

Planned Giving tomorrow™



Planned Giving Marketing Ideas for All Fundraisers *Spring* 2010



Critical Donor Messages in Turbulent Times

Kathryn W. Miree

To survive in the current economic environment, charities must develop and communicate key strategic messages that engage donors and prompt them to prioritize your charity in their giving.

The first decade of 2000 was filled with anxiety and financial decline for many. Consider indicators generating the economic, emotional, and financial distress for donors and charities.

- *The securities markets.* While Dow Jones Industrial Average had a 317.59% return in the 90's, the return for the first decade of this century was -9.3%.

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Facebooking: Are you missing the boat? Kelly Rowell

Living in a small town with a tight-knit community can make fundraising challenging. However, a tight-knit atmosphere can also be valuable if you practice *donor-centric* fundraising and use the best communication channels to reach your constituency. I have found that some of the most cost-effective ways of fundraising are not being used by many

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TOP 10 The Top Ten Marketing Realities for Nonprofits... of All Shapes and Sizes

Back in the old days, around 1995, if you worked for a nonprofit, the term "marketing" meant you did things like publish a newsletter. You had a bland website that simply posted white papers or rehashed newsletter content. If you were lucky enough to have the budget, you produced a video and used the VHS tape at events or sent it out in the good old U.S. Mail.

Sounds quaint, doesn't it?

Today, it's a whole new ball game and you're at bat with the bases loaded. If you're feeling the pres-

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My Estate Went to the World's Best Charity...

And All I Got Was This Lapel Pin Mary Hopkins

By now you've learned how to say "please" really well.

What about "thank you"?

While acknowledgment of many legacy gifts may be *too late*, why make the acknowledgement of the ones we know about *too little*, especially given the significance of the commitments? In the case of a deferred gift, your database may not set off the usual alarms, and finding a way to say "thank you" for a bequest requires a bit more thought than acknowledging a \$100 check. Here are some techniques for making sure your



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Viken Mikaelian
Executive Editor

Here at *Planned Giving Tomorrow*, we're devoted to the art and science of *marketing* planned gifts. And as usual, this issue is better than the last...

Parlez-vous Bequest?

Fundraisers get their fair share of headaches, but do you ever ask for *acetylsalicylic acid*? Unless you're talking to a pharmacist, no one will know it's *aspirin*. So if you want to be pain free and stop being a geek, cut out the jargon.

Say What?

That's why we're on a mission to eliminate technical terms in all the marketing tools we deliver. Because we want your message to get through.

An older lady prospect to VP: "You had asked me to meet you at the foundation. Is that in the basement?"

Case in point regarding one of your most important gifts ... An unscientific personal survey of mine going for seven years now shows that 9 out of 10 Americans **do not know** what the word "bequest" means. So why use it? How about the more descriptive *Gifts From Your Will or Trust*? Sure it's longer, but *the prospect will get it*.

That's communication and that's good marketing: Keep it simple, and say what you mean. Your audience will get your message, and you'll get fewer headaches.

You don't have to make planned giving tougher than tuning a bagpipe.

Inside This Issue:

Six Essential Messages by Kathryn Miree

Estate Tax Accident by Scott Janney of PlannedGiving.Com

It's Not Your Prospect's Job to Remember You by Viken Mikaelian

No Hassle Gifts by Gayle Union

Q&A with the Multiple Sclerosis Society's Bruce Makous

Facebooking: Are you Missing the Boat? by Kelly Rowell of the Martin Memorial Foundation

From Alabama to Oregon: Cool Planned Gifts Making Headlines

Tony Martignetti on the Hot Seat

Joe Tumolo: Making Time For Your Donors by Claire Meyerhoff

All I Got Was a Lapel Pin by Mary Hopkins of the Delaware Community Foundation

You're Doing it On Your Own

No-Hassle Gifts the No-Hassle Way Gayle S. Union

About 5% of this nation's wealth is in cash and 95% is in assets. Over 85% of all planned gifts come from the latter. These are easy to give and to receive, and often do not require a lawyer or professional advisor.

What, primarily, should you ask your donors to gift and how? If the answer isn't on the tip of your tongue, it will be when you are done reading this column.

If you need to borrow a cup each of sugar and flour, you go to your neighbors. Mrs. Jones has a 5lb bag of flour and only a cup or so of sugar. Mr. Smyth has a 5lb bag of sugar and only a cup or so of flour. Who would you ask for sugar and who for flour?

Consider your donors in the same way. Ask your donors to gift something that they have a lot of — an asset, either a portion of it, or in its entirety. Wouldn't this make sense? They have more stuff than they have

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Coast to Coast: Planned Gifts in the News...

Raleigh, North Carolina:

Four cat charities are surprised by a recent windfall. Friend of felines Emil Campbell died suddenly last month, leaving instructions for his lawyer to bequeath his entire estate to four cat charities (\$1.7 M): Snowflake Animal Rescue, Marley's Cat Tales, SAFE Haven for Cats and Second Chance Pet Adoptions. A Snowflake Animal Rescue official says she had to read the letter about the donation twice before she believed it. The organization typically gets less than \$6,000 a year in donations.

It's Not Your Prospect's Job to Remember You

Viken Mikaelian

That's right. It's *yours*.

I had a fundraiser tell me that his planned giving vendor had promised that by providing rotating content on his planned giving website, it would make prospects come for more. *Oh puhllleease*. Planned giving isn't *Entertainment Weekly* and folks are not dying (excuse the pun) to re-visit his website time and again. Very few sites have that type of *pulling power*.

You Need to "Push"

Even the best, most deserving non-profit in the world is not going to close gifts when the prospects have forgotten you exist.

Keeping your donor conversations going. Staying on their radar screens. These are the best first steps in making your institution thrive. If you don't know where to start, begin with our *12-Month Planned Giving Marketing Plan you can download*:

PlannedGiving.com/plan

Take for example what happened with Mike, a car salesman I met when shopping for a car. Mike delivered a perfect sales pitch and I felt I was his friend. So I decided to buy the car — but I needed two more months.

