“Charity is when you write checks for someone who comes to the door. Philanthropy is when you set priorities and make a plan over a long period of time”.

Donna Hall
Getting Started in Planning Your Program

Congratulations! You are about to embark on your next fundraising adventure ... your bequest program.

In getting started, remember this is different from any other fundraising you have probably done before. This endeavor is a marathon not a 100 yard dash.

If your organization is not well known, and your resources are limited, is it possible to raise money through bequests? The answer is yes. Or if your organization is known in the community but resources are so limited a bequest program has not been started. The answer is again yes. You too can raise money through bequests.

As a partner benefit of Leave A Legacy® WNY, this workbook has been assembled to give you the tools needed to begin your bequest program. It has been assembled to provide simple steps and basic information that can be used to meet your needs and resources. This workbook also deals with the challenges of limited time and resources. Using the information and tips in this document, gathered from many sources, will give you the assistance to be successful in acquiring bequests for your organization. It will also be a learning tool for you in broadening your fundraising skills.

Bequests are the foundation of planned/legacy giving. You will notice that legacy giving not planned giving is primarily used in your toolkit. Legacy giving is the term we recommend. Up to 90% of legacy gifts are from bequests. A bequest is a gift from an individual, who has passed away and given a gift through his/her last Will and Testament.

In the United States, the largest inter-generational transfer of wealth in history has begun. Many charities are missing a wonderful opportunity to strengthen their organization through legacy giving.

Before you begin planning your legacy program, there are several points that need to be addressed.

- How old is your organization? It should probably be at least 10 years old with a donor base to work with.
- Is your organization a 501(c)(3)?
- Are your programs/services driven by your organization's mission?
- Do you communicate with your donors on a regular basis?
- Is your organization's leadership well respected?
- Does the community consider your organization stable?

If the answer to these questions is yes, then proceed with your planning. If there are any no's to those questions, deal with those first before initiating a legacy program.

Planning is essential in starting a legacy program and the steps listed below will help with that task.

- Bring your CEO on board as an advocate.
- Learn the basics of bequests.
- Engage and inspire your CEO, CFO and staff leadership that this program is important.
- Work with your CEO to identify and recruit a member of your board of directors/trustees to act as an advocate for the legacy program.
- Incorporate these initial steps in your plan.
A key to success is to make your plan modest with attainable goals that are doable with the time and resources you have. A modest and consistent effort will yield results over time. You do not need to become an expert on gift vehicles. You do need to get to know your donors and talk about their dreams and wishes for your organization. Remember, this is a long term effort not a “one-and-done” program.

Almost 75% of Americans make gifts to charities during their lifetime, yet fewer than 10% make a bequest or other legacy gift at their death. Why are individuals so generous during their life but do not make provisions in their Will for charities at their death? Because most of those individuals have never been asked!

So, with all this said, it is time for you to embark on this new adventure of creating your legacy program. Your commitment and discipline can produce long-term benefits for your organization that may help assure its future.

Good luck and success with this endeavor.

“The best time to start a Planned Giving program is 20 years ago. The next best time is today.”
Definition of Charitable Legacy Giving

Simply stated, charitable planned/legacy giving is the process of engaging a possible donor, helping an individual plan to facilitate a gift and stewarding the gift once a commitment has been made to the charitable organization. You will see the terms charitable planned giving and legacy giving throughout this document. Both mean the same thing with legacy giving our preferred term for planned giving.

Legacy giving covers the full spectrum of generosity by individuals and is based on powerful traditions of giving in the United States. Bequests are gifts made through wills that your organization receives after the death of the donor and/or another designated individual.

Deferred giving, legacy giving, planned giving, and gift planning are terms that have little meaning outside the fundraising profession. Care should be taken in using language that donors and prospective donors understand.

Since up to 90% of legacy gifts are generated through simple bequests, charities can raise substantially more money by encouraging gifts in a person's will and emphasizing the ease of naming a charity as a beneficiary of a checking, savings or pension account and savings bonds.

A bequest is a designated gift in an individual's last will and testament and becomes available to the charity upon the individual's death. Generally, a bequest directs a specific amount of money or a specific asset to an identified charity or charities. Examples of other specific assets include homes, jewelry, stocks, certificate of deposits, insurance policies, land and/or artwork.

The following terms often accompany a bequest … unrestricted and restricted.

- Unrestricted bequests are available for the general use of the charity and can be used where the organization deems the bequest is most needed.

- A restricted bequest is just that … restricts where and how the charity can spend the funds. A restricted bequest can be directed to the charities endowment, create its own endowed fund and direct how the monies from the fund are to be spent. A restricted bequest can also be designated to a particular program or department in your organization.

The more complex planned gifts such as life-income trusts, charitable remainder trusts represent only a small percentage of actual legacy gift revenue. As your planned/legacy giving program becomes established and matures, the more sophisticated gifts can be incorporated into the program with assistance of financial advisors. But for now, you need to concentrate on bequests (wills) and beneficiary designations.

All forms of legacy gifts demonstrate a powerful and meaningful way that individuals choose to create a philanthropic legacy for their communities and the causes they care about.

Samples of bequest acknowledgement letters can be found in the Appendix.

When speaking about bequests to anyone, always use...
Reasons for Creating a Will

A Last Will and Testament is a legal document that an individual creates during his/her lifetime to designate the distribution of his/her assets after their death. To comply with state requirements, a will should be drafted in consultation with an attorney.

A will is important for a number of reasons:

- The individual can control where and how his/her estate will be distributed.
- The individual can make specific bequests to family members and other people who are important in his/her life.
- The individual can make charitable bequests to their favorite charities.
- It may save taxes and control unnecessary expenses in the administration of the estate.
- If there is no will, the state determines how your property is distributed.

A donor making charitable bequests in his/her will can be specific in what will be given to each charity named in the document. Gifts can include; money, stocks, real estate, insurance policies, and/or a home.

