happen if you could improve one percent per day?

Viken Mikaelian

I wonder if anyone's ever done a study to see when gyms are more crowded—in January (post new year's resolution season) or in the spring (pre swimsuit season).

I'd put my money on January. My gym was *packed* after the holidays. But I can't complain. Most of them were gone by Presidents' Day. Moving on…

Wise words from the Cheshire Cat:

"Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the Cat.

"I don't much care where—" said Alice.

"Then it doesn't matter which way you go," said the Cat.

"—so long as I get *somewhere*," Alice added as an explanation.

"Oh, you're sure to do that," said the Cat, "if you only walk long enough."

Or, as George Harrison sang it, "If you don't know where you're going, any road'll take you there."

Any Road is not where I want to be.

I used to set shortsighted goals. I made New Year's resolutions that I met about half the time. I attended conferences, got all charged up, and came back to the office with big dreams.

It wasn't bad. I met enough of my goals that I didn't stagnate. I grew my business, bought my dream cars, lost weight, got married, etc. Good things happened.

Continued on page 10

Why Getting In The Will Today Matters

Long-term study shows multiple benefits for charities to get in the estate plan sooner.

Russell N. James III, J.D., Ph.D., CFP®

We all know charitable estate giving is a big deal. In comparison, despite all of the media attention and conversation generated by corporate giving, annual estate giving has always been much larger. (In some years, charitable estate gifts are more than double all corporate gifts.) Of course, we all know that to receive any estate dollars, your organization must get in the will or other estate planning document. So, getting in the will eventually is clearly important.

Get into the will *today.*

But, new evidence is emerging as to why it is important not just to get in the will, but to get in the will *today*. The evidence comes from a large national survey called the Health and Retirement Study. This study, starting in 1992, tracks older adults (age 50+) year after year. It includes information about their current estate plans, their current charitable giving, and their post-mortem transfers. Because this study tracks changes in giving and changes in the estate plan for the same people over

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Collaboration:

What it's not, what it is, and how to achieve it.

Todd Fithian

Lots of advisors like to talk about collaboration. But after two decades in this field, I've come to realize that what actually takes place is more like cooperation, coordination or consulting than effective *collaboration*.

By the way, when I reference an "advisor," I mean anyone who plays a role in the process of providing advice to the wealth holder regarding his or her decisions to grow, protect or transfer wealth. This includes philanthropic consultants, planned giving officers, attorneys, insurance brokers, accountants, investment managers and financial planners.

Check all egos at the door.

With so many players at the proverbial table, effective collaboration can be difficult to achieve. A minefield of challenges work against your collaborative efforts, the greatest of which being big egos that absolutely must be checked at the door.

The good news is the advisory community and wealth holders are asking for and searching for a more collaborative approach. We want creative solutions to the age-old challenges that come with generational wealth transfer, and collaboration is the best way to increase successful outcomes.

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Ask Brian

Got a question itching for an answer? Ask Brian M. Sagrestano at plannedgiving.com/brian. Bashful? You can ask to remain anonymous. Check online at plannedgiving.com/answers for replies that don't fit here and a lot more.

Is It Okay To Use A Bequest For Operating Expenses?

Brian M. Sagrestano, JD, CFRE

Q My nonprofit currently uses all bequest proceeds for operating expenses. The family of recently deceased donor has questioned this and wants us to designate the funds for endowment. What should we do?

A Remember that the only funds that serve as true endowment are those that are restricted by the donor. Since the donor's will did not restrict the funds, it is impossible to have these funds go to endowment. However, they can be treated as "quasi-endowment," "board designated endowment," or "funds functioning as endowment," which are funds your organization's board will treat as endowment (only using the draw from these assets based upon your spending rule) unless the board formally acts to tap into the principal.

The larger question you need to address is what is your policy on using unrestricted planned gifts and why. Many organizations are not particularly thoughtful on this point and simply use the dollars to plug holes in their operating budgets. Best practice for donor-centered organizations encourages a formal policy based on donor expectations.

Most donors who make unrestricted planned gifts expect the proceeds to go to endowment. They are giving an organization a gift that represents part of their life's work and hope that it will sustain the organization going forward. A policy that directs all or most unrestricted planned gifts to board designated endowment honors that legacy. At the same time, organizations do need some operating funds. Probably the best compromise is to set a policy stating that the first $X or X% (assume 5-10% or $5,000-$10,000) of any unrestricted planned gift is allocated to operating expenses, with the balance automatically allocated to board designated endowment. The board can always override this policy if funds from a particular planned gift are needed for operating or another purpose (or the donor/family has a clear preference that isn't in the will). But it sets the tone that such gifts are not intended to be spent immediately. ●

Besides writing this column and consulting for PlannedGiving.com, Brian Sagrestano is President and CEO of Gift Planning Development, LLC, and a principal in Constellation Advancement, LLC. He co-authored The Philanthropic Planning Companion, *which has everything a gift planning officer needs to know. Here you've got a direct pipeline to the author. Ask Brian your questions at PlannedGiving.com/Brian.*

4 Steps To Your Perfect Everyday Elevator Pitch

You'll never answer the "what-do-you-do" question the same way again...

Scott Dinsmore

"So, what do you do?"

"Um, I'm in sales. What about you?"

"I'm an accountant."

Sounds like the start of a mouthwatering conversation, eh?

I've never liked this question, especially since it's one of the first things that often gets brought up in a new conversation. It assumes you are your job (which you're not), and it opens a topic most people don't enjoy talking about.