After I went home, I heard nothing from Mike. No nice-talking-to-you card, no e-mail, nada. So naturally he vanished from my thoughts. When I later bought the car, I did so from another dealer because Mike let himself disappear off my screen. Poof.

"Pushing" without "Pull"

In an increasingly connected world, everyone likes to be reached in unique ways. So you should "push" your message to prospects through selected media on a consistent basis. But you have some folks tweeting on Twitter, others follow Facebook, and others prefer hardcopy via snail mail.

How can any busy fundraiser cover them all?

Leveraging Loyalty

Use your time and money intelligently to leverage the best media for maximum results.

- Choose the channels that give most effective, least redundant access to your prospect base.
- Diversify. When you rely on only one kind of channel (for instance, snail mail over e-mail) you are potentially eliminating a huge section of your constituency. However ...
- Ensure these channels suit your organization. A snail mail campaign might suit a company with a button-down image better than a blast from the web. In fact, most email blasts alienate prospects.
- Don't dabble. Remain focused. Once you choose, dig in, and take it seriously. This is where application and passion really make a difference.

Know Your Prospect

To accomplish these goals, you really need to get inside your prospect's head. So remember:

- **Prospects are people.** You're not dealing with an abstraction — your relationships are with human beings. And your job is to cultivate them.
- **Prospects are just like you and me.** *We're all being point marketed all the time every day. What makes you tune out? What*

captures your interest? These are intuitive insights you can use to your advantage when turning prospects into donors.

- **Prospects are busy.** Don't lose sight of the big picture: They have a life! It makes demands on their attention and energy. *Is it any wonder they're not calling you back?*
- **Prospects need your help.** They're going full-tilt just taking care of daily life. That means you have to take as much of the burden off them as you can. Make it easy for them to find you, to contact you, and work with you.
- **Prospects act impulsively.** Who doesn't? We get interested, excited, we call for more info, and then the fever passes. If you're convinced you're dealing with an impulse inquiry, don't waste too much time — but don't write them off completely! Put them on your quarterly mailing list and let them come back to you.
- **Prospects need time.** When someone tells you they want some time to think about it, or that they have to sell the idea to someone else, it's not necessarily a brush-off. Give them the time they need and stay in touch, reminding them that they were interested.

If anyone ever discovered a population of prospects that did a fundraiser's job for him, I never heard about it. In the real world, you have to do it yourself.

It just takes common sense. And that's no secret.



~~Finding~~ Making Time For Your Donors

How to Focus on Actions in your World of (Distr)actions.

By Claire Meyerhoff

A couple of development colleagues are standing by the coffee machine, discussing their full schedules and bemoaning their lack of time.

John: "I'm so busy, there aren't enough hours in the day."

Jane: "I know, I need to make a 'to do' list."

John: "If you could email it to me, that would be great."

Jane: "That reminds me, I have about a hundred emails to get through."

In the time it took to have that conversation, each of them could have picked up the phone and called a donor. But they didn't.

"I talk to dozens of gift planning professionals every week and I always ask, 'Are you getting out and visiting donors?' and their answers never fail to surprise me," says **Joe Tumolo**, Director of Sales for VirtualGiving (the only donor-centric planned giving website company).



"Ninety percent say, 'Not as much as I should,' which makes me wonder how the other ten percent are managing to visit donors."

Tumolo has been in sales for over twenty-five years, including ten years in the fundraising sector. He believes that fundraising and sales are similar because they are both grounded in the art of building relationships and helping people get what they want.

"There is absolutely no substitute for the human voice," says

Tumolo. "Making that personal connection is the only way to build a true foundation that can lead to a sale, a donation, or a major planned gift."

It is very clear that we are trying to function in a world of distractions. Email, Google Alerts, Facebook, LinkedIn – and those are just the virtual distractions. Every day, there are a million distractions getting in the way of raising funds for our organization's valuable mission.

"Our job is to bring revenue in the door," says Tumolo. "Every single thing we do should be focused on donors and



prospective donors, especially in this economy."

Tumolo points to a quote from Deepak Chopra, the noted speaker and author on spirituality. Chopra says, "Do less. Accomplish more."

"I take it to mean that we need to make clear choices about how

Download your next appeal letter at PlannedGiving.Com and use the time you saved to call fifty donors.

we choose to use our time and that takes a certain amount of willpower," says Tumolo.

The term "time management" is probably as old as *BusinessWeek* magazine, and some strategies, like that old stalwart, the "to do list," may not be effective.

"How about a **not** to do list and put on it all the things you won't

do today," says Tumolo. "For example: don't go out to lunch with your coworker, don't go to that repetitive



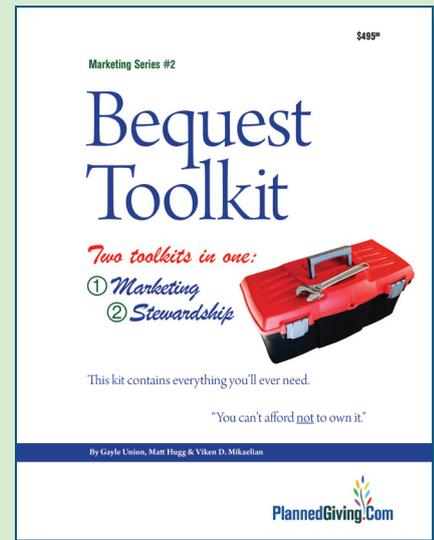
meeting, don't start a new project that's not absolutely necessary, don't chat with your friend on the phone, don't spend your time developing your own planned giving website or postcard. Look on your desk. Are there projects someone else in your office can do for you so you can spend time with a donor?"