There are also several categories of charitable bequests including a specific dollar amount or a percentage of the entire estate. Typically, a donor will have included more than one charity in their will.

“Trigger Events” Which May Lead to Making a Will

- Marriage
- Birth of Children
- Divorce
- Re-Marriage
- Death of a Spouse
- Death of a Parent/Sibling
- Birth of a Grandchild
- Adoption of a Child
- Retirement
- Whenever a New Phase of Your Life Begins
- Serious or Terminal Illness
- Military Deployment – War
- Death of a Close Friend/Peer
- Serving as an Executor of an Estate
- Children Leave Home
- Experiencing a “Close Call”
- Coming Into Money – Lotto/Inheritance
- Selling/Buying a Business
- Selling/Buying a Home
- Traveling Abroad
- Moving to a Different State
- Children Hint to You – “Ought To”
- When You Are Reminded by a Charity You Care About
- When a Relative Becomes an Attorney
- Reaching “A Certain Age”
- Becoming Aware of Your Own Mortality
- When You Are Asked to Include a Charity in Your Will
- As Robert Sharp says: Birth/Bride/Boat/Biopsy
  Birth – When children are born
  Bride – When someone is married
  Boat – When you go on a cruise or travel abroad
  Biopsy – When you have a health “scare”
Simple Types of Legacy Gifts

In beginning your legacy program, know that up to 90% of planned gifts will come from bequests.... gifts made at the end of life through a will and last testament. Although there are simple and complex planned giving vehicles, the types of gifts outlined here will be simple and cover the vast majority of your legacy gifts.

Legacy gifts can be received either through a bequest in a will, or by signing a beneficiary form.

Bequests given via wills can be:
- Cash and a variety of other assets
- Beneficiary Designations:
  - Traditional IRA
  - 401 (k)
  - 403 (b)
  - Life insurance policies
  - Keogh
  - SEP
  - Simple IRA and Roth accounts.

- Payable-On-Death (POD) accounts. These include bank and credit union accounts, Certificate of Deposits and U.S. Savings Bonds.
- Transfer-On-Death Accounts (TOD). Stocks, bonds and brokerage accounts can be transferred to a charity upon death of the donor.

As legacy gifts come in, you will gradually acquire knowledge about planned gifts and become more comfortable with a variety of gift vehicles. This is “on the job” training.

Should a gift opportunity present itself and you are not well versed in the vehicle, don’t be afraid to say, “I’m not familiar with this, but I will find out and get back to you.”

Beneficiary designations are simple to do and do not require a will to accomplish. The donor just signs a form from their plan administrator (bank, insurance company, etc.)
In undertaking a bequest/legacy program, the initial groundwork should include educating and engaging your board of directors and CEO. But remember, educating board members about legacy giving is an ongoing process.

During the initial planning of your legacy program, it is important to identify and cultivate a member of the board to become committed to the program and your champion in implementing the program. Working with your CEO in identifying and recruiting a board member, will facilitate the process and demonstrate the importance of the program to the rest of the board of directors and to the organization’s leadership.

Once you, the CEO and board advocate are in place for the legacy program, arrange a presentation to the board of directors, during one of their meetings, to provide an overview and outline the importance of this new initiative.

In their book “Raising Money Through Bequests,” David Valinsky and Melanie Boyd suggest the following considerations for making a presentation to the board on a legacy program:

- Give a brief report on the history of bequests your organization has received.
- Explain how a legacy program will benefit donors and friends. People can make a dramatic and lasting impact on the community.
- Review the benefits to the organization, as well as the cost to introduce and operate the program. One sticking point for many members is that legacy revenue can take years to realize.

Suggest additional staffing will not be needed at first, but that could change over time.

Address common myths of donor legacy decision making. These include “Donor estate plans are mostly driven by tax considerations” and “Donors want to leave their entire estate to their children.” Many people don’t want to leave it “all” to their children. Refer to chapter on Legacy Giving Myths for details.

Outline the three points of responsibility for the board:
- to adopt and periodically review gift acceptance policies
- to keep their antennae up for likely bequest prospects
- as needed, work with you in engaging bequest prospects.

Staff can draft a simple gift acceptance policy using multiple resources listed in the Resources chapter. The board can then review and adopt the policy at a future board meeting.

As the program becomes established, regularly draw the board’s attention to the program through updates of successes and new opportunities. Tell a story. Be creative: a brief update about a prospect with whom you are working or a legacy gift that came in can be effective. If possible, have your board advocate present the report during a board meeting. It does not need to be long or involved. A three to four minute report can be very informative.
Identifying Prospective Legacy Donors

Go into your donor files and begin identifying donors who give to your organization regularly. Concentrate on the donors you know have a tie to your organization and care deeply for its mission. They are the best candidates for legacy gifts. If you have donor software, run a report on long-time and frequent donors.

Once an initial list of prospects has been gleaned from your files, check if the list includes current and former board members, volunteers, long-term staff members and grateful alums or constituents. Ask others in your organization to help you identify likely legacy donors. Check prospects on this list to identify if they have experienced a “Trigger Event” in their lives. The list of “Trigger Events” is on page 7.

Then continue refining the identification process using FLAGS:

- **F** – Donors who give frequently.
- **L** – Donors who have given over a long period of time.
- **A** – Donors who are “of an age”.
- **G** – Donors who are “girls”.
- **S** – Donors who are single have no children/grandchildren or whom they feel responsible, or double income couples with no children.

A means of demonstrating your commitment to the planned/legacy giving initiative, become a legacy donor yourself. Recruit your CEO and a board champion first and then key administrators and other members of the board to join you as public members of the program.

Select the top 25 of your most likely prospects from your initial list. Of these, choose a number of prospects you believe you can follow up on and begin engagement. As time goes on, select additional prospects from the list of 25. See Appendix on page 27 for a sample grid.