But here's the beauty: you can answer that question any way you want.

Here are four steps to crafting, testing and perfecting your 'everyday' elevator pitch:

1 Create a minimal viable pitch.

Don't overthink this. For starters, we want to have an interesting response to the "what do you do" question. You could write and rewrite your pitch until your pen runs dry, but it's next to useless until you get it out in front of someone. All you need is enough to test. Ideally, have a few versions ready to go.

Your pitch (and follow-up discussion) should answer some or all of the below:

- What am I excited about?
- Why am I excited about it?
- How will it help people? Who does it serve?
- How does it uniquely tie into my story, passions, talents and/or experience?
- Why do I care and why should the world care?

These days my response to "What do you do?" goes something like this: "I have a business that helps people find and do work they're excited about." And lately I've been adding "and surround themselves with the people who make it possible." I don't mention anything about a blog or even a website. That wouldn't tell them anything. I just leave the focus on what I actually care about and how and why I'm trying to help people. Usually that's enough to pique their interest enough to ask a few more questions.

Take a few minutes to answer the questions above and sketch out a minimum viable pitch. Keep it to a couple sentences, four max.

2 Test it—a lot.

This is where the real learning happens. What seems crystal clear to you while hiding behind your whiteboard or notebook is often anything but for those around you.

We assume people will "get it" like we do. That's almost never true.

Treat every interaction as a testing ground. Notice the way they react to your first sentence or two. Do eyes glaze over or do they lean in with excitement?

3 Rapid prototype it in real time.

Do this as in-the-moment as possible. If your first pitch clearly doesn't resonate, then modify the next few sentences. Try to keep going until something connects.

If you're at a party or event, you could rapid prototype this dozens of times in a night, and you'll learn more than months of spinning an idea around in your own head.

> Treat every interaction as a testing ground. Notice the way they react to your first sentence or two.

Have a few modified pitches you want to test and have fun with it.

As soon as your interaction or event is over, take mental notes or jot down a few ideas about what connected and what didn't. What confused them? When did their eyes go glossy? When did they lean in, smile, raise their eyebrows and ask for more info?

4 Refine, repeat and "perfect."

Steps 1-3 are a constant cycle. I still find myself explaining things in different ways depending on who I'm talking to or what I'm working on. I still get the blank "I don't have a clue what you're talking about" stare every now and again. I welcome it. I learn from it. Then I test out something different.

It'll never be perfect. That's the fun part. Every interaction with the people you're trying to serve is a new data point. What you thought you knew last week is probably slightly different than what you believe you know now, which may be altogether different a year from now.

Constantly create, test, learn, refine, repeat, and it's pretty tough to fail. ●

Scott Dinsmore founded Live Your Legend. The original, longer version of this article appeared on August 26, 2014 at liveyourlegend.net/creating-your-elevator-pitch.

Silly Myths About Planned Giving

- ❖ **It takes too long to get results.**
- ❖ **It costs too much for what it yields.**
- ❖ **It only appeals to elderly prospects.**
- ❖ **It only appeals to wealthy prospects.**
- ❖ **Our constituents would never understand the details.**
- ❖ **I don't even understand the details!**

What's Hot, What's Not For 2016

Planned giving marketing in's and out's.

Jean Marie Martin

WHAT'S HOT

Benefits for your legacy society members (free magazine, football game tickets, their name on a brick).

Talking about families of gifts rather than specific gift plans. For example, "gifts that pay you income."

Simple language that your prospects understand.

Direct mail. The good old fashion kind with a stamp on it.

Emotionally charged language.

Planned giving messaging on all outgoing communication from your organization.

True, authentic donor stories in print and video.

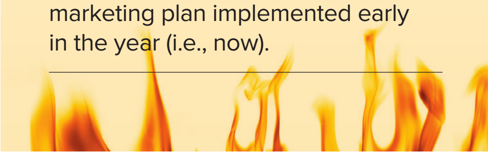
Multiple touches per year on your prospects.

Face-to-face donor visits.

Prospect research.

Marketing planned gifts to Gen Xers and Millennials.

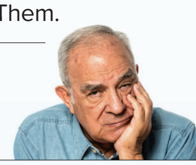
A strategic 1-2 year marketing plan implemented early in the year (i.e., now).



WHAT'S NOT

Planned giving newsletters. It's time to stop kidding yourself. No. One. Reads. Them.

Eye-glazing, yawn-inducing jargon.



Overwhelming lists of every conceivable gift plan.

Hiding behind your desk instead of visiting prospects.

Social media. The majority of planned giving people use it as a distractor and a time waster.

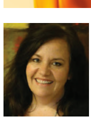
Lifeless donor "stories" that read more like a news bulletin or resume

The 40-20-20 Rule (which says the success of your marketing campaign is 40% your mailing list, 40% the offer, 20% the creativity). The new breakdown is more like 60-30-10.

Multi-tasking.

The term "gift planning." That's what Macy's does at Christmastime.

D.I.Y. ("Do It Yourself") marketing. Include your admin staff, delegate tasks and trust the vendors you hire. Your time is too valuable to D.I.Y. everything.



Jean Marie Martin is a customer relationship specialist with PlannedGiving.com. She has 15-plus years of experience in development communications. Contact: jeanmarie@ plannedgiving.com

"I need to make out a will. I want to leave my money to charity, my organs to science, and my cellulite to the donut shop."

