MODULE III

BUILDING DONOR RELATIONSHIPS

This tool will transform your career in gift planning. Period.

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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.

		TOPICS	FOCUS/CONTENT
SUGGESTED WEEK-BY-WEEK STEPS	1 - 3	Creating a Planned Giving Prospect List	*Identifying Prospects*
	4	Understanding the Basic Planned Giving Tools	*Wills, Retirement Plans and Life Insurance Designations*
	5	Approaching the Best Planned Giving Prospects	*Understanding Generational Cohorts*
	6	Events That Prompt Planned Giving	*Significant Events and Life Transitions*
	7	Meeting Personal Planning Objectives	*Differences in Expectations*
	8	Qualifying Planned Giving Prospects	*Focusing on Three Questions*
	9	Starting the Planned Giving Conversation	*Approaching the Qualified Prospect Step-by-Step*
	10	Making the Ask	*Principles to Keep at the Front of Your Mind*
	11	Your Legacy Society	*Membership Criteria and Benefits*
	12	Your Legacy Society Membership Materials	*Developing a Name, Brand and Story*
	13 - 14	Your Legacy Society Brochure and Reply Card	*Donor-Centered and Compelling*
	15 - 16	Your Legacy Society Stewardship Events	*The Guiding Principle is "Outcomes-Based"*

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WHAT IT'S FOR

Building Donor Relationships will provide you with simple, manageable, step-by-step tools and know-how to:

- **Identify** your best planned giving prospects
- **Prioritize** your time to help you decide who to visit one-on-one versus those you will approach with your marketing tools*
- **Talk** to the right prospects about planned giving
- **Steward** them well
- **Build your career** in gift planning

This product *does not* include:

- Training materials about all of the **different asset types**
- **Complex gift strategies** you might use with high end prospects

If you have prospects interested in these types of gifts, you can *hire outside experts* to help navigate the process or learn how planned gifts work utilizing our materials, seminars and webinars. Begin with our popular Pocket Guide:

PlannedGiving.Com/guide

(*A single copy is included with this module*.)

* 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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WHO IT'S DESIGNED FOR

With *Building Donor Relationships* you'll be ready to go out and talk to prospects, build relationships and close planned gifts to benefit your organization and the donor who makes them.

Building Donor Relationships is perfect for the fundraiser who is not sure how to identify planned giving prospects and approach them about long-term investments in your mission.

It gives you the tools and steps to allow you to proactive talk to the right prospects about planned giving in language they both want to hear and understand so that they make a planned gift. Use these effectively along with some of our other tools, and over time it will help you become a professional gift planner.

Planned gifts do not happen by themselves. You must be proactive.

A FEW CONSIDERATIONS

Consider involving 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.

- 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.

- 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. So each time you create something new (marketing piece, planned giving website, solicitation letter), ask them to review it and give you feedback. You'll be amazed how much this improves the quality of what you produce. For example, once you create your ranked planned giving prospect list, let them review it to see if they feel the names on it are the right names. They may be surprised by the number of people they would not have thought to solicit, since planned giving appeals to loyal donors, *not* wealthy donors.

Over time you will discover how board members think significantly in different ways. If you are getting opinions on a marketing piece, you may just be surprised how much they will love a piece that you otherwise thought they wouldn't. This is why it is good to provide a few choices. The rule of thumb is this:

- If all of them hate it, do not implement it. Back to the drawing board.
- If all of them find it "acceptable", then it's too vanilla. Back to the drawing board.
- If 8 out of 10 love it, and 2 do not, then it's perfect. Trying to keep everyone happy will just produce a vanilla piece that will never get noticed. This is our experience and please take our word for it.

Let your board know in advance that "this is a vote" – this way you won't feel you're insulting anyone by not necessarily implementing their advice.

LET'S GET STARTED

You ask, "How can we start a planned giving program when our charity doesn't have the technical expertise of a lawyer, CPA or other professional advisor on staff?"

For the last 40 years, fear of technical requirements and the need for a "professional gift planner" on-site has kept the vast majority of charities from pursuing planned giving.

But over 90% of planned gifts are simple gifts from wills, retirement plans and life insurance proceeds which require little to no in-house technical know-how. *These are called Beneficiary Designations.*

They can be easily implemented by the donor using a change of beneficiary form or a will codicil (a document to amend an existing will).