You may want to send a letter to all board members, senior management of your organization and the initial list of prospects explaining the importance and impact of legacy gifts on the future of the agency. Ask if they have made a provision in their will to the organization, would they please complete the simple form that has been included with the letter and return in the enclosed envelope. A sample of this type of form is in the Appendix on page 26.

Don’t underestimate the gift capabilities of a donor because of the clothes they wear or the house they live in. It has happened many times that significant bequests have come from quiet “under the radar” individuals.

In summary:

- Research, identify and begin qualifying your top prospects.
- Become a bequest donor yourself.
- Have your CEO and board advocate become bequest donors.
- Mail a legacy inquiry letter to your board of directors, senior staff and identified donors.
- Then, begin the next step … cultivation and engagement.
In conversations with donors on why they choose to make a gift to your charity, to the surprise of some, “tax and IRS motivation” is frequently not the top reason. Knowing these is important in donor cultivation.

Often, the ten most common reasons in making a legacy gift are the ones listed below. These are adapted from the book titled, “Raising Money Through Bequests” by Valersky and Boyd.

1. **Belief in the mission.**
   This is the number one reason why people give and it holds true for legacy giving as well. Donors are inspired by the mission of the organization and its commitment to changing or saving lives in the community.

2. **The donor has seen the mission realized firsthand.**
   One way donors can confirm the value of their giving is through firsthand experience. They may have worked for your organization as volunteers. Perhaps they serve on the board and recently attended a meeting where a staff person talked about the difference their food bank is making in one family’s life. It could be the donor attended a special event where an alumnus spoke eloquently about the education he/she received at your school.

3. **The donor knows the gift will be used wisely.**
   Donors want their gifts stewarded and carefully spent. Organizations that are mindful of their disbursements and regularly report to donors on how their gift has changed lives of others set the stage for legacy giving.

4. **The organization has directly impacted the donor’s life or the life of a loved one.**
   “You have cancer.” Those were the first three words of a brochure written for a cancer center campaign. This simple phrase forged an immediate connection between the prospective donor and the cancer center’s mission. Who among us haven’t heard these words in connection with a family member, friend, or co-worker? Few of us know how many lives are touched by the organizations we serve. But, those to whom your organization has helped won’t soon forget you.

5. **The donor feels like they know you.**
   At heart, successful fundraising is about building relationships. About staying in touch with donors, whether by phone, personal visit, e-mail, or birthday card. That’s why, despite your pressing meeting with the invitation designer or that grant report due next week, making time to reach out to your donors must always be the first order of business.

6. **It feels good to give.**
   As good as it feels to receive a special gift; those of us who are philanthropic also know how good it feels to give. Jerold Pana, author of Mega Gifts and other classic books on fundraising, talks about “enlightened givers.” Generous women and men who love to give. “For enlightened givers, there is a sense that they are only trustees of the money they have earned or inherited. They find it wonderful fun to give money to help those in need. They find making a gift a rollicking experience.”

7. **The donor holds the staff and volunteer leadership in high regard.**
   For donors, the face of your organization is often the person whose name is at the top of the organizational chart or a staff or board member who has had direct contact with them. How this individual is perceived, most notably, his or her unquestioned integrity is what often dictates whether a donor will give a significant gift.

8. **The donor appreciates and benefits from your organization’s services and products.**
   An enjoyable night at the theater, a challenging Pilates class, a particularly moving religious service during the holiday, the attentiveness of a healthcare professional during a serious illness. Any of these may be incentive enough for an individual to take the next step and make a legacy gift.

9. **It allows the donor to honor or memorialize a loved one.**
   What we find in many situations is that people want to leave a lasting memorial to someone they love, especially when that person had a connection to your organization. A memorial gift provides a way to keep their memory, and spirit, alive.

10. **It serves the need to be accepted and belong.**
    While recognition is not important to everyone, many of us want to be part of a special group. Families and friends meet this need for many. But, so do charitable organizations. That in part explains why just over 50 percent of all contributions in a recent year went to two types of organizations, education and religion, both of which forge strong feelings of belonging.
Building Relationships With Your Donors

Building meaningful relationships with your donors is a process and will take time but it is not difficult. Remember, developing relationships with donors is a process. Think of yourself as planting trees. In years to come, the shade from these trees will provide relief for others.

If your time and resources are limited (and whose aren’t), begin with only a few donors. The important thing is to just begin. As time goes on and you become more comfortable with this engagement, you will increase the number of donors in your cultivation activities.

Get out from behind your desk! Make appointments and meet with donors face to face. Make your own telephone calls to schedule meetings and not someone in your office. It is all about a personal touch. After your first conversation or meeting, set tickler dates in your calendar for future contacts. The process has begun. If you currently are doing donor cultivation, you have made a significant step as you begin your legacy program.

As the relationships build over time, telephone calls can be included to the mix. Have an objective before each contact. Before each meeting or call to the donor, always review the donor’s file including giving history, personal information, favored areas of interest in your organization, etc. After each meeting/contact, add any new information to the donor’s file.

A key to building any relationship is the ability to listen…… really listen to what the donor is saying. In conversations, listen to their concerns with empathy and see things from their point of view. Listen for clues during your conversations … “I wish I could do more,” “If I were rich.”

Thank them for their support and interest in your organization and its mission. Let them know the impact of their gifts. Ask them for advice and solicit their opinions. Update them on the latest developments in your organization and tell stories of individuals who have been helped. Ask them what dream they would like to accomplish if they could and how they would like to be remembered.

Know and appreciate your donor’s most common fears. “Will I die too soon, live too long, become ill, have an economic emergency, and become mentally/physically disabled.”

In developing your relationships with older individuals remember, they have a lot to say and, it can’t be rushed. Also, wait until after 10:00 a.m. to call or visit.

As you build these relationships, be honest and ethical! Treat you donors as you would your parents and grandparents. Be sure your actions could past the big three test … Smell/Stomach/60 Minutes.