An Award No Fundraiser Wants

This is what happens when you mess with the term 'planned giving.'

Viken Mikaelian

Some will tell you the term 'planned giving' is old and tired. Talk about 'gift plans' and 'gift planning,' they say.

Brian Sagrestano, my long-time colleague, consultant and advisor to PlannedGiving.com, author of several books and editor of our popular *Ask Brian* column on page 2, runs a company called **Gift Planning Development, LLC.** His company received an unusual award recently. It came from one of those vanity pitch schemes. You know what I'm talking about—you get a letter or email announcing your company has been named Best of Fill-in-the-Blank, and they'll send you a shiny plaque to display (for a fee, of course, and years of spam in your inbox).

"Planned giving" vs. "gift planning." See which one google declares the winner: **giving.gs/google**

Brian's company "won" the Best of 2015 …under the category of …*Gift Shops.*

Macy's and iTunes do gift plans. Your local flower shop might do gift planning. You do planned giving.

Say what you mean. The best communicators use simple, straightforward language.

Besides, your prospects do not google "gift planning." They google "planned giving." Don't believe me? Read the above white paper I wrote on this subject, which includes a sample Google search.

 "Don't judge each day by the harvest you reap but by the seeds that you plant." – Robert Louis Stevenson

Getting In The Will Today Matters

Continued from page 1

many years, we can now see what happens to current giving after charity is added into the estate plan. We do this by looking only at those older adults who didn't have a charitable component in their estate plan and then later added charity into their plans. This way we are able to compare their giving before and after they added charity to the will.

If you're in their wills, you're on their minds.

So, what happens after people put charity into their will? Simply put, giving goes up. A lot. During the eight years before these people had added charity into their wills, their annual giving averaged $4,210. Two years after the will had changed to include charity, their average annual giving had doubled to $8,500. Even four years after the will had changed, their annual giving was still much higher than before averaging about $7,500. Although we can't prove a cause-effect relationship (only that it happens at the same time), the connection makes sense. When the donor puts a charity in the will, the donor is treating the charity like a family member. That commitment naturally draws the donor closer to the cause, and makes it more likely that the donor will support in other ways.

Why wait when you can benefit now?

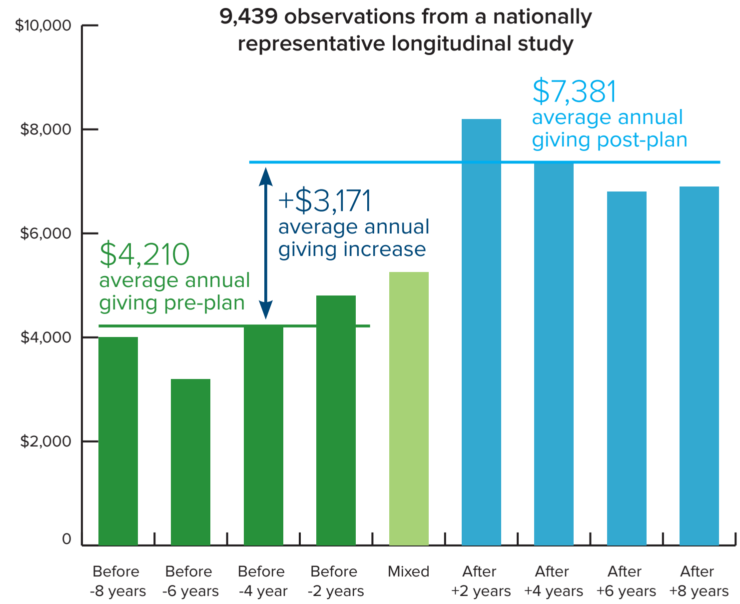
Some donors may increase their current giving by reasoning that, "Since the charity will be getting money from my estate anyway, why not give it now when I can see the impact?" Fundraisers use similar reasoning to convert a revocable estate gift to an irrevocable planned gift. The explanation goes, "You are planning to make the gift anyway, why not make it irrevocable and take an income tax deduction today through a [remainder interest deed, charitable remainder trust, charitable gift annuity, etc.]?"

Want more? Get in early.

Getting in the will early can help by increasing current giving and by opening conversations to convert the gift into an irrevocable planned gift. It may also help by increasing the size of the estate gift. In reviewing the over 12,000 decedents in the study, most charitable plans were added within five years of death. On average, one longer-term plan was worth four plans made in the last two years of life. In short, getting the charitable plan in the will earlier was associated with more dollars for the charity (as long as the charitable plan stayed in the will).

Want to know more about your prospects? Read the Health & Retirement Study at **hrsonline.isr.umich.edu**.

Giving Before and After Adding Charitable Beneficiary to Estate Plan



Don't forget about your bequest donors.

So, there are a lot of good reasons to get in the plan early. But, one of those reasons is not so that the fundraiser can "count it and forget it." The same study showed an enormous amount of end-of-life instability in the charitable component of the estate plan. If you forget about your planned bequest donors, they will certainly return the favor. ●

Russell James, J.D., Ph.D., CFP® is a professor in the Department of Personal Financial Planning at Texas Tech University. He directs the on-campus and online graduate program in Charitable Financial Planning. Contact: russell.james@ttu.edu

There *Is* Such A Thing As Bad Publicity

Compliance as a subtle marketing strategy.

Andrew Gray, CPA

Imagine if all of your donors' information, including their names, addresses and donation amount, was posted online for the entire world to see.