Tumolo has the following suggestions for making a commitment to face-to-face or over the phone donor visits and carving time out of the day – no matter what.

- At the start of each day ask yourself how many donors you think you might be able to see/call that day. Can you call just 2 or 3 donors today?
- Set up your Outlook or other email program to check for incoming emails every two or four hours and stop checking email every ten minutes.
- **Sam Caldwell** of The Planned Giving Company suggests choosing one day a week as a dedicated, out of office day to visit donors. Do not even go to the office, says Caldwell.
- Need a jumpstart? Write down the names of three donors you know and like. Look at the clock, call all three and you will see that it only took a few minutes, whether the donor answered or not.
- Think in 15 minute segments. If you have time before a



Continued on back cover



By Gayle Union, Matt Hugg & Viken Mikaelian

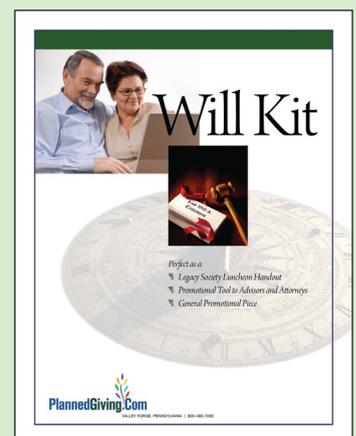
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PlannedGiving.Com/bequesttoolkit



PlannedGiving.Com/willkit

- **Interest rates.** Over the last part of the decade, interest rates dropped – and remained – at one of the lowest levels in recent history.
- **Real estate.** Real estate market values grew wildly over the first half of the decade but began to collapse in 2006 and accelerated in decline for the remainder of the decade.
- **Tax benefits in flux.** The dramatic tax reductions under the 2001 Tax Act expire next year, at a time when taxes at all governmental levels are increasing.
- **Media reports of malfeasance.** Increasing reports of malfeasance by charitable staff and boards and lawsuits by donors alleging nonprofit failure to honor donor intent have increased scrutiny by regulators and the skepticism of the public.

The Six Essential Messages

If your charity wants to stand out among approximately 1.5 million charitable choices, it must address potential concerns and help donors move past them, clearly communicate the impact of donor gifts, and stress accountability. Consider these six critical messages that will engage, inspire, and anchor donors.

1. **The community has an extraordinary, critical need for the services we provide.** Articulate the identifiable needs you serve, including data on trends and demographics. Tie your services to an impact on the community.
2. **Our charity has the unique ability to address these critical needs.** Help donors understand the unique programs you provide, distinguishing your services from

government programs and other nonprofits. Help donors understand what would happen if your nonprofit were not there to provide services.

3. **Our organization engages in strategic planning to ensure we work effectively and are positioned to meet the needs and operating demands of the future.** Keep the organization's strategic plan in front of staff, board, donors, and the public. Annually update the progress you make toward measurable objectives.
4. **Our nonprofit focuses on measurable outcomes and works to maximize the impact of the services we provide.** The most effective way to make this statement is to publish your programmatic goals and objectives and show a measurable impact on lives in your community. Talk to donors about the impact of their dollars.
5. **We cannot meet the identified, critical needs in the community without your financial support.** You are our partners in our success. Be clear and unequivocal about the case for support and the need for donor contributions. Consistently integrate this strong case and urgent request for support in all publications.
6. **Our nonprofit is committed to transparency, accountability, and integrity in spending contributed funds for the purposes specified.** Treat donors as shareholders, providing annual reports on the impact of their gifts. Make full disclosure of the financial data, fundraising data, endowment data, and expense ratios that reflect a commitment to transparency.

Where Do You Stand?

To identify the messages you send to the public, use this checklist to guide your work:

- **Is the charity's name and logo consistent on all pieces?** This is especially important if you are a national organization, have a separate foundation, or have initials or abbreviated names used to reference your organization.
- **Is the charity's case statement (for short-term operating support and long-term deferred gift/endowment support) consistently expressed on all published materials?**
- **Does the tone of your messaging invite donors to take the next step to contact staff, get more information, or contribute?** Make it easy to reach specific staff members, get information about gift options, and identify with current donors.
- **Is the financial information for the charity and its foundation easy to find?** If you were a stranger to the organization, how much could you learn about the charity's financial operations, its expenses, salaries paid to key officers or all employees, and costs of fundraising?
- **Do you celebrate your donors and your volunteers and treat them as partners in your success?**
- **How do you address changes, staff layoffs, discontinued programs, or other negative publicity?** Do not hide from difficult issues. Tell the public how you will strengthen the work you do. If the negative publicity resulted from a misstep, address how you will avoid the misstep in the future.

Final Thoughts

There has never been a more important time to review the way your charity positions itself with donors and the community. Donors are besieged by requests for support, have limited dollars, and prioritize giving based on personal preference and urgency. They need accountability, assurances, and reminders of the critical needs you address.

Does your cookie-cutter planned giving newsletter communicate any of your essential messages? Do you want your website to post the same articles, white papers and canned donor stories as other charities?

If not, visit:



or call (800) 873-9203 for more information.

Telling your story and getting donors to prioritize your charity requires time, thought, strategy, consistency, and analysis. Fine tune your image and priorities in the eyes of donors. The process will make your organization stronger, your marketing and messaging more effective, and support a more effective fundraising environment.



Kathryn W. Miree provides a full range of planned giving, endowment, and foundation management services designed to help charities build long-term financial stability through planned gifts and endowment. She can be reached at kwmiree@kathrynmireeandassociates.com

Interested in submitting an article?

Email us at:

success@plannedgiving.com

No-Hassle Gifts the No-Hassle Way
from page 2

cash! Stuff can be sold for cash. And, stuff can be valuable. Think outside the box when you think about stuff – it can mean more than just appreciated securities – a Picasso, condo, an antique car, collection of old china – you get the picture. And giving stuff doesn't cost much.