Ethics In A Nutshell

Smell – If it doesn’t smell right, it isn’t right.
Stomach – If your stomach turns at the thought, don’t do it.
60 Minutes – Would you like to explain your actions on national television? If not, don’t do it.

When the time is right, ask “Have you ever considered making a provision for our charity in your will?” And wait quietly for the answer.

See Appendix

• Model Standards of Practice for the Charitable Gift Planner ........................................ Page 28
• Donor Bill of Rights .................................................. Page 30
• AFP Code of Ethical Principals & Standards ........................................ Page 31
Pitfalls in Building Relationships with Donors

There are a number of pitfalls when building donor relationships. This short list of five should always be kept in mind. They are simple and very important. Simple mistakes can damage your program and aggravate your donors.

Never overestimate – or underestimate your prospect’s understanding of planned gift techniques.
Get to know your prospects. Are they very well educated? For example, an attorney needs to receive information in a straightforward way versus prospects that come from many different walks of life and prefer information in “plain English.”

Always, always spell and pronounce their names correctly.
There is nothing worse than getting a letter with your name misspelled. Or having your misspelled name listed in the recognition society. Also, make sure you have given your donors an opportunity to remain anonymous. Be sure you know how the name is to be listed or how letters are to be addressed.

Remember you are often dealing with older donors when speaking or writing.
All correspondence should be in nothing less that 14-point type. That means letters, reply cards, lists, your business card, advertising, newsletters … Everything. When speaking, don’t shout, but don’t mumble either. If you leave a voicemail message, speak slowly and clearly. If you leave your number for a reply call, write it in the air as you are speaking to make sure you are not talking too quickly. Then repeat the number.

Stay in touch.
Congratulations! You have secured your legacy gift. After celebrating, make sure you have all the details correctly filed, don’t ignore your donor. He/she has elevated your charity to the level of a family member and may expect to be treated as such. Send birthday cards or call on the donor’s birthday. Remember to add the new donor to your mailing lists for newsletters if you have not done so already. Remember that wills are revocable, and if you don’t stay in touch, the donor may remove you from the list of beneficiaries.

Listen more than you talk.
Individuals that have made a commitment and know your organization don’t need to be sold on its mission and impact in the community. They already know it. Do continue to listen to what they have to say. Learn more about their families, their interests, why they became committed in your organization and what they would like to accomplish with their philanthropy.
Legacy Giving Myths

1. **Myth:** Legacy giving donors are old.
   **Reality:** Nearly one-third of the existing pool of donors is younger than 65, and six percent are younger than 45.

2. **Myth:** Legacy giving donors are wealthy.
   **Reality:** Donors are generally people of modest means who cannot afford to give an outright gift of any substantial size to your organization.

3. **Myth:** Legacy gifts compete with major gifts.
   **Reality:** Most legacy donors are not major donor prospects.

4. **Myth:** Legacy gifts take too long to collect.
   **Reality:** The average time from inception to maturity of a planned gift is 7 to 10 years, a few years longer than most campaign pledge periods.

5. **Myth:** Legacy gifts are a distraction in campaigns.
   **Reality:** Nationwide, legacy gifts are providing up to 30 percent or more of comprehensive campaign totals, and becoming the backbone of public fundraising campaigns.

6. **Myth:** The real dollars are in current gifts.
   **Reality:** The typical legacy gift is 200 to 300 times a donor’s largest annual fund gift.

7. **Myth:** People read legacy giving brochures.
   **Reality:** It has been said that, sending a brochure is one way to postpone a meaningful interaction. An emerging option is a legacy giving website.

8. **Myth:** Seniors are not on the Internet.
   **Reality:** Adults 55 and older are the fastest-growing sector of the PC purchasing public.

9. **Myth:** People read legacy giving newsletters.
   **Reality:** Consumers are deluged with them and are losing interest.

10. **Myth:** Legacy giving marketing is too expensive, in other words, not worth the cost.
    **Reality:** Legacy giving is inherently a low-volume business and the most successful direct mail programs have response rates of two percent, however, you only need a few responses to realize large planned gifts.
Creating Your Own Legacy Society

Donors make legacy gifts because they care deeply about your organization. As a component of your legacy program, you can honor and recognize your donors who have made a legacy gift by creating a recognition society. Your Society allows you to develop long-term relationships with donors, letting them know their gifts are not taken for granted and their wishes will be honored.

A legacy society should be considered after your legacy program is up and running and you have a number of individuals who have notified you that your organization is in their will or other planned gift. Keep it simple.

There are four criteria in creating your organization’s legacy society.
- Defining the Society.
- Outlining membership criteria (policies).
- Naming the Society.
- Determining the benefits of membership.

There are four components in defining the Society.
- To recognize those who have left a legacy gift to your organization. As a member of this Society, these donors are honored for their special commitment to the future of your organization.
- To publicly recognize current members also serves to recruit others to consider making a bequest or other legacy gifts.
- To prompt those that have made a legacy gift to notify you.
- To educate members about wills, bequests and other types of legacy gifts.

A Society also provides an opportunity to share your organizations current and future program plans and future funding needs. An important goal is to create a number of avenues to communicate with your members to build strong and more personal relationships. Ongoing donor stewardship is an important component of a legacy society.

Once a donor makes a legacy gift, they are more likely to increase their financial commitment to your organization, either through outright giving, by increasing their bequest, or through other of types planned gifts.

In establishing a Society, membership policies need to be written and approved by the board of directors. Simply, the policy should note whether all donors who indicate verbally or in writing that your organization is in their legacy plans will be acknowledged as a member or only donors who provide an actual copy of the bequest or other gift will be acknowledged as a member. What is required from donors as proof of their gift may well determine the success of your Society. Some donors may have privacy concerns and requiring a copy of the bequest document may make them feel uncomfortable and may change their minds about their gift.

continued
Selecting an appropriate name for your Society requires serious consideration and may be the most challenging part in creating the Society. Once a name is chosen, it is difficult to change. The name should evoke your organization and no other, a name that reflects its splendid history, its dynamic present or future. Many organizations choose names based on early leaders, a term that suggests a recognizable aspect of the mission or a word or phrase that indicates the role of members and their gifts in the organization. At the Tampa Center for Performing Arts, for instance, they have named theirs the Bravo Society. Board and committee members could be helpful in identifying and choosing a name.