Picture the PR nightmare of telling your donors that your organization lost its tax-exempt status and their contributions are not tax deductible after all.

These PR horror stories actually happen. I've seen them. I've helped my clients clean up the mess and scramble to save face. And because of cases like this, I'd have to disagree with the adage credited to P.T. Barnum: "There's no such thing as bad publicity."

Noncompliance is bad publicity.

You have no secrets.

I constantly remind my nonprofit clients that there are no secrets. Your whole world is out there, and your sophisticated donors are doing research before they entrust you with their money. They will check you out on Charity Navigator and GuideStar. They'll review your Form 990. They'll look on the IRS website. If your organization has compliance issues, your donors will likely send their money elsewhere.

Recently a new client came to me carrying a poor rating by Charity Navigator. Their previous accountant had not filed their tax returns properly, and it left a red flag that was scaring away donors. In that case, and in almost all cases I've seen, the nonprofit's problems were not the result of intentional misconduct. Most often people just don't know. Many charitable organizations rely on board members and volunteers, and things slip through the cracks.

While noncompliance may not be your fault, it *is* your responsibility.

Three major areas of compliance:

1. **Registration to solicit donations in a state.** This is usually a division of the Secretary of State's office or the Attorney General's office. There is some gray area here. For example, if your website has a donate button and you're receiving donations from other states, generally you do not have to register in all those states. However, if you're stepping into another state to run a fundraising event, it's usually a good idea to register in that state.

2. **Sales tax exemption.** If an organization sells a product (a t-shirt, for example) in Florida, they have to collect and remit sales tax. If they are purchasing office supplies for their own organization, they're exempt from sales tax so long as they get an exemption from that state.

3. **Unrelated business income.** In most states, you have to file just as if you were a for-profit business. This typically relates to midsize to larger organizations.

How do I comply?

First: Recognize the importance of being compliant. People are watching.

Next: An organization leader should do some research to identify areas where the organization may not be compliant. Check your tax-exempt status. Know where you stand with websites like Charity Navigator and GuideStar. In states where you are soliciting contributions, use the Attorney General's or Secretary of State's lookup tool to see where you stand.

Finally: Work with a legal and tax advisor to make sure you're compliant.

No one notices until you mess up.

I was at a theater performance recently, and I got to thinking about all the behind-the-scenes people who make a play successful. Everyone talks about the main actress, but what about the costume designer? As long as she does her job well, no one notices. But what if she hadn't sewn a cape correctly or had attached a fake beard sloppily? We only pay attention to the costume designer if she makes a mistake.

The same goes for you. Ensuring your organization is compliant is not flashy or glamorous. Probably no one (except your attorney and accountant) will acknowledge you for doing it well. But people will certainly pay attention if you do not do it well. As you plan your marketing strategies for 2016, add this one to the list: Be compliant and put your best foot forward. ●

Andrew Gray, CPA, leads the not-for-profit and charitable planning industry tax practice for Daszkal Bolton LLP, a regional accounting and advisory firm. He is a member of the AICPA and the Florida Institute of Certified Public Accountants and is a CPA certified in Ohio. Contact: agray@dbllp.com

What About Gifts Of RMDs From Retirement Plans?

Camilyn K. Leone, Esq.

Q I reviewed our website to find reference to transferring a person's Required Minimum Distribution to charity as a way to offset taxes. I didn't have any luck! Did I miss it entirely or is this topic omitted as, say, a year-end option?

– Patti, California

A Hi Patti,
Thanks for your email about gifts of required minimum distributions (RMD) from retirement plans. Because contributions to retirement plans are pre-tax when they go into a retirement plan account, they are subject to income tax when they come out. This makes RMD gifts less attractive for lifetime gift planning. If a donor wants to use RMD money to make an outright gift during her lifetime, she will have to pay income tax on the distribution and then take a charitable income tax deduction. This will save taxes but only at her marginal tax rate.

Here's a very simple example:

- A married donor's marginal tax rate is 25%.
- Donor's RMD is $100,000.
- She pays $25,000 in income tax on this distribution.
- She makes a charitable gift of $100,000.
- Her adjusted gross income is $100,000.
- Her charitable income tax deduction is $25,000.

So it's a wash.

Most of the time, donors don't care. They just want to help.

However, if your prospective donor is motivated by tax savings, then it's a good idea for her to crunch the numbers with her financial advisor to see what the tax savings would be for making a gift with RMD money. Tell her that pre-tax assets are the best assets with which to make bequests because the entire fair market value of the gift is deducted from the estate. That's a tax savings, especially for extremely wealthy donors.

Camilyn K. Leone, Esq., is an attorney who specializes in non-profit law and teaches the Nonprofit Law Clinic at the University of Virginia School of Law. She lives in Albemarle County, Virginia with her husband, two children, and a flock of Navajo-Churro sheep.

Collaboration

Continued from page 1

So, what is collaboration?

At my firm, The Legacy Companies, LLC, we define collaboration as a process by which you're transcending your own needs, serving something bigger, and getting everybody what they want along the way. Easier said than done, but absolutely possible.

What makes great collaboration?

Great collaboration is made up of two main characteristics: shared results and shared rewards.

If all members of the team don't share in the results as well as the rewards, you will run into significant challenges. You may achieve an acceptable outcome, but it won't be the best outcome. It won't be collaboration.

Without shared result and shared reward, here's what you'll have:

- Shared results, no shared rewards = Cooperation
- No shared results, no shared rewards = Coordination
- No shared results, shared rewards = Consulting

What it takes to achieve collaboration.

