

Back office operations



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*This toolkit will transform your career in gift planning. Period.*

Scott Janney, PhD, CFRE

Congratulations!

Most fundraisers just don’t get it. But you do.

Why do so few fundraisers pursue planned gifts when it’s so easy? Because planned giving is proactive, and most folks are reactive. If all fundraisers were proactive, their nonprofits’ endowments would be bursting at the seams, and fundraising drives wouldn’t have all the urgency of a fire drill.

Yet after surveying 2000 fundraisers, the majority are still singing the “We need cash now!” blues — the same tune they were singing 10 years ago. What is it they don’t get? You simply can’t get different results by repeatedly doing things the same way. In fact, that’s the definition of insanity.

But you’re different. You get it. You recognize the importance of planned giving to your organization, to its endowment — and to your career. You know the time for planned giving is *now*. And you’ve equipped yourself with a powerful tool to propel you and your organization to success.

As Zig Ziglar says, see you at the top!

Disclaimer

The advice contained herein as well as the documents are not intended to provide legal, tax, investment, or other professional advice, and it should not be relied upon as such. It is a group of tools to help you build a top notch, planned giving program. For assistance in specific cases, obtain the services of a competent attorney or other professional advisor.

Results cannot be guaranteed should you use this product. Each nonprofit has a unique mission and audience, requiring customization of these materials by the purchaser.

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Outline of Documents

The weekly timeline is an implementation suggestion only. Last three rows intentionally left blank. All these documents come with detailed instructions and forms.

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| --- | --- | --- |
|  |  | **TOPICS** |
| **SUGGESTED WEEK-BY-WEEK STEPS** | 1 - 2 | Are You Ready? Evaluating Your Mission |
| 3 - 4 | Getting Your Board on Board |
| 5 | Infrastructure – Counting and Valuing Gifts |
| 6 | Infrastructure – Gift Acceptance Policies |
| 7 | Infrastructure – Gift Agreements |
| 8 | Infrastructure – Estate Administration |
| 9 | Infrastructure – Ethics and Complying With Regulations |
| 10-11 | Planning for Next Year |
| 12 | Program Evaluation |
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# A Question to Start With…

*Why do most start-up planned giving programs fail to produce results? Because the organization jumps directly to the most complex gift vehicles and strategies without putting their own house in order first. This is a crucial and easily-overlooked step that helps ensure the long-term success of your planned giving program.*

**Here’s how to start out right:**

* Determine if your mission is appropriate for long-term support.
* Illustrate how endowments advance your mission today and will do so in the future.
* Engage your board and senior leadership through an internal case to ensure their investment in your planned giving program — both today and for the long-term.
* Build your planned giving infrastructure, including gift acceptance, counting and valuation policies.
* Draft procedures to administer completed planned gifts and comply with federal and state regulations.
* Create both short- and long-term plans of your planned giving program.
* Finally, evaluate your program regularly using activity measures, not dollars. Don’t worry, though — the dollars are sure to follow.

**What this Toolkit Is**

*Back Office Operations* features simple, manageable, step-by-step tools and know-how to create an effective back office for your planned giving program.

**Who It’s Designed For**

*Back Office Operations* is perfect for the shop that wants to start a new planned giving program, or for updating an existing planned giving program to raise planned gifts more efficiently and more effectively. You need to spend your time meeting with prospects, not sitting in an office worrying about drafting your estate administration process.

*Back Office Operations* provides all the core elements of an effective back office — all you need to do is customize them to your organization.

**What Back Office Operations is Not**

Over 80% of planned giving revenue comes from basic gifts: when donors name your charity as the beneficiary of a will, retirement plan or life insurance policy. Therefore, *Back Office Operations* does not include:

* materials to help you register to issue charitable gift annuities
* sample charitable remainder or lead trust documents
* detailed explanations of complex planned giving techniques.

Once you get your fundamentals in place, you can then pursue these more complex tools.

**What Else Will You Need?**

You should involve your board and volunteers in the process of building your planned giving program. There is no better way to ensure success than engaging your board members and volunteers and enlisting them as champions for the program to help it grow.