Unlike giving clubs, legacy societies should be careful not to distinguish between the amount of gifts. A $1,000 commitment should be recognized equally alongside a $100,000 gift.

The launch of the legacy society is important and can be simple. With a number of donors who have notified you of their legacy gift identified and the framework of the Society in place, an event should take place with the sole purpose of recognizing this distinguished group of supporters who have made a unique commitment to your organization's future.

The event should include your board of directors, committee members, the CEO, senior management, yourself, spouses and the families of donors who are being welcomed into the Society. The event need not be expensive or complicated but should reflect the importance of the launching and of the Society. Planning for the event should include public relations and marketing activities.

As a member of the Society, individuals should receive extra recognition and appreciation not available to other donors. These benefits also provide opportunities for you to interact with your donors. Although recognition activities can grow in time, in the beginning benefits could be a simple luncheon or reception with the CEO and chair of the board of directors annually, VIP tours, an annual special briefing with the CEO on your organization and/or publication of Society members in your newsletters.

With limited resources, stewardship and marketing efforts of your Society can easily be piggybacked on your existing activities. Include information about joining the society in newsletters and on your website. Recognize members in newsletters, on your website and as part of development reports to the board of directors. Before publicly recognizing donors, ask their permission. They may wish to remain anonymous.

The trust of your donors is critical. As each legacy gift becomes known, conversation with the donor regarding public recognition and full disclosure of their gift is necessary. Some donors may wish to remain anonymous and others may wish to be mentioned selectively. It is the responsibility of the development staff to find out the donor’s wishes and document those wishes for future reference.
Points to Consider When Creating a Legacy Society

1. The great wealth transfer has begun. Bequests are one of the most important growing sources of philanthropy.

2. Donors don’t typically reveal they have made a charitable bequest. They want to protect their privacy. If you ask in the proper way, they will tell you.

3. 21% of legacy-donors have no prior affiliation with the charity, but have chosen the organization because they believe in its mission.

4. Thank legacy donors often and in many different ways.

5. Among those you know who have left your organization in their estate plans, ask about any unknown donors they might suggest.

6. If you have properly celebrated the gifts of those you know about and shown great appreciation, they will likely make ongoing annual gifts.

7. Most legacies to organizations do not come from the wealthy but from middle and middle-low income individuals and they often remember a number of charities in their will.

8. Develop policies, approved by the board, to determine membership in your Society.

9. Choose a name and logo that clearly reflects the singular character of the organization. Make it unique. Remember, never name your Society after a living person.

10. Typically, an organization has three times as many people who have made estate plans as those you know about. Find a way to uncover those unknown individuals.

11. Initiate a “discovery letter” asking donors to “raise their hands” and join your Society. The letter should be signed by a person who is recognized by name or office to be influential and known by your constituency.

12. Send personalized letters, once or twice a year, to members of your Society outlining legacy giving opportunities but make it a newsy and an anecdotal piece about the great things your organization is doing and how it touches lives. Send these letters with first class postage.
Marketing and Public Relations

Marketing and public relations efforts should inform and educate why legacy giving is important and encourage how simple it is to participate. Building and sustaining legacy giving marketing and public relations activities need not be complicated or involve significant time and resources. Get started with simple marketing activities outlined below.

These are simple activities to introduce and educate your prospective legacy donors:

- Add a tag line to your letterhead and emails (See samples in Appendix on page 25).
- Include a drop in article or add a sidebar to all your newsletters and annual reports. (These are included in Leave A Legacy® materials).
- Consistent exposure in your publications allows repetition of your message which allows donors to become familiar with your legacy program.
- Frequency is important in imprinting your message in the individual’s mind.
- Add check off boxes on all your solicitation donor reply cards saying “I have included you in my will.”
- Add information on bequests and “I have included you in my will” tagline, to your online giving page.
- Include a contact name and telephone number in materials and on your website should an individual have questions.
- Develop a consistent design of materials which creates identity and credibility.

In creating marketing materials remember make the font size larger (14 points or greater), simple design is most effective and color contrasts with text and background are important.

It is also important to include in your communications and marketing:

- Your organization’s federal tax ID number and your organization’s legal name.
- State that all requests for information are confidential and non-obligatory.
- Encourage donors and prospects to seek their own legal and financial counsel.
- Have a legal and tax disclaimer such as “The information provided is not intended to be legal or tax advice. It is always advisable to consult with a qualified estate planning attorney when drafting your will to ensure your wishes for family and our nonprofit are properly documented.”

Educating donors and prospects as well as developing an organizational culture that values legacy are important goals of marketing and public relations activities. You can create successful marketing and public relations tools to support and build a successful legacy program by building on activities and materials you now have.
How Will You Measure Your Legacy Program

(Count Activities Not Dollars Received)

In starting a legacy program one of the important components to include but is often shied away from is program measurement. Why? Because it is challenging to figure out what to measure since many legacy gifts are unknown to the organization until the donor passes away.

The key in measurement is to measure the things that can be reliably identified. The number of gifts and the bequest dollars generated are never fully known and therefore cannot be included in your plan. Focus on program goals and strategies that can be identified.

**These could include your activities:**

- number of face-to-face visits with prospects
- marketing efforts
- number of written proposals to prospects
- the number of visits to prospects with you and the CEO or board member
- the number of presentations on legacy giving to your board of directors, donors and staff.

Successful and productive legacy programs are built not by one person, but through the collaborative efforts of a team. The team which includes the CEO, advocates on your board of directors, community volunteers committed to the organization’s legacy program and the staff person responsible for legacy/bequest giving.