We already discussed egos. They must be checked at the door or they will derail efforts to achieve collaboration. All advisors at the table should focus on the clients' outcomes over their own. That said, the biggest barrier to collaboration I've seen is in the area of process, systems and leadership. Here's what I mean.

Process: This starts with defining a clear vision and direction for the team. A governance process preserves the past, manages the present, and envisions the future over multiple generations. A decision-making process maintains simplicity and convenience. A team management process ensures you have the right talent for the right problem at the right time.

> Great collaboration is made of two main characteristics: shared results & shared rewards.

Systems: At my firm, when we talk about systems for collaboration, we are talking about defining roles and responsibilities, protocols for when the team comes together, how the team comes together, and accountability for each team member. Even the client's role must be clarified, including guidelines for how they interact with the team and which meetings require their attendance.

Leadership: You can't have more than one quarterback. At my firm, we identify a Most Trusted Advisor (MTA), and establish the client in the role of coach/general manager. This doesn't mean there isn't a high degree of trust and confidence in the other advisors at the table (or, to stick with the football metaphor, on the field). But someone's got to take the lead role in communication among the advisory team and the client. In most cases, the QB should be a representative of the wealth holder's financial advisor firm. For those of you in planned giving community, this might feel threatening. But I've seen successful collaborations work well hundreds of times. Be encouraged. There are financial advisors out there seeking true collaboration where everyone succeeds—the client, most of all. ●

Todd Fithian is Managing Partner of The Legacy Companies, a professional training and consulting organization working with financial institutions and advisors to families of wealth throughout North America. He writes and speaks on topics related to building skills, systems and processes to serve families of wealth on a multi-generational level. Contact: todd@think-legacy.com

Stuck in the Office? Then, About Face!

Facing the truth about face-to-face visits.

Steve Farwig

By Road Warrior standards it barely qualified as an "out of office" experience. The round trip totaled just 4.7 miles; the only other expense was my cup of coffee. (A black medium roast, not some fancy, frothy concoction.) Even so, it was notable because it was my first face-to-face visit with a member of my Heritage Society since beginning my new position at the University School of Milwaukee.

It's easy to get trapped in the office.

Those of you us have been fundraising for at least a few years know how easy it is to get trapped by internal meetings and various types of planning. Though close at hand, the telephone can collect dust and the travel reimbursement forms remain blank. Having changed positions more than once during 20-plus years as a fundraiser, I expected that for a while at the outset.

My position was equal parts planned gifts and major gifts, and my school was just starting a comprehensive campaign. Various tasks needed my attention. I needed to meet to finish our campaign planning. I needed to review the list of leadership donors and decide who I should visit first when the advanced gifts phase was completed. I needed to evaluate our current planned giving program, lay out a strategy for a new planned giving website and print marketing, and recommend how planned gifts should be counted in the campaign.

It's about the people.

All of that was important, but I knew that reinvigorating planned giving at USM needed to start with people. I wanted to meet and thank our Heritage Society members. I had sent out an introductory letter and followed with phone calls to schedule visits. A few had talked with me but declined a visit. Others had not yet returned my calls. Finally, an email connected me with Franz. He suggested we meet the next day at a coffee shop not far from the school. About face!

Reinvigorating planned giving at USM needed to start with people.

My visit with Franz was enjoyable and energizing. The school experiences he shared taught me more school history, and hearing his life story fleshed out what I had read about his gift motivation. He remains truly grateful to USM for the education he completed more than 50 years ago, and he is pleased about honoring the memory of his late son with the scholarship his planned gift will establish.

One donor meeting is worth at least 100 in-house meetings

I came away reaffirmed in the knowledge that no matter how many hours we spend planning, evaluating and strategizing, and no matter how many in-house meetings we attend, the sum total of their value is far less than even one face-to-face meeting with a current or future donor. Thank you, Franz, for responding to my meeting invitation, for telling me about your life and your gift motivation, and for being my first of many, many face-to-face encounters with USM donors. ●

Steve Farwig is Director of Major and Planned Gifts at the University School of Milwaukee, a private PK-12 school and one of his alma maters. His fundraising experience includes positions in higher education, social services and health care. He and his wife, Judy, reside in Kohler, WI. Contact: sfarwig@usmk12.org

The Millennial Challenge

Now's the time to think about your future planned gift givers.

Jay Smith

Recently I stood with my wife in the self-checkout section of our supermarket waiting for the store clerk to validate the fact that we were old enough to buy the wine we had selected.

"I really must see your ID, Ma'am," he said, which nearly floored my 62-year-old wife. "Store policy," he explained.

While that was happening, I noticed girls, who looked to be around college age, approaching the register next to ours with a basket full of groceries. Instead of pulling out a credit card to pay for their items, one girl stuck her phone under a small scanner next to the terminal. She then tapped two or three times through various screens on the terminal and then started scanning her items.

Marketing on mobile devices is proving to be a viable tool for special appeal and annual fund campaigns.

"I really feel old," I said to my wife on our way out of the store. "That girl just paid for her groceries with her phone, and I didn't even know that was possible."

Put Millennials on your PG radar.

Let's be honest. In planned giving, Millennials (ages 18-34, according to the Pew Research Center) are often not even on our radar screen as prospects for a planned gift. We tend to focus our marketing on Baby Boomers (ages 65-75) and Mature Seniors (75-plus)—and for good reason. They are in a position and have the means to do a planned gift.