So stop worrying about technical knowledge and start talking to donors about planned gifts!

Here's how to start out right (these forms are designed to help):

- Identify those individuals in your database who are open to the planned giving message.
- Create a rating system to prioritize your best planned giving prospects.
- Learn enough about the most basic and popular tools of planned giving (gifts from wills, retirement plans, life insurance) to have a benefits-focused conversation with your prospects. Don't spend every waking minute learning the picky details of the taxation of a CRUT ("charitable remainder unitrust").

Traditionalists (Born Pre-1946)	• Depression Cohort (Born 1912 to 1921) • World War II Cohort (Born 1922 to 1927) • Post-War Cohort (Born 1928 to 1945)
New Philanthropists (Born 1946 to Present)	• Leading Boomers/Older Boomers (Born 1946 to 1954) • Younger Boomers/Trailing Boomers (Born 1955 to 1964) • Generation X (Born 1965 to 1976) • Millennials/Gen Y (Born 1977 to 1984)

- **Understand how planned giving prospects think.**
  Perceptions about planned giving vary by generation (see table above). Building your understanding of events that prompt planned giving and how prospects can help your organization while also helping themselves will go a long way towards building trust and guiding your prospects to becoming planned giving donors.

- **Planned gifts result from quality relationships.**
  So spend time with your prospects. Use a system of qualifying visits and conversations to cultivate these relationships that will last for a lifetime, perhaps even for multiple generations.

- **Take care of your planned giving donors.**
  Once someone makes a planned gift, they have elevated your charity to the status of a trusted family member. Treat them accordingly with quality, concierge-level stewardship. A well-stewarded donor will not only make a significant planned gift, but will also increase their annual support and be a champion to inspire others to support your mission.

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 confidence in reaching out to prospects, relating to them and stewarding them as donors.

Building Donor Relationships is unique in that it contains a larger proportion of information ("learning") than it does projects ("doing") as compared to our other marketing tools. This is because we are introducing important concepts and data about generational cohorts, outreach and stewardship techniques, plus other instructional materials.

In fact, you might say that in *Building Donor Relationships* we are providing the knowledge base that will enable you to think like a successful fundraiser. Learning the information is crucial because you are building a practical, donor-centered understanding of fundraising in general. And that's something that will pay you back big time over the long term.

Besides, anytime you're feeling at loose ends during your implementation of these materials, you can always go back to earlier information and projects for review and reinforcement.

A Few Words About the Documents

Building Donor Relationships provides one or more ready-to-go documents for you to customize and use. Please bear in mind these documents are exclusively for you and are not to be shared with other organizations or individuals.

Keep It Simple

You can start *Building Donor Relationships* anytime, even mid-year or year-end. (Remember, the best time to start your planned giving program is 20 years ago. The next best time is right now.)

And you can make custom adjustments as needed to the schedule we suggest.

But we recommend you try to keep the product as intact as possible. Like all of our products at PlannedGiving.com, *Building Donor Relationships* has been painstakingly designed and integrated to work for you straight out of the box. All you have to 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? On the following pages is a summary of what to expect.

Each Step At-A-Glance

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

Weeks 1, 2 & 3
Creating a Planned Giving Prospect List

BACKGROUND	Estate Gifts as Life Statements
	Some Are More Likely to Give Than Others
	Age and Wealth: Inaccurate Predictors
	The Accurate Predictor: Institutional Loyalty
	Rating Prospects Based on Giving Regularity
PROJECTS	Create Your Planned Giving Rating System
	Apply Your Rating System to Your Database
	Assign Ratings in the Database and Generate List of Identified Planned Giving Prospects
DOCUMENTS	**PGB3-0101 – Prospect Rating Template**

Week 4:
Understanding the Basic Planned Giving Tools

BACKGROUND	No Cost Today
	Gifts from a Will or Living Trust
	Gifts from a Retirement Plan or Other Account
	Life Insurance Policy Beneficiary Designations
	Other Gift Forms
DOCUMENTS	**The Ultimate Quick Reference Planned Giving Pocket Guide**

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Week 5
Approaching the Best Planned Giving Prospects