How to Get Your Donors' Stuff

The simplest way is a gift through a living trust or will that specifies which stuff a donor wants to give. If you are a military museum, a collection of WWII uniforms and medals might have some value. Naming your organization as a specific beneficiary isn't costly to your donors and will not impact their cash flow – important for people on fixed incomes. If a will or living trust is up-to-date, a simple amendment, called a *codicil*, could do the trick.

Another Easy Way to Give

Donors can also designate your organization as a beneficiary of an asset, usually by percentage. Paid-up life insurance policies, financial accounts (savings, brokerage, checking), and retirement plans have beneficiary designation forms. Donors can specify what percentage of each asset goes where — to whom and to which organizations

These gifts are revocable. If a donor's circumstances or charitable interests change, s/he can make changes to the will (or living trust) and beneficiary designation forms. For some, this is a needed level of comfort.

If you want to send a message to your donors about easy ways to give stuff, we've developed a letter for this purpose at PlannedGiving.Com/nohassle.

In short, this year, focus on:

- Gifts through wills
- Appreciated "stuff"
- Beneficiary designations (financial accounts, life insurance)
- IRAs

Editor's note: We polled fundraisers a few years ago on whether they knew the fact that 95% of this nation's wealth is in assets. Over 87% said yes. They were then asked where they spend the majority of their efforts. Over 75% said pursuing cash (the 5%). *Human nature sometimes does not make sense. Too many people take the hard way.*



Gayle manages two planned giving programs: for the Navy-Marine Corps Relief Society and the Marine Corps Heritage Foundation. She's also is a senior writer at PlannedGiving.Com.

Download this powerful letter you can send to your donors on easy ways to give. We call them *Gifts Anyone Can Afford*. And yes, it's a letter you *can* afford, and yet *can't* afford not to have. PlannedGiving.Com/nohassle

My Estate Went to the World's Best Charity...
from page 1

legacy donors feel appropriately thanked.

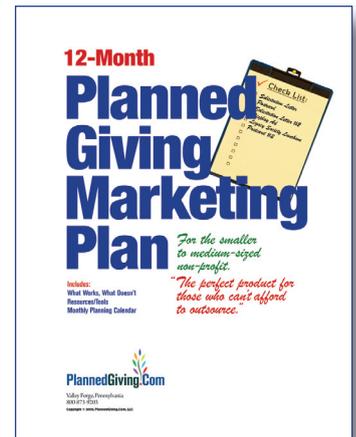
Your mother was right. She knew what she was doing when she sat you down with a stack of thank you notes the day after your birthday. Do the same thing to your boss the day after you've been informed about a new legacy gift. Make sure you supply the magic words, acknowledging the donor's charitable vision, confidence in your institution, commitment to the future, and effort required to complete the gift. Consider enlisting someone

in the trenches to write thank you notes as well... the chairman of the Chemistry Department, the man in charge of tree planting, or a teacher at your pre-school. *Thank early and often.*

Get in touch with your inner yenta. The minute the ink is dry on your next legacy gift, begin the matchmaking between the donor and your organization's president or board chair. A lunch meeting or phone call – for the simple purpose of thanking the legacy donor – is so easy, even a board member can do it. Your job is to make sure the person making the call or the meeting has all appropriate details about the gift and feels confident about how to express the organization's appreciation. Then, just stand back and watch the chemistry work.

Give "stuff" if you must. But make sure you spend more time visiting your legacy donors than you do designing a commemorative paperweight for them. You've probably learned that legacy donors aren't looking for more items to fill their bookshelves. So, what about pinning a boutonniere or ribbon on each legacy donor at your annual event? Consider planting a small tree in the name of each legacy donor. If you work with an arts or educational institution, special tours and concerts make the perfect gift. Whatever approach you decide to take, make sure the program is simple to administer.

Even a lawyer deserves thanks now and then. Don't forget to send acknowledgements to those who help finalize legacy gifts. Your thanks will stand out among the dusty stacks of fine print covering their desks. Obviously, you are not thanking the advisor for directing a gift to your charity, but you



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should acknowledge his or her role in helping finalize the gift. Be sure to add their names to invitation lists for future events as well, and consider that ultimate "thank you": an invitation to serve on your development or planned giving committee.



Mary B. Hopkins, JD
Vice President for Gift Planning
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Claire's Q&A Café

Where Planned Giving and Real Life Intersect

A lively conversation with Bruce Makous, Vice President for Development, Multiple Sclerosis Society of America.

You're Doing It On Your Own Viken Mikaelian

I hear of some non-profits joining forces; more and more non-profits working with community foundations; now that's real synergy.

Let me tell you how one business grew its services through synergistic business associations: A radio station partnered with a music store. The store promoted the station, and the station promoted the store. What related businesses or non-profits can you partner with? If you were an SPCA, you could give coupons for the pet supply store down the street. If you were a symphony, could you partner with a music store? We partner with AFP Chapters and PPP Councils all the time through ads, speaking opportunities, and sponsorships!

How about guerilla marketing tactics? Businesses do this often. One pizza shop offered a free pizza if you brought in 2 competitors' ads from the yellow pages. Result? Competitors' ads kept disappearing from the yellow pages ...

Remember – Think of your organization as a business. Come up with creative ways to grow. Is there a "celebrity" in your town who can help? If not, can you create a celebrity identity with one of your board members? Small businesses often build a character out of a pet. What *creative* things can you do?

A client of mine, a mental health organization, created an ad that read "Everyone's Driving Us Nuts." They can say that. Unfortunately they were a bit nervous to implement the idea. I happened to like it. Get creative. Don't be afraid to ruffle some feathers and get noticed. *My guarantee: if you are always vanilla, you are not going to go that far.*

There are unseen forces that will help you. Ask around. Think outside the box. If businesses can do it, so can you.

As Jim Rohn says, "Success is nothing more than a few *simple* disciplines, practiced every day."