But that does not mean we can ignore Millennials entirely. According to Pew research, Millennials are predicted to outgrow Boomers this year (2015). That means there are a lot of planned giving prospects in that generation coming our way.

Is there anything you *can't* do on a smartphone?

It's a good thing we have a little time before Millennials grow up, because we need to strategize how we need to market planned gifts to them. It won't be the same as we are doing for earlier generations.

Clearly, Millennials are far more tech savvy than earlier generations. They are more plugged into social media and use their smartphones for many daily tasks (like paying for their groceries). Marketing on mobile devices is proving to be a viable tool for special appeal and annual fund campaigns. Is it viable for a planned giving program? What would that look like? Now's the time to move in that direction so that Millennials can track with you.

Don't listen to the naysayers.

Visionaries and early adopters will always be criticized. I remember when folks laughed at Viken Mikaelian when he started putting planned giving websites online.

Tell Millennials to write a will.

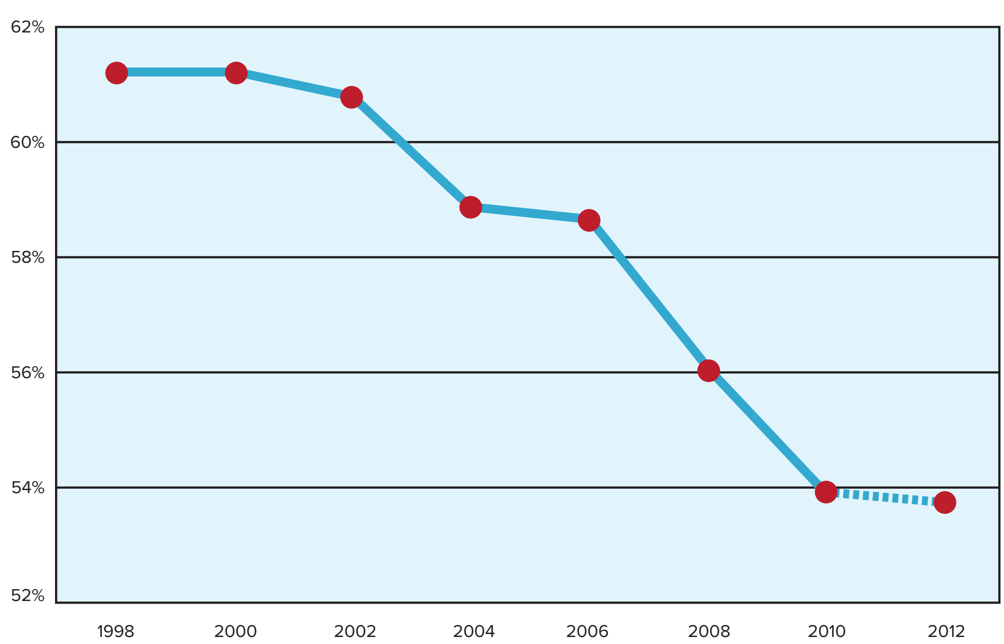
The Millennials connected to your organization aren't ready to do a Charitable Trust just now, but they very well may be in the not so distant future. Start introducing your Millennial donors to planned giving concepts now.

At the very least, encourage them to have a will. The number of wills in the U.S. has been steadily declining over the past 20 years. (Take a look at the chart below.) Some of that is due to people choosing non-probate options, such as Transfer-On-Death accounts, over wills. Mostly, though, it's due to procrastination.

Since research shows that loyal donors with a will are more inclined to leave a gift to their favorite charity at their passing than those without a will, it behooves us to do what we can to encourage our donors to write a will. Yes, your Millennial donors are too young for a Charitable Trust, but many of them are definitely not too young to write a will. ●

Jay Smith is the Director of Planned Giving and Alumni Outreach for Randolph-Macon Academy. He and Helen, his wife of 41 years, live in Winchester, Virginia and have four grown children and seven grandchildren. Contact: jsmith@rma.edu

U.S. Population Aged 55+ With a Will or Trust

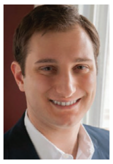


Credit: Charitable Bequest Demographics, a presentation by Russell James, J.D., Ph.D., CFP®, Texas Tech University. 4/8/14.

Three Key Details To Know About Your Prospects

Streamline your prospect research by looking for these

Ryan Woroniecki



Your time is valuable. If you're going to take time to screen your planned giving prospects for affinity and capacity, you'll want to know where to focus your attention.

After studying $5 billion in known giving to 400 organizations, we've identified the following three key details as the best starting point for your research.

1 Past Charitable Giving

You probably would have guessed this, but in case there's any doubt, let me assure you: the data is irrefutable.

People who donate between $5,000 and $10,000 to a nonprofit are five times more likely to give philanthropically than an average prospect. This correlation strengthens as gift size increases. Someone who has given between $50,000 and $100,000 to a nonprofit is 25 times more likely to give philanthropically than an average prospect.

Within planned giving, 78 percent of donors contributed 15 or more gifts in their lifetimes to the organizations named in their wills. You can't ignore that kind of history.

2 Real Estate Ownership

As wealth indicators go, real estate ownership is the mother ship.

In our research, we've found that individuals who own $2 million or more in real estate are 17 times more likely to donate charitably than an average prospect.

To gauge real estate ownership, you can start by using the prospect's addresses to find property value assessments on sites like Zillow or the county tax assessor's site.