An effective team is built on collaboration, trust and mutual support. To build a team takes time but is critical to the long-term success of your legacy program. To begin, the team could be you, the CEO and a board advocate. Remember, keep it simple and manageable.

In establishing your legacy/bequest program, planning includes goals measuring the progress and success of the program and as your team begins to come together, include and educate them on the most effective way to measure your efforts and their role in getting this program off the ground.
You Are Informed of a Legacy Gift, Now What?

Usually organizations are notified of a legacy gift through a telephone call and/or letter. Your work and diligence is bearing fruit. You may have known that this individual had included your organization in their will or, maybe not. Only one third of legacy donors let charities know that they have included them in their estate planning.

Once you have been notified of a bequest, there are only a few things you need to do.

- Inform your CEO and Chief Financial Officer. It is news that they will want to hear.
- Review the paperwork.
- Review your files to determine the relationship between the donor and organization.
- If you were notified by mail, contact the estate’s professional advisor and let them know you have received their notification. Thank the advisor and ask if it would be appropriate to contact the donor’s family to express appreciation (See Appendix letters on pages 22, 23 & 24).

- If appropriate, you or the CEO speak with the family (or a member of the family) and express your organization’s appreciation and how the donor’s generosity will impact the organization and its mission.
- Work with your finance staff to ensure the legacy gift is used in accordance with the donor’s wishes.
- Be sensitive about recognition of the gift. The donor’s family may welcome recognition of the donor or they may want to no recognition at all.
- Wait for the check to arrive!
Books
The Complete Guide to Planned Giving
(Revised 3rd Edition)
By Debra Ashton
Ashton Associates
24 Robertson Street
Quincy, MA 02169
Phone: (617) 472-9316
Cost: $95.99 plus shipping
Web: www.debraashton.com
This version of her famous “Blue Bible” is valuable for strategy, organization and Appendices I thru IV.

The Ultimate Do-It-Yourself Bequest Book
By Betsy A. Mangone & Lynn Thomas
Mangone & Company
12687 W. Cedar Drive, Suite 210
Lakewood, CO 80228
Phone: (303)980-0800
Web: MagoneBooks@aol.com
A step-by-step guide to establishing and administering a planned/legacy gift program.

Donor Centered Fundraising
By Penelope Burk
Cygnus Applied Research, Inc.
Web: www.donorcentred.ca

Raising Money Through Bequests
By David Valinsky & Melanie Boyd
Emerson & Church, Publishers
Web: www.emersonandchurch.com

Useful Website & Blogs
Leave A Legacy®
www.leavealegacy.org
Partnership For Philanthropic Planning (Formerly the National Committee on Planned Giving)
www.pppnet.org
Association of Fundraising Professionals
www.afpnet.org
http://www.plannedgiving.com/resources/
Lots of interesting resources.
http://www.smart-giving.com/plannedgivingblogger/
Phyllis Freedman – sign up for her blog & check out her free resources.
http://www.stelter.com
Sign up for Bestow for free resources.
http://www.pgcoach.org/index.html
Regular email tips for legacy giving.
http://www.lambresearch.com/
excellent site for beginning your prospect research for legacy giving and general fund raising use. Go to directory on the left side of home page and look through the suggested categories and sites.

Other Helpful Books & Resources
The Millionaire Next Door: The Surprising Secrets of America’s Wealthy
By Thomas J. Stanley and William D. Dankos

Big Russ and Me: Father and Son ... Lessons of Life
By Tim Russert
Hyperion Books
Both books by Tom Brokaw and Tim Russert provide excellent insight about the generation who came of age during the Great Depression and WWII. They will help you understand this generation’s values and thought processes.

The Stelter Company
10435 New York Avenue, Des Moines, IA 50322
Telephone: 800-331-6881
Web: www.stelter.com

The Greatest Generation
By Tom Brokaw
Random House, Inc.
Web: www.atrandom.com
Acknowledgement letters should be mailed within three days of receiving notification of a bequest. Each of these letters should be personalized and mailed to the attorney or individual handling the estate. These three sample letters will be helpful in drafting your own letters.

**Acknowledgement Letter From CEO or Board Member**

<Date>  
<Date Name>  
<Date Address>  
<Date City>, <Date State> <Date Zip>

Dear <Date Salutation/Name>,

I have been informed by our (Development Director/appropriate title and name) that our agency is the beneficiary of a bequest from the Estate of ________________.

I am most appreciative that ________________ not only supported (Name of organization) during (his/her) lifetime but understood our mission and had made a commitment through this bequest to continue to support our vital work (organization mission statement).

On behalf of myself and the Board of (Directors/Trustees), I extend my most sincere thanks for this meaningful gift.

Sincerely,

<Date Name>  
<Date Title>
Acknowledgement Letter for Specific Bequest

<Date>
<Date>
<Date>
<Address>
<Address>
<Address>
<City>, <State> <Zip>
<City>, <State> <Zip>

Re: Estate of _____________

Dear <Salutation/Name>,

Thank you for notifying the (Legal Title of Agency) that we are a beneficiary of the Estate of _____________. You may be assured that we will allocate this bequest according to (Mr. Ms. Miss) _________________’s wishes.

We are very thankful that __________ remembered our agency in (his/her) estate plans and would like the opportunity to contact people important to (him/her) to express our thanks. Do you know of anyone who might appreciate this gesture?

In order for us to maintain complete estate files and allocate this bequest as _____________ intended, we request a copy of that portion of (his/her) Will that identifies the interest of the (Name of organization).

If the (Name of organization) is likely to receive any portion of its distribution in the form of real estate, please notify me immediately. We will need to visit the property and prepare an environmental assessment before taking title. Please do not automatically transfer ownership of any assets, including real estate and securities, without first notifying me. Our board of directors and I appreciate your consideration in this matter.