Social Media Update:
Someone you never really liked has added you as a friend...

Claire: For you, Bruce, the MS Society is so much more than a mission statement. Please tell us about your deep connection to this good cause.

Bruce: I can personally relate to it since my wife has MS, and I'm personally committed to it. I have her permission to speak about her and she says if it can inspire and motivate people to help people with multiple sclerosis ... then it's a good thing.

Claire: What about your donors, do they share their stories?

Bruce: They do. They want to be role models for generosity. The best ones are the literal stories that donors have given permission to use. The more personal the story, the more inspiring it is, because usually each story has elements that make it unique.

Claire: You've been in fundraising for a long time, more than 25 years, actually. Tell us a story from when you were "green."

Bruce: In my early days of planned giving, I had a call from a donor who wanted to put together a Charitable Remainder Unitrust. I'd heard about them, but didn't know how to structure them and what the rules were. I went to the Vice President and we called an expert on our advisory panel and he helped us structure the trust appropriately.

Claire: Tell us a little more about that ...

Bruce: For a person new to an organization, you can create a planned giving advisory council

for the charity – a group of experts you can call on in the areas of real estate, insurance, stocks as well as estate attorneys. You want to have access to that kind of expertise. Early in my career, I leaned on experts. I wanted to learn more about charitable trusts and gift annuities and bequests. So I studied them on my own. I still don't call myself a technical expert, but I do understand the principles. I think beginning fundraisers need to have an awareness of the complexities.

Claire: For general development professionals, do you think there are benefits of focusing on planned giving?

Bruce: *Actually, people who are involved in major and planned gifts are in the higher end of salaries in fundraising.* I think you can move your career quickly to a higher income level by learning the techniques of planned giving. It's a great way of moving your career along.

Claire: At PlannedGiving.Com we get calls and emails from people who are interested in focusing more on planned giving in their career. Would you be willing to chat with them from time to time?

Bruce: I'm glad to answer any questions from early career, mid career, donors, financial advisors — anyone interested in planned giving. They can reach me at bmakous@msassociation.org.

Claire: Finally, I'd like to ask you about any unusual gifts you've handled. Any stories?

Bruce: I had a call from a woman. She said she'd had Multiple Sclerosis for forty years and that she'd like to make an unusual gift. She worried it might even be seen as offensive. I assured her I would take no offense to whatever it is she was about to say. She said, "My body is riddled with MS and I've had it for so long. I'm sure I'd be a good subject for a doctor studying MS." She asked if I could find a scientific lab.

Claire: And did you?

Bruce: Yes. I researched MS centers and sites that would accept that gift. I put her in touch with a center and assured her they would take care of her gift and treat it with great respect.

Claire: Not your typical planned giving phone call.

Bruce: That's one thing I like about this work. You never stop learning every day.



Besides his career in fundraising, Bruce Makous is also a

published novelist, authoring the thrillers *Virtually Dead* and *Riding the Brand*.

The Q & A Café is hosted by Claire Meyerhoff. If you would like to chat about Planned Giving, send her an e-mail at Claire@PlannedGiving.com.

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This must-have insider's guide is ideal for your staff, financial advisors and even board members.

- Comprehensive: outright, estate-plan and life income gifts analyzed.
- Each gift review includes a summary of its features, plus benefits and challenges for donor and your organization.
- Gift diagrams simplify each review.
- Elevator pitches help convey what the prospect "should hear."
- Gifts are arranged alphabetically for ease of reference.
- Written by four experts.
- Includes a fold-out cross-reference life income chart illustrating gift benefits and features.
- Handy 4x9 inch format — fits easily in pocket, purse or bag.
- Wire-bound — lays flat on your desk.
- Four-color, attractive format.
- About 40 easy-to-read pages.
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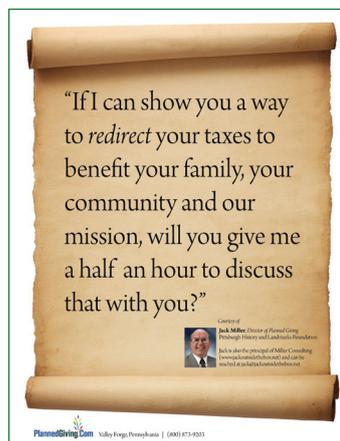
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* With any purchase of \$79.95 or more at PlannedGiving.Com. Valid until March 30, 2010.

PlannedGiving.Com
Valley Forge, Pennsylvania

Coast to Coast: Planned Gifts in the News...

Erie, Pennsylvania: Barber shop owner and five Bronze Star hero Dominick Colelli left \$800,000 to further the work of the *Dr. Gertrude A. Barber Foundation* on behalf of over 3500 children and adults with developmental disabilities. Through his challenge fund, all gifts made to the annual fund will also be matched up to a total of \$100,000. In addition, the fund will match new documented bequests and other deferred gift commitments dollar for dollar up to and including the balance of the fund.



Download Jack Miller's flier and place it on your wall. It'll remind you of a good question to ask your donors.

PlannedGiving.Com/miller



Don't Miss the Next Planned Giving Conference

From the Nation's Capital to the Capital of Country Music

The dates are set for the 2010 National Conference on Philanthropic Planning. It will be **October 13-15** at the Gaylord Opryland and Convention Center in Nashville.

It seems like only moments ago when over 700 fundraisers gath-

ered in the shadow of the nation's capital for last year's conference.

Held at Maryland's Gaylord National Harbor Convention Center, it featured plenty of big names (like Scott Janney, President, PlannedGiving.Com) and big ideas about gift planning. Attendees spent a whirlwind three days at workshops, meet-and-greets, and strolling the ever-popular exhibit hall booths.

Considering that 5% of this nation's wealth is in hard-to-get cash and 95% is in easy-to-get assets, focus on planned gifts... and do not miss this event.