3 Political Giving

Political giving indicates that a prospect is willing to make a financial contribution to a cause they care about.

That's huge! How huge? Someone who has donated just $500 in his or her lifetime to political campaigns is five times more likely to give charitably than an average prospect. If you jump from $500 to $2500, that prospect becomes 14 times more likely to give charitably than an average prospect.

Lucky for your organization, political campaigns report their donations to the FEC, and the FEC, in turn, makes that information publicly accessible on their website.

Prospect research is important but can be time consuming. When you narrow your research to the most essential, predictive information, you'll streamline your process and free up your time to do your #1 job—cultivating and soliciting planned gifts. ●

Ryan Woroniecki is the Vice President of Strategic Partnerships at DonorSearch, a prospect research, screening, and analytics company that focuses on proven philanthropy. He has worked with hundreds of nonprofits and is a member of APRA-MD. When he isn't working, he is an avid kickball player. Contact: www.donorsearch.net

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The 1% Percent Challenge

Continued from page 1

Where will you be in 10 years?

But a while back, I got a wake up call. A client, mentor and friend asked: *Where will you be in 10 years?*

Now I look at goal setting differently. I make all my goals with a 10-year mindset. I want to be constantly improving—moving in incremental steps toward where I want to be. I don't want to be on Any Road to Anywhere. I want to be on the Intentional Road to My Future Self.

A question I often ask (to myself and colleagues) is: Can you improve 1% a day? That's a 365% improvement over a year. It could be learning two new words, starting a book, watching less TV—anything.

So where do I want to be in 10 years?

In 10 years I'd like to have a business partner who can do what I am doing, much better. I'll be 71, and my goal is to semi-retire and travel across the nation speaking and writing content for my publications. Preferably from a cottage deep in nature.

Here are some of the ways I'm improving—toward that goal—1% a day.

1. **I analyze to see what I am doing right each day in my business and tweak if I can do it better.**
   Live Your Legend (see article on p. 3) has some excellent free materials to help with this.
2. **I ask mentors what I am doing wrong.**
   If you don't have a mentor, at least follow one online who can push you toward success. My favorites are Jim Rohn, Zig Ziglar and Debra Benton. Love her public speaking course.
3. **I do the above two when it comes to my relationship with my wife.**
   She's very good at answering me back at #2. After all, I give her plenty of ammunition to choose from.
4. **I exercise and improve my diet daily so that it becomes a habit.**
   I've shed 30 pounds already. My goal is to beat my fitness coach in arm-wrestling. It's a *she*.
5. **I learn one new word a day.**
   Yesterday's word was quixotic. Today I did not have time so I re-learned how to say "no." I have to re-learn this word every now and then.
6. **I read one self-development article each day.**
   By one of the three people mentioned in #2 above and several others.
7. **I think of small ways to improve my relationship with my team.**
   Staff comes first. Treat them well and they treat my clients well.

My goals for this year.

I have a couple goals for this year. One is to call five clients a day and thank them for their business. The other is to tweet every single day. This one will be tough.

What about you? I'd love to hear your goals and your 10-year vision. Give me a call or shoot me an email.

Here's to a purposeful 2016! ●

Viken Mikaelian was the first to bring planned giving to the Internet back in 1999. Since then his firm has helped over 1,200 non-profits get their planned giving programs on the Web. Contact: viken@plannedgiving.com

Dollars Aren’t The Only Green Gifts

Time to explore the untapped field of green energy gifts.

Betsy Suppes

At a conference last September, my co-presenter and I suggested looking at geothermal energy revenue/royalties that are sold back to the grid as another in-kind gift. This idea got the room buzzing with questions. “What if they don’t have a well drilled already?” “How much does it cost to drill a well?” “How long does it take from drilling the well to getting on the grid?”

Green energy gifts? Why not? It’s just like getting stock from a power company.

Geothermal energy is mostly limited to tectonic plate boundaries. A donor may have geothermal potential on their property. But if it has not been developed prior to gifting, they would be essentially gifting an easement. However, if the donor has geothermal energy, such as a hot spring, in which a well has been drilled and the energy is being sold back to the grid, a donor could gift a percentage to their charity of choice. This revenue stream would not depreciate, as geothermal energy is sustainable.

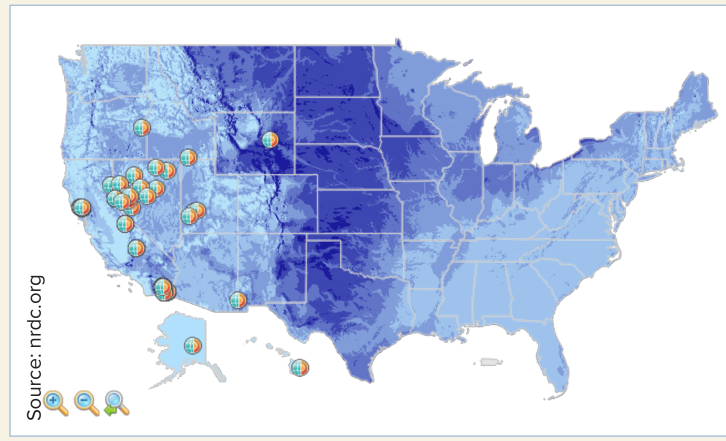
Green energy gifts? Why not? It’s like getting stock from a power company.

Hey, Sunshine!

