



The State of Planned Giving in Fundraising

LEGACY GIVING AS THE FUTURE CASH OPPORTUNITY

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TODAY'S TOPICS

01

INTRODUCTION

02

KEY FINDINGS +
TAKEAWAYS

03

Q&A

ABOUT CCS FUNDRAISING

GLOBAL LEADER IN NONPROFIT CONSULTING



Leading experts in campaign and development strategy for 75 years



Experienced across nonprofit sectors and locations



Full-time professional staff plans, implements, and manages fundraising projects.

We partner with nonprofits for transformational change.



QUICK POLL

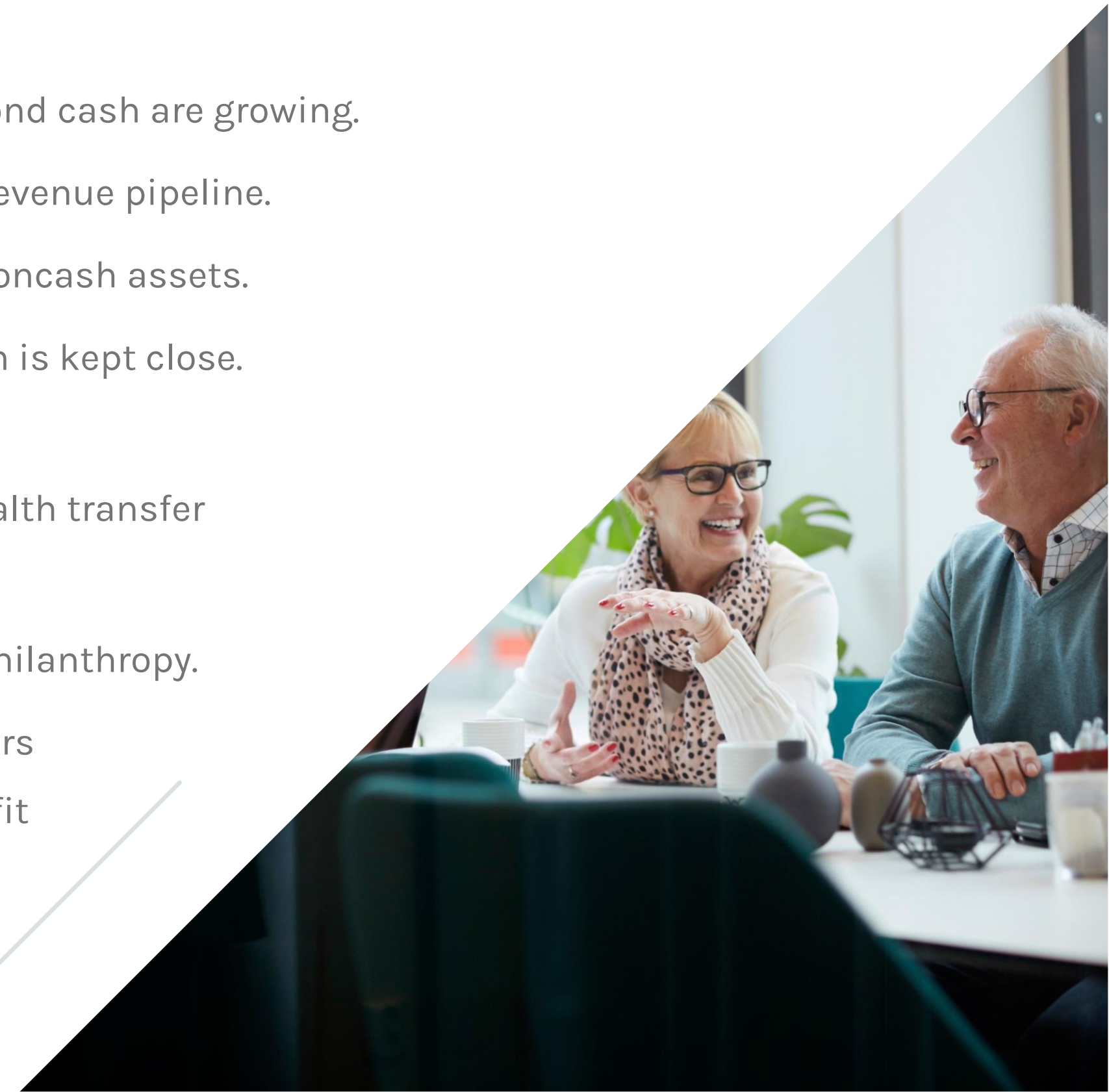
WHAT IS YOUR BIGGEST CHALLENGE WHEN IT COMES TO
PLANNED GIVING?



Introduction

GIFT PLANNING CULTURE DRIVES RESULTS

- 01 **GROWTH:** Organizations pursuing gifts of assets beyond cash are growing.
- 02 **SUSTAINABILITY:** Noncash assets create an ongoing revenue pipeline.
- 03 **LARGER GIFTS:** Up to 92+% of wealth in the U.S. is in noncash assets.
- 04 **EASIER GIFTS:** In a difficult or unstable economy, cash is kept close.
Ask for gifts of assets.
- 05 **NEW MONEY:** Trillions in anticipated generational wealth transfer with the peak in 8-10 years.
- 06 **FOR EVERYONE:** Gift planning culture democratizes philanthropy.
- 07 **TRUE PARTNERSHIP:** Opportunity to partner with donors by helping to build their financial health for the benefit of your nonprofit.





Key Findings + Insights

LEGACY GIFTS COMPRISED MORE THAN 16% OF OVERALL FUNDRAISING AND 11% OF CAMPAIGNS



FINDINGS

- These percentages reflect giving from only .12% of annual and .2% of campaign donors.
- Annual donors are typically the best legacy prospects, yet only three subsectors engaged more than .2% of their annual donors for legacy giving.



INSIGHTS

- Invest in staffing, relationship building, and technologies.
- Focus on long-time annual donors to increase legacy giving immediately and create a sustainable source of future cash.
- Include planned gifts in your next campaign and standardize blended proposals



ENVIRONMENTAL AND ANIMAL WELFARE NONPROFITS SAW THE MOST LEGACY GIVING

Adults 18-49 and those in the U.S. Pacific region are especially motivated by climate change action and are likely to consider this issue a central focus of their current and future philanthropy.

QUICK POLL

HAVE YOU INCLUDED OR ARE YOU INCLUDING LEGACY GIFTS IN
YOUR MOST RECENT CAMPAIGN?

AVERAGE LEGACY GIFT IS SIGNIFICANTLY MORE THAN AVERAGE ANNUAL GIFT