If you'd like to access any of the papers presented at last year's conference, visit: ppp.omnibooks.com.

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Fundraisers in the Hot Seat

Cool Answers on Hot Topics



Planned Giving Tomorrow is fortunate to have friends in the business who are kind enough to take on some of tomorrow's burning questions without scorching us back today.

In this issue's Char Chair is Tony Martignetti. Tony is the founder and managing director of Martignetti Planned Giving Advisors, LLC in New York. At another point in time, Tony was a Missile Combat Crew Commander in the United States Air Force, so we know he can handle the Hot Seat.

Here's his Hot Seat Question:

"I'm the DOD for a land conservancy and I know just enough about Planned Giving to be dangerous. Right now, many of our donors are worried about their investments and I think this is a good way to open up a line of communication that could lead to a gift. I just need **more**. Can you help?" Dan in Raleigh, NC.

Tony Says:

Dan, thanks for realizing that planned gifts can help your donors – and your organization – get through the recession.

You could focus on the Charitable Remainder Unitrust, aka "The CRUT." If you have bullish prospects who are charitably inclined, look to the CRUT for a term of years. This is a staple

of planned giving programs in its lifetime form. Your organization may already be named in some. It pays income to (typically) one or two "income beneficiaries," and that income is a fixed percentage of the trust value. At the end of the term, the remainder is a gift to your organization.

The trust's market value is calculated anew every year, and that revaluation feature makes the charitable remainder unitrust a terrific charitable vehicle for bullish donors who believe we're at or near market bottom. They will enjoy the run-up in the trust's portfolio because their annual income from the trust will be tied to the portfolio's market value.

The savvy donor will fund a trust with appreciated stock so she can avoid capital gains tax liability at sale. For the non savvy donor, you'll be a hero when you explain this.

Think there's no longer something called "appreciated stock"? Actually, there's still a lot of appreciation around. Donors who have held equities for decades have very low basis positions. Their portfolio isn't worth what it was two years ago, but many long-term investors do have stocks worth more than they paid for them.

Get donors to put those stocks in the trust for two reasons. When the trustee sells them for diversification, the donor will avoid tax on the gain; these are tax-free trusts when they're properly created. Also, the donor will enjoy increasing income as the new portfolio rises in value.

Remember, this gift strategy appeals to bullish prospects.

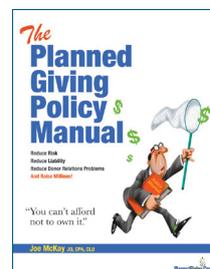
The trust income itself is taxable, but it can be taxed below ordinary income rates. Income from these trusts is characterized by how it is distributed by the trust. To the extent that the trust realizes and distributes capital gain income, which is typical in the first year due to sale of the funding assets, your donor will be taxed at capital gain rates. If the trust distributes tax-free income, earned from a tax-free portfolio, it will be paid as such to your donor. Not surprisingly, the trust must distribute all of its ordinary income before capital gain income and all its capital gain income before tax-free income.

Beyond the income, income tax, and capital gain tax advantages, the donor earns a charitable deduction in the year she creates her trust.

Do you need to know this level of detail? No. You need to know just a little more than the elevator pitch and not as much as I've provided. Having more information than you need helps you understand what's behind the gift ideas you'll be raising with prospects. That understanding builds your confidence in those door-opening conversations.



Tony Martignetti may be reached through his website, www.mpgadv.com. He has many clients and charitable involvements with "big names" but his all time favorite charity's name belongs to the Artichoke Dance Company.



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By Joseph McKay, JD, CPA, CLU
PlannedGiving.Com/manual

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fundraisers, even by the best. Being a part of the Y Generation, it seems natural to me to explore technology and social networking as new avenues to connect with donors and volunteers – and get the biggest bang for my buck in the process.

Social networking has been extremely successful at Martin Memorial Foundation, particularly with our LifeSavers, a group of mostly young, professional volunteers who raise money for child-focused departments. Over the past three years, the group has embraced popular networking trends, starting with MySpace, then moving on to YouTube, Facebook and LinkedIn. Facebook has been the most successful to date, used in conjunction with YouTube to “post” promotional videos and highlight other pre- and post-event marketing efforts.



Social networking is one of the most powerful tools in my arsenal. It provides 24/7 access to my constituency, easily letting me strengthen relationships through personal communication and engagement. Social networking also helps harness the power of word-of-mouth advertising. Our marketing efforts increase exponentially through the free advertising done voluntarily by constituents who are already engaged with our mission. For example, Cassie Waitkus, a four-year LifeSaver member, created a personal Facebook photo album dedicated entirely to the LifeSavers. She included the most important material as well as photos taken before the Goombay Bash featuring the committee promoting the event and raising money for the cause. Spreading the word is crucial to the success of any special event,

especially when you are working with a demographic that is so “virtually” connected. While some donors check their postal mail, they check their e-mail to

“Facebook was an easy way to spread the word. Because we have such a big following on Facebook – and things are updated frequently – I believe it gives more credibility to our event. I feel that a large portion of such a jump in our success this year was due to this outlet!”

Tara Biek

see what their friends are up to on Facebook. Cassie effectively created a media outlet for all of her friends on her personal page without

having to send them on a wild goose hunt to find the “Causes” page, the “Fan” page, or even the “Group” page. When it came time to sell tickets, she promoted buying tickets – not through Facebook, but by linking people to our organization’s site directly. The advantage here is that the transactions are authenticated by our organization and we did not get dinged with a Facebook service charge.

The important message in this experience is twofold:

- 1) An updated website with regular activity attracts more supporters and makes it easy to continue to communicate with them individually to encourage their support.
- 2) Over-stimulation of your event/cause on Facebook could be detrimental to your efforts and result in a decline in on-line participants.

Be sure that your marketing strategies involve your volunteers and don’t only include self promotion from your marketing department. Volunteers want to help, so let them. Just be sure they have the right tools and the information they need to engage their friends in their own way.