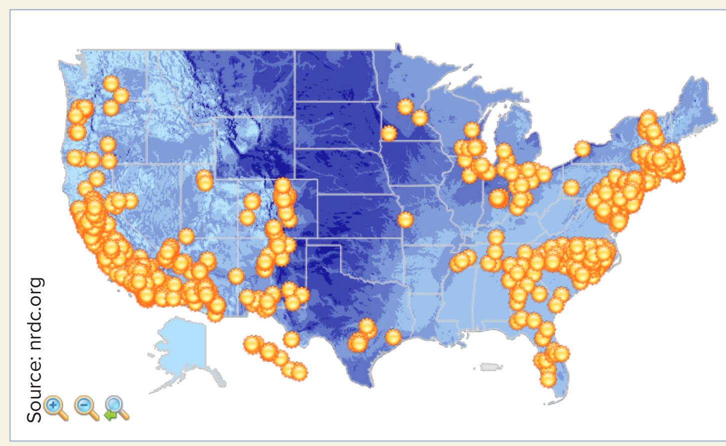
Solar energy varies from latitude to latitude and state to state. How it works, is that the power company approaches a landowner to lease their land for a solar “farm.” The power company would offer the landowner money in exchange for the use of his land as a solar farm, usually in units of dollars/acre. The landowner can negotiate a fair rate depending on the plans for the land. Power companies in states which have sunnier climates may have solar royalties that they also will negotiate with the landowner. Royalties in sunny states such as California and Hawaii, the royalties can be as much as 4%. These royalties can be gifted to charitable institutions and are sustainable.

Look what the turbine blew in.

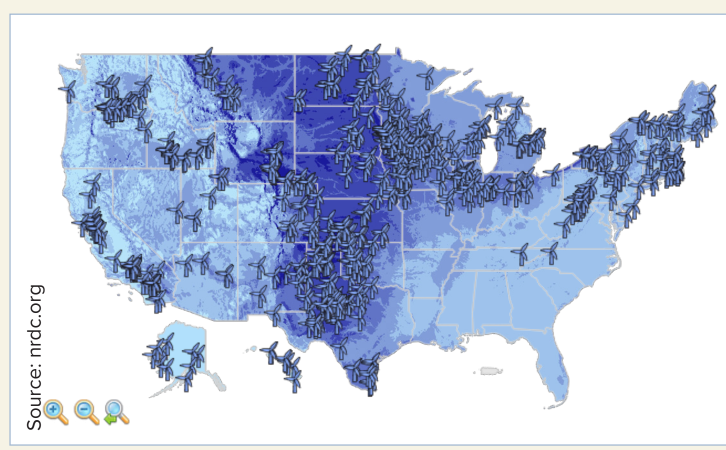
Landowners who have wind turbines on their land receive an annual payment and it can be a series of revenue first from the developer and then the power company. This income can be a combination of annual power generated and leased acreage. Prior to 2000, the turbines were less powerful and an average annual income was $2,000/turbine. Nowadays, the turbines are larger and generating more energy and an annual revenue stream of $5,000/turbine is not unusual. The landowner can negotiate an escalating royalty or revenue stream with the power company. As with solar energy, the windiest spots in the United States are by the shore, the ridge tops and the Great Plains. California, Texas and Iowa are states which have some of the most installed capacity, however this opens up the field for landowners in the northeast Appalachian ridge tops and other states in the Great Plains.



Existing geothermal facilities



Existing solar facilities



Existing wind facilities

Find your “green” donors.

Receiving green gifts is not necessarily mean dollar bills. A sustainable gift of green energy royalties is something that your advancement staff should actively seek. The green gifts of geothermal, solar and wind energy can be made simple. The gift officer just needs to find the people in their alumni database who are both philanthropic and green. ●

Betsy Suppes is a qualified appraiser and petroleum geologist.
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“I resolved to stop accumulating and begin the infinitely more serious task of wise distribution.” – Andrew Carnegie

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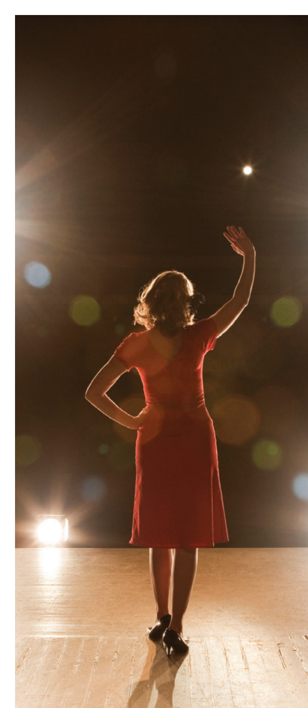
30,000 Eyes On You!



How would you like 15,000 people reading your published work? What about five points for your CFRE continuing education requirements?

You can have it all by contributing an article to *Planned Giving Tomorrow*. We're planning our 2016 editorial calendar now, so let us know if you'd like to be considered as an author.

Acceptable topics are limited only to your imagination. Just remember that our readers are professionals in fundraising and planned giving, so your article should help them (you!) do their job better. The most popular topics are personal stories, motivational pieces and practical how-to's.

2016 submission deadlines:
Summer theme: *Productivity*
Deadline for submissions: April 18, 2016

Fall theme: *Storytelling*
Deadline for submissions: July 18, 2016

Winter theme: *Leadership*
Deadline for submissions: October 18, 2016

To increase your chances of your submission being accepted for publication, please review our submission guidelines at *plannedgiving.com/submit* and send a short summary of your article idea to Karen Martin at karen@plannedgiving.com.