BACKGROUND	Defining Generations
	Traditionalists (Born Pre-1946)
	Depression Cohort (Born 1912 – 1921)
	World War II Cohort (Born 1922 – 1927)
	Post-War Cohort (Born 1928 – 1945)
	The New Philanthropists (Born 1946 – Present)
	Leading Boomers/Older Boomers (Born 1946 – 1954)
	Younger Boomer/Trailing Boomers (Born 1955 – 1964)
	Generation X (Born 1965 – 1976)
	Millennials/Gen Y (Born 1977 – 1984)
DOCUMENTS	**PGB3-0501 – Generational Cohort Discussion**

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Week 6
Events That Prompt Planned Giving

BACKGROUND	Births
	Marriage
	Divorce
	Graduation
	Accident and/or Illness
	Death of Spouse (or Life Partner)
	Inheritance/Death of a Loved One
	Moving to Another State
	Vacations
	Job/Career Change
	Sale or Transfer of Family-Owned Business
	Addition or Subtraction of Major Assets from Holdings
	Sale/Merger of a Company in Which the Prospect has Major Holdings
	Retirement
	Natural Disasters
PROJECTS	Create a Tracking Report for Significant Stock Holdings
DOCUMENTS	**PGB3-0601 – Events That Prompt Planned Giving**
	PGB3-0602 – Stock Tracking Report Template

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Week 7
Meeting Personal Planning Objectives

BACKGROUND	Among the Traditionalists
	Among the New Philanthropists
	Securing Retirement Income
	Providing for Children's Educations
	Providing for an Elderly Parent or Loved One

Week 8
Qualifying Planned Giving Prospects

BACKGROUND	What Do We Know About Them?
	What Is Their Relationship to the Organization?
	What Is Their Financial Capacity to Give?
PROJECTS	Develop a Prospect Profile
DOCUMENTS	**PGB3-0801 – Prospect Profile Form Template**

Week 9
Starting the Planned Giving Conversation

BACKGROUND	Where Do I Start?
	Step One: Send a Letter or Email
	Step Two: Prepare to Make the Call
	Step Three: Place the Call
	Step Four: Ask for and Confirm the Meeting
	Step Five: Overcome Objections
	Conducting the Qualifying Visit
	Scripts That Solicit Donor's Personal Information
	Scripts That Solicit Information on Donor's Relationship to Your Organization
	Scripts That Solicit Information on Donor's Financial Capacity
PROJECTS	Develop a Qualification Visit Preparation Worksheet
DOCUMENTS	PGB3-0901 – Qualification Visit Worksheet Template

Weeks 10
Making the Ask

BACKGROUND	Planning for Your Planned Giving Ask Visit
	Making the Ask: Step-by-Step
	After Your Planned Giving Ask Visit
	Conducting the Negotiation Visit

Week 11
Your Legacy Society

BACKGROUND	Thanking
	Recognizing
	The Role of a Donor Recognition Society
	Membership Criteria
	Membership Benefits
PROJECTS	Develop Membership Criteria and Benefits for Your Legacy Society
DOCUMENTS	PGB3-1101 – Society Membership Criteria and Benefits

Week 12
Your Legacy Society Membership Materials

BACKGROUND	Name and Branding
	Example: Middlebury College Welcome Letter and Membership Form
	Membership Roster
PROJECTS	Develop a Name, Brand and Story for Your Recognition Society
	Create Your Welcome Letter and Information Sheet
	Create Your Membership Roster
DOCUMENTS	PGB3-1201 – Welcome Letter and Info Sheet Template
	PGB3-1202 – Membership Roster Template

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Week 13 & 14
Your Legacy Society Brochure and Reply Card

BACKGROUND	The Effective Brochure and Reply Card
PROJECTS	Create Your Legacy Society Brochure
	Create Your Legacy Society Reply Card
DOCUMENTS	PGB3-1301 – Brochure Sample (Remington Society)
	PGB3-1302 – Legacy Society Brochure Template
	PGB3-1303 – Legacy Society Reply Card Template

Week 15 & 16
Your Legacy Society Stewardship Events

BACKGROUND	The Keys to Making Your Event a Success
	Planning Your Event
	Selecting an Appropriate Venue
	Time and Date
	Event Stages
	Menu
	Room Set-Up
	Invite
	Give-Away Item
	Program
PROJECTS	Plan Your Legacy Society Event
DOCUMENTS	PGB3-1501 – Legacy Society Event Planning Template