There is only so much you

can do as a fundraiser to shape your volunteer committees and move them forward. With social networking, you can give them a free outlet to communicate with each other and potential new supporters, while building friendships with similar interests and/or professional contacts and working together as a group. Another strength of social networking sites is breaking up your small community “cliques” and bringing “Facebook not only helped us become a closer committee but it allowed us to build strong friendships; we know we can count on one another for just about anything. That is priceless!” **Lindsay Nickerson** Adding this element to our Goombay Bash event created an explosion that no one expected, especially considering economic conditions.

The LifeSavers successfully raised \$108,000 this year through the Goombay Bash. Since we actively started promoting on social networking sites, this event has seen a 160 percent increase in sponsorship, 333% increase in participation with the event, and a 525% increase in committee participation (that’s a lot of volunteer manpower)! Our following on Facebook has tripled in a matter of weeks equaling over 310 supporters both local and nationwide. So, I ask you ... Are you missing the boat? *The time to engage is now; don’t let this free outlet pass you by.*



Kelly Rowell is a development officer at the Martin Memorial Foundation.

She can be reached at: kerowell@mmhs-fla.org

Get the Bequest Toolkit See page 3

Tales, Wisdom & Ideas From Our Clients



From a Lance-Andrew cartoon:

“Dad, did you know that a one time gift of \$1,000 could endow my allowance?” ~ Dwight D. Clasby, UT Dallas

Recently we placed small posters



emphasizing Planned Giving at locations on all our campuses of our retirement community. The first one had the theme, *Your Legacy – Will it inspire our children?* It seems to have caught the attention of many. We plan on putting out a new one each quarter. ~Chuck at Mennohaven

Chuck – We just heard from Mary Hopkins (see cover) from the Delaware Community Foundation with a similar story with one of her clients (also a retirement community). Any organization with foot traffic should do this. Why not consider a short video clip on your closed circuit TV? ~Viken

Don’t mistake activity for productivity. Moves management is not about the activity (e.g, I sent a birthday card so now I can check off having made a move with this prospect/donor) but rather about the authentic connection you have with the prospect/donor around celebrating his/her birthday. ~Jon Abrams, American Red Cross



Prompt rejection is cost effective.

~Dan Rice, K-Love

I asked a couple who funded a planned gift



with the donation of a vacation home how they knew it was time to let the home go. The woman answered *without hesitation*, “When there were too

Continued on back cover

sure to hit a grand slam, there's a new book coming out soon



that will help. It's by **Kivi Leroux Miller**, a good friend of *Planned Giving Tomorrow*.

As a preview, Kivi is sharing her Top Ten Marketing Realities for Nonprofits of all shapes and sizes. You're getting the first chapter *free* because you're on our mailing list.

Reality 1:

Marketing is not a dirty word.

Marketing gets a bad rap because when it's done poorly, it can be downright offensive. No one wants to feel like someone, especially a charity, is trying to trick or cheat them. No one likes being yelled at, patronized or coerced. So don't think of your marketing program as a megaphone or a soap box, but as a conversation.

Reality 2:

There is no such thing as the general public.

The general public includes everyone, from children to seniors,

rich and poor, incarcerated and homeless. No matter how much you try, you will not reach everyone. In fact, if that's what you try to do, odds are good that you will reach no one. Instead, you need to focus on specific groups of people and work toward communicating with them in ways that connect with their particular needs and values.

Reality 3:

You need to build your own media empire.

I believe you are better off spending more time creating and publishing your own content than trying to talk someone else into publishing it for you. You can build your own media empire using online tools. I'd rather see a nonprofit spend a day writing blog posts and uploading photos or videos than writing a press release and calling a scattershot list of reporters.

Reality 4:

All generations, including seniors, are online.

Grandma has email and she's on Facebook. The Pew Internet & American Life Project's "Generations Online in 2009" found that the biggest increase in Internet use between 2005 and 2008 was within the 70-75 year-old age. The younger generations, particularly those in their 30s and 40s now, will remain online as they age. Their expectations for communicating online with their favorite charities will likely be extremely high. Prepare to meet those demands by getting through the steepest parts of your learning curve now.

Reality 5:

Nonprofit communicators are transforming into community organizers.

Think about when you host in-person events. Isn't it wonderful

to see all of those people who care about your work in one place, talking to each other about the good work you are doing, and feeling good about their contributions? Smart nonprofits are now using social media tools to create those same cozy feelings online. Find those people who are enthusiastic about your cause and who also have large networks of their own. Then feed those fans. They may fundraise and friendraise for you.

Reality 6:

Personal and organizational personalities, or brands, are blending.

What is your group known for? This is your organization's brand, image, or personality — and many nonprofits are finding that their organizational brand is closely related to the personalities of their most public staff members. Good online marketing, especially in social media, is personal, which means that your staff should present themselves as real human beings in your communications.

Reality 7:

Good nonprofit marketing takes more time than money.

Engaging supporters in conversations is more time-consuming than blasting messages out to them. Managing profiles on multiple social media sites is more time-consuming than updating your website once a month. Writing a blog with several posts per week is more time-consuming than sending out a print newsletter twice a year. While all of these tasks do take more time, they are also very effective at building a community of supporters.

Reality 8:

You've already lost control of your message. Stop pretending otherwise.

Control over the message about your organization or issue is not yours to give up. It's already gone. What you can control is your response to how others are communicating about your issues and your organization. If someone wants to bad-mouth you online, they can do it right now whether you are there to see it and respond or not. The truth is that the overwhelming majority of comments that people make about charities online are positive or neutral. For those that are negative, isn't it better to see them and consciously decide whether or not to respond than to be oblivious to them entirely?

Reality 9:

Marketing is not fundraising, but it is essential to it.