Some tips to consider:

* **Planned Giving Committee.**We suggest that you put together a small planned giving committee made up of board members friendly to planned giving and one or more volunteers who have already planned for the long-term future of your organization through a planned gift or by setting up an endowment. A quick meeting to introduce them to The Box is an excellent way to launch the program, particularly when working on Module II.
* **Get Opinions From Your Board.**  
  Board members and volunteers love to be asked for their opinions. And frequently their input adds value since they are the best prospects you have. Each time you create something new from The Box, ask them to review it and give you feedback. You’ll be amazed how much this improves the quality of what you produce.
* **Customize!**   
  Don’t be afraid to rewrite materials and customize them to fit your charity and include your branding. The more you adjust the materials to be about your mission, your successes, your impact and your long-term outcomes, the more effective you will be. This is especially true when drafting your internal case to get and keep your board on board.

**A Few Recommendations**

* If you decide you *must* register to issue gift annuities now, there are several companies you can call for assistance.
* If you do not want to register to issue gift annuities (we recommend you wait until you get the other elements of your program in place), but you have a donor who “just has to have one,” consider using [Dechomai Foundation](http://dechomai.org/), [Comerica Charitable Foundation](http://www.comerica.com/vgn-ext-templating/v/index.jsp?vgnextoid=90fc612f91a30210VgnVCM1000001c21160aRCRD) or your local community foundation to issue the gift annuity or your behalf.

Before you dive into the implementation schedule, though, we want to clarify a few things to make your progress faster and easier.

**Learning and Doing**

This module is a learning experience — learning by absorbing and understanding the **background** information we give you and learning by putting that information to use in **projects** to build your back office operations for pursuing and accepting planned gifts.

These two learning modalities are **equally important**. Together they offer the powerful synthesis that will help you empower and endow your organization through planned giving.

For best results, we’ve balanced the learning and doing *for* you.

**“Personalization” Pays**

In many places **we suggest you “personalize” the content**. What does this mean?

On the simplest level, it means inserting your organization’s name and your own name in the appropriate spots. We’ve indicated locations in the content; look for bolded brackets and capitals such as “**[ORGANIZATION NAME]**”. It also means putting a personalized salutation on a letter, such as “Dear Jane,” instead of “Dear Valued Alum.”

**Important:** Please remember to *delete all the bolded-brackets-and-capitals* cues from the documents before you publish them!

The highest level of personalization is the kind you compose and include that refers more specifically to your organization, its mission, the personalities and projects involved, etc. This type of personalization requires more than a cut-and-paste approach, but it is well worth the effort in terms of program development.

**Keep It Simple**

You can start this module anytime, even mid-year or year-end. Remember, the best time to start your planned giving program was 20 years ago. The next best time is **right now.** And you can make adjustments as needed to the suggested schedule.

But we recommend you try to keep this product as intact as possible. Like all of our materials ***Back Office Operations*** has been painstakingly designed and integrated to work for you straight out of the box. All you must do is execute the plan. Why tamper with perfection?

We’ve done all the preparation **so you can focus on what you do best**: meeting with prospects and raising money! Ready?

Each Step At-A-Glance

**Each Step comes with specific instructions and accompanying forms (if any).**

Weeks 1 – 2

Are You Ready? Evaluating Your Mission

|  |  |
| --- | --- |
| **BACKGROUND** | Donor-Centered Planned Giving Defined |
|  | Not Just Cash and Stock |
|  | The Importance of Legacy Gifts |
|  | Gifts That Continue, Even in a Down Economy |
|  | Broad Appeal – Everyone is a Planned Giving Prospect |
|  | Increased Overall Support |
|  | Examples of Planned Gifts |
| **PROJECTS** | Complete the Readiness Questionnaire |
|  | Create Your Volunteer Committee |
|  | Ask Your Volunteer Committee to Complete the Readiness Questionnaire |
|  | Start to Measure Your Success |
| **DOCUMENTS** | PGB2-0101 – Readiness Questionnaire |
|  | PGB2-0102 – Planned Giving Committee Memorandum |
|  | PGB2-0103 – Planned Giving Activity Tracking Report |