Finally, we would like to include _________________’s name in our listing of our Legacy Society members. Only (his/her) name would be listed, not the amount of any bequest. I would appreciate it if you would contact me if you have any objection to (his/her) inclusion; otherwise (his/her) name will be added to our Legacy Society roster after the bequest is received. If you would like a copy of that listing, please let me know.

Thank you for your assistance in this matter. We look forward to working with you on this estate. Enclosed are our W-9 and an IRS Determination Letter.

Sincerely yours,

<Name>
<Title>
Encs.
Acknowledgement Letter for Residual Bequest

<Date>
<Date>
<Date>
<Date>
<Date>

Re: Estate of ________________

Dear <Salutation>,

Thank you for notifying the (legal name of the organization) that we are a beneficiary of the Estate of _________________. You may be assured that we will allocate this bequest according to ________________’s wishes.

We are very thankful that ________________ remembered (name of organization) in (his/her) estate plans and would like the opportunity to contact people important to (him/her) to express our thanks. Do you know of anyone who might appreciate this gesture?

In order for us to maintain complete estate files and allocate this bequest as ________________ intended, we request a copy of that portion of (his/her) Will that identifies the interest of the (name of organization). Because our organization is a residuary beneficiary of this estate, we would also appreciate receiving a copy of the inventory and all accountings for the estate when they are prepared.

If the (Name of organization) is likely to receive any portion of our distribution in the form of real estate, please notify me immediately. We will need to visit the property and prepare an environmental assessment before taking title. Please do not automatically transfer ownership of any assets, including real estate and securities, without first notifying me. Our board of directors and I appreciate your consideration in this matter.

Finally, we would like to include ________________’s name in our listing of Legacy Society members. Only (his/her) name would be listed, not the amount of any bequest. I would appreciate your informing me if you have any objection to (his/her) inclusion; otherwise, (his/her) name will be added to our Legacy Society roster after the bequest is received. If you would like a copy of that listing, please let me know.

Thank you for your assistance in this matter. We look forward to working with you on this estate. Enclosed are our W-9 and an IRS Determination Letter.

Sincerely yours,

<Name>
<Title>

Encs.
Legacy Giving Tag Lines Examples

- A gift in your will takes a simple designation and costs you nothing during your lifetime. It’s easy and can be changed if you change your mind in the future.
- Have you ever considered making a provision for XXXXXXXXXX in your will?
- Naming XXXXXXXX as a beneficiary of your IRA is simple to do and can be changed at any time. No lawyers, no muss or fuss, just sign your name and designate what percent you want to give.
- Considering us in your will?…… Our legal title is XXXXXXXXX.
- Want to make a statement about your values? Make that statement through your will and include XXXXXXXXXX. Thank you.
- If you wish you could do more to continue our mission, YOU CAN! Include XXXXXXXXXX in your will. Your bequest will assure that our agency continues serving your community.
- “You can’t take it with you” ….. But you can make a difference by including XXXXXXXX in your will.
- Have you made a provision for us in your will? Thank you.
- Do you have a will? Don’t let the state decide where your money will go. Please consider including XXXXXXXXX in your charitable planning.
- Do you have old U.S. Savings Bonds? Did you know you can leave them to us? Just make them payable to XXXXXXXXXX by signing a simple form.
- Continue your commitment and concern for XXXXXXXXXX. Remember us in your will. Thank you.

These examples can be:
- Added as a footnote on correspondence.
- After your signature on emails.
- Appear in your newsletters or other publications.
- Printed on the back of your business cards.
- Added to mail solicitation response cards.
I have not previously notified you, but I have included you in my estate plan.

__________________________________________________________
Name (Please print) ______________________________ Telephone ______________________________

__________________________________________________________
Address ______________________________ Email ______________________________

__________________________________________________________
City, State, ZIP ______________________________ This information is confidential

☐ Please send me information about including XXXXXXXXXX in my will.

I have a question regarding a bequest. Please call me.

Best time to call: ___________ a.m./p.m.

Thank You for Your Interest

This response card should be sized to fit in a #9 return envelope.
Identifying Prospective Legacy Donors
Sample Grid

This grid provides an example of a format and categories to identify possible legacy prospects. It can be modified adding additional columns for information you believe you need to evaluate the viability of your prospects. To qualify prospects, those with the most check marks should be your best prospects to follow up.

<table>
<thead>
<tr>
<th>Prospective Names</th>
<th>Donor For 5 Plus Years</th>
<th>Age: 60 or Above</th>
<th>Given at Least 8 Gifts</th>
<th>Past/Present Board/Trustee</th>
<th>At Least 5 F to F*</th>
<th>Past/Present Vol.</th>
<th>Single/Widow</th>
<th>Former Employee/Faculty</th>
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</tbody>
</table>

*F to F – Times you have made face to face visits or had face to face conversations with the donor.
Model Standards of Practice for the Charitable Gift Planner

Preamble
The purpose of this statement is to encourage responsible gift planning by urging the adoption of the following Standards of Practice by all individuals who work in the charitable gift planning process, gift planning officers, fund raising consultants, attorneys, accountants, financial planners, life insurance agents and other financial services professionals (collectively referred to hereafter as “Gift Planners”), and by the institutions that these persons represent.

This statement recognizes that the solicitation, planning and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

I. Primacy of Philanthropic Motivation
The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

II. Explanation of Tax Implications
Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

III. Full Disclosure
It is essential to the gift planning process that the role and relationships of all parties involved, including how and by whom each is compensated, be fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of the charity, and shall not, while employed by the charity, act or purport to act as a representative of the donor, without the express consent of both the charity and the donor.

IV. Compensation
Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payment of finder’s fees, commissions or other fees by a donee organization to an independent Gift Planner as a condition for the delivery of a gift is never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

V. Competence and Professionalism
The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.
VI. Consultation with Independent Advisers
A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisers of the donor’s choice.

VII. Consultation with Charities
Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planner, in order to insure that the gift will accomplish the donor’s objectives, should encourage the donor early in the gift planning process, to discuss the proposed gift with the charity to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planner shall endeavor, on behalf of the undisclosed donor, to obtain the charity’s input in the gift planning process.

VIII. Description and Representation of Gift
The Gift Planner shall make every effort to assure that the donor receives a full description and an accurate representation of all aspects of any proposed charitable gift plan. The consequences for the charity, the donor and, where applicable, the donor’s family, should be apparent, and the assumptions underlying any financial illustrations should be realistic.

IX. Full Compliance
A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations.

X. Public Trust
Gift Planners shall, in all dealings with donors, institutions and other professionals, act with fairness, honesty, integrity and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain.

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I. To be informed of the organization’s mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II. To be informed of the identity of those serving on the organization’s governing board, and to expect the board to exercise prudent judgement in its stewardship responsibilities.

III. To have access to the organization’s most recent financial statements.

IV. To be assured their gifts will be used for the purposes for which they were given.

V. To receive appropriate acknowledgement and recognition.

VI. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY
Association of Fundraising Professionals (AFP)
Association for Healthcare Philanthropy (AHP)
Council for Advancement and Support of Education (CASE)
Giving Institute: Leading Consultants to Non-Profits

ENDORSED BY
[Endorsements list]

INFORMATION
AFP Code of Ethical Principles and Standards

ETHICAL PRINCIPLES • Adopted 1964; amended Sept. 2007

The Association of Fundraising Professionals (AFP) exists to foster the development and growth of fundraising professionals and the profession, to promote high ethical behavior in the fundraising profession and to preserve and enhance philanthropy and volunteerism. Members of AFP are motivated by an inner drive to improve the quality of life through the causes they serve. They serve the ideal of philanthropy, are committed to the preservation and enhancement of volunteerism; and hold stewardship of these concepts as the overriding direction of their professional life. They recognize their responsibility to ensure that needed resources are vigorously and ethically sought and that the intent of the donor is honestly fulfilled. To these ends, AFP members, both individual and business, embrace certain values that they strive to uphold in performing their responsibilities for promote and protect the work and mission of their client organizations.

AFP members both individual and business aspire to:
• practice their profession with integrity, honesty, truthfulness and adherence to the absolute obligation to safeguard the public trust
• act according to the highest goals and visions of their organizations, professions, clients and consciences
• put philanthropic mission above personal gain;
• inspire others through their own sense of dedication and high purpose
• improve their professional knowledge and skills, so that their performance will better serve others
• demonstrate concern for the interests and well-being of individuals affected by their actions
• value the privacy, freedom of choice and interests of all those affected by their actions
• foster cultural diversity and pluralistic values and treat all people with dignity and respect
• affirm, through personal giving, a commitment to philanthropy and its role in society
• adhere to the spirit as well as the letter of all applicable laws and regulations
• advocate within their organizations adherence to all applicable laws and regulations
• avoid even the appearance of any criminal offense or professional misconduct
• bring credit to the fundraising profession by their public demeanor
• encourage colleagues to embrace and practice these ethical principles and standards
• be aware of the codes of ethics promulgated by other professional organizations that serve philanthropy

ETHICAL STANDARDS

Furthermore, while striving to act according to the above values, AFP members, both individual and business, agree to abide (and to ensure, to the best of their ability, that all members of their staff abide) by the AFP standards. Violation of the standards may subject the member to disciplinary sanctions, including expulsion, as provided in the AFP Ethics Enforcement Procedures.

MEMBER OBLIGATIONS

1. Members shall refrain from knowingly infringing the intellectual property rights of other parties at all times. Members shall address and rectify any inadvertent infringement that may occur.
2. Members shall protect the confidentiality of all privileged information relating to the provider/client relationships.
3. Members shall refrain from any activity designed to disparage competitors untruthfully.

SOLICITATION AND USE OF PHILANTHROPIC FUNDS

12. Members shall take care to ensure that all solicitation and communication materials are accurate and correctly reflect their organizations’ mission and use of solicited funds.
13. Members shall take care to ensure that donors receive informed, accurate and ethical advice about the value and tax implications of contributions.
14. Members shall take care to ensure that contributions are used in accordance with donors’ intentions.
15. Members shall take care to ensure proper stewardship of all revenue sources, including timely reports on the use and management of such funds.
16. Members shall obtain explicit consent by donors before altering the conditions of financial transactions.

PRESENTATION OF INFORMATION

17. Members shall not disclose privileged or confidential information to unauthorized parties.
18. Members shall adhere to the principle that all donor and prospect information created by, or on behalf of, an organization or a client is the property of that organization or client and shall not be transferred or utilized except on behalf of that organization or client.
19. Members shall give donors and clients the opportunity to have their names removed from lists that are sold to, rented to or exchanged with other organizations.
20. Members shall, when stating fundraising results, use accurate and consistent accounting methods that conform to the appropriate guidelines adopted by the American Institute of Certified Public Accountants (AICPA)* for the type of organization involved. (* In countries outside of the United States, comparable authority should be utilized.)

COMPENSATION AND CONTRACTS

21. Members shall not accept compensation or enter into a contract that is based on a percentage of contributions; nor shall members accept finder’s fees or contingent fees. Business members must refrain from receiving compensation from third parties derived from products or services for a client without disclosing that third-party compensation to the client (for example, volume rebates from vendors to business members).
22. Members may accept performance-based compensation, such as bonuses, provided such bonuses are in accord with prevailing practices within the members’ own organizations and are not based on a percentage of contributions.
23. Members shall neither offer nor accept payments or special considerations for the purpose of influencing the selection of products or services.
24. Members shall not pay finder’s fees, commissions or percentage compensation based on contributions, and shall take care to discourage their organizations from making such payments.
25. Any member receiving funds on behalf of a donor or client must meet the legal requirements for the disbursement of those funds. Any interest or income earned on the funds should be fully disclosed.