Nonprofit marketing has many outcomes, and raising dollars is one of them. But nonprofits also use marketing to find and organize volunteers, persuade decision-makers, change public policy, raise awareness, encourage behavior changes, and to foment social change. While you can have successful long-term marketing campaigns that don't involve fundraising, you cannot have successful long-term fundraising campaigns without marketing. Marketing and communications are how you talk to your donors in between those times when you ask for money. It's what puts new people into your pool of potential new donors and what keeps current donors happy with your organization so they will give again.

Reality 10:

Old-fashioned basics still work best, even online.

With online marketing in particular, don't fret about Facebook



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until your website is in good shape. Don't get all twisted up about Twitter until your email marketing program is effective. Focus on the basics first, and do them well. Tell good stories. Be grateful, and get your thank-you letters out. Become a valued and trusted source for others. That's how you make it big.

Due out in May 2010, *The Nonprofit Marketing Guide* (Jossey-Bass) encapsulates thousands of blog posts, hundreds of webinars and Kivi's many years of experience in nonprofit communications working with many organizations. Kivi is an instructor in Duke's Nonprofit Certificate Program and regularly speaks at national conferences and seminars.

You can reach Kivi through her blog NonprofitMarketingGuide.com or Kivi@ecoscribe.com.

Coast to Coast: Planned Gifts in the News...

North Platte, Nebraska:

Mr. Oliver Durbin, who passed away on Christmas Day 2008, at the age of 102, left \$1,000,000 to the North Platte Community College Foundation, the largest scholarship gift in the organization's history. According to those who knew him, Durbin was frugal by nature, but exceptionally generous at heart. A good friend, Colin Aten, said Mr. Durbin had a goal of leaving a million dollars to his favorite cause.



Having a Bad Hair Day? Reason #27 for updating your will.
More eye-catching cartoons you can use to raise funds at www.LanceAndrew.com

Estate Tax Accident

Scott Janney

What has Congress done? (Or how could they just sit by and do nothing?) I hear different versions of this question from a wide variety of people.

One article on a planned giving website starts with, "It's an extraordinarily uncertain time..." One boilerplate publication sent by nonprofits ends with, "...the estate tax litigation over 2010 law may last for the next decade." Some people in our profession may be trying to fan the flames of hysteria. **Do you want to be one of them?**

Does hysteria encourage anybody to put together a good estate plan?

Here's the short version of what happened, in plain English:

A law was passed in 2001 that gradually decreased the federal estate tax through 2009. That law stipulated that if no future laws were passed — and professionals in the field all expected that Congress would pass a new law in those intervening 9 years — the federal estate tax would go away in 2010, and return to much higher levels in 2011.

This fall I attended several meetings with local planned giving committees and a national conference where we discussed what we would do when new estate tax legislation was passed. Very few people thought that there would be such gridlock that nothing would be passed. But that gridlock prevailed, and on January 1, no new law had been passed, and the federal estate tax was "accidentally" repealed.

Because of this, at the moment there is no federal estate tax. Therefore people with large estates who die between January 1, 2010 and the date of any new estate tax law *might* (or *might not*)



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be able to leave estates that are not subject to federal estate tax. Congress *might* pass a new law to tax people who die during the rest of the year, *might* try to make the law retroactive on people who died earlier in the year, *might not* pass any estate tax law this year, or *might not* pass any estate tax law next year. Anybody's guess is just that — a guess.

So . . . what should you be telling your donors?

Here are some suggestions:

- Our charity has an important mission. You have supported us during your lifetime. Please consider supporting us through gifts from your will and/or trust.
- The federal estate tax did not change for anyone with an estate of less than \$3.5 million, or for couples with good plan-

Continued on back cover

Tip: Have you updated the donor stories on your planned giving website? It is the first thing your prospects read.



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Did you miss our last issue?
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Making Time For Your Donors... from page 3

meeting, lock your office door, turn off your cell and call a few donors.

- Daunting database? Run a 10 or more years' consecutive giving report.

"Look at the list of donors in your legacy society. Has everyone on the list been contacted within the last year? Reinforcing your appreciation goes a long way," says Tumolo

Joe Tumolo speaks not only as a fundraising professional but as a donor. He and his wife have made provisions for four charities in their wills, and have notified all four charities of their bequests.

"And you know, only one of them calls us or sends us a card to say thanks."

Read: *You Had Me at Bequest* by Mindy Aleman at PlannedGiving.com/mindy

Estate Tax Accident ... from page 11

ning and total estates worth less than \$7 million. So if your estate is smaller than that, there's no excuse to wait until Congress fixes the wild gyrations in tax rates. (If Congress does nothing, the estate tax will apply to any estate of more than \$1,000,000 starting January 1, 2011.)

- Whether or not you die in that window, you need a good will.

This is not a time for charities to give donors a new excuse to sit on their hands by declaring that things are "extraordinarily uncertain." Wise leaders and responsible charities will let their donors know that it is vitally important to have an up-to-date will and estate plan this year, just like it has always been important. Let's refrain from trying to scare them, which might only cause them to wait for Congress to act.

People choose to support your charity because they love what you do or because they are grateful for the services you provide. Let's motivate our donors to do the right thing.



Dr. Scott R. P. Janney, CFRE, RFC, President, PlannedGiving.Com.

Scott can be reached at: Scott@PlannedGiving.Com

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Tales and Anecdotes, from page 9

many leaves to rake!"
~ Cheryl H. Wade, Kendal Corp.

A successful estate plan can be defined

as: A plan in which six months after you die and receive a hug from the Father, your children are still hugging each other. ~ Tom Wood, Whitefield Academy



I forget where I read this...

"Many of those we think love us, don't. Many of those we wish would love us, won't. Many of those who do love us, won't show us. Many of those who do love us, won't tell us." ~Mark Seeley, USC



Have an inspiring story or anecdote to share? Email it to: Success@PlannedGiving.Com

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