Weeks 3 – 4

Getting Your Board on Board

|  |  |
| --- | --- |
| **BACKGROUND** | Purpose of the Planned Giving Case |
|  | Intended Audience |
|  | Content |
|  | Goal |
|  | Focus |
|  | Uses |
| **PROJECTS** | Draft Your Own Internal Case |
|  | Board Member Visits |
| **DOCUMENTS** | PGB2-0301 – Sample Internal Case |
|  | PGB2-0302 – Internal Case for Planned Giving Template |
|  | PGB2-0303 – Planned Giving Leadership Questionnaire |

Week 5

Counting and Recognizing Gifts

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| --- | --- |
| **BACKGROUND** | The Importance of Policies |
|  | Standards Development |
|  | Implementing a Gift Counting and Recognition Policy |
|  | Ensuring Complete Transparency for Donors |
| **PROJECTS** | Draft Your Gift Counting and Recognition Policy |
|  | Create Your Planned Giving Tracking Reports |
| **DOCUMENTS** | PGB2-0501 – Gift Counting and Recognition Policy Summary |
|  | PGB2-0502 – Planned Gifts Tracking Reports Template |

Week 6

Gift Acceptance Policy

|  |  |
| --- | --- |
| **BACKGROUND** | Gift Acceptance Policies Prevent Problems |
|  | What You Can Accept |
|  | What You Can’t Accept |
|  | How to Evaluate Gifts Offered |
| **PROJECTS** | Drafting Your Gift Acceptance Policy |
| **DOCUMENTS** | PGB2-0601 – Gift Acceptance Policy Template |

Week 7

Gift Agreements

|  |  |
| --- | --- |
| **BACKGROUND** | Establishing Understanding Between Your Nonprofit and Your Donor |
|  | One of the Most-Often Overlooked Program Components |
|  | Preventing Loss of Future Support |
| **PROJECTS** | Draft Your Binding, Non-Binding and Estate Gift Agreements |
| **DOCUMENTS** | **PGB2-0701 – Binding Gift Agreement Template** |
|  | **PGB2-0702 – Non-Binding Statement of Intent Template** |
|  | **PGB2-0703 – Binding Estate Gift Agreement Template** |

Week 8

Estate Administration

|  |  |
| --- | --- |
| **BACKGROUND** | Estate Administration Process and Procedures |
|  | My Donor Has Died — Now What? |
|  | Notice of Administration/Probate |
|  | Open the File |
|  | Be Patient, But Not *Too* Patient |
|  | The Distribution is Finally Here |
|  | Closing the Estate File |
|  | Retirement Plans, Life Insurance Policies and Payable-on-Death Accounts |
| **PROJECTS** | Customize Estate Administration Procedures |
|  | Customize Estate Administration Letters |
|  | Put the Process to Use |
| **DOCUMENTS** | PGB2-0801 – Estate Administration Procedures Template |
|  | PGB2-0802 – Estate Administration Template Documents |

Week 9

Ethics and Complying with Regulations

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| --- | --- |
| **BACKGROUND** | Rules of Ethics |
|  | State Regulation |
|  | Registration to Do Business |
|  | Registration to Solicit |
|  | Registration to Issue Charitable Gift Annuities |
| **PROJECTS** | Adopt the Model Standards of Practice for the Charitable Gift Planner |
|  | Review Compliance with State Regulations |
| **DOCUMENTS** | PGB2-0901 – Current PPP Model Standards of Practice |

Weeks 10 – 11

Planning for Next Year

|  |  |
| --- | --- |
| **BACKGROUND** | Where You Are and Where You’re Going (Module I) |
|  | Where You Are and Where You’re Going (Module II) |
|  | Where You Are and Where You’re Going (Module III) |
| **PROJECTS** | Draft an Operating Plan for Next Year |
|  | Draft an Operational Timeline |
| **DOCUMENTS** | PGB2-1001 – Planned Giving Operating Plan Template |
|  | PGB2-1002 – Planned Giving Operational Timeline Template |

Week 12

Program Evaluation

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| --- | --- |
| **BACKGROUND** | Congratulations! |
|  | The “Planned Giving Activity Tracking Report” |
|  | Measuring Activity Instead of Dollars |
| **PROJECTS** | Evaluation Report |
| **DOCUMENTS** | PGB2-1201 – Planned Giving Activity Tracking Evaluation Report |

If you do not have your marketing tools in place, please ask us about turnkey materials that we can implement for you immediately, inexpensively, and with little or no effort on your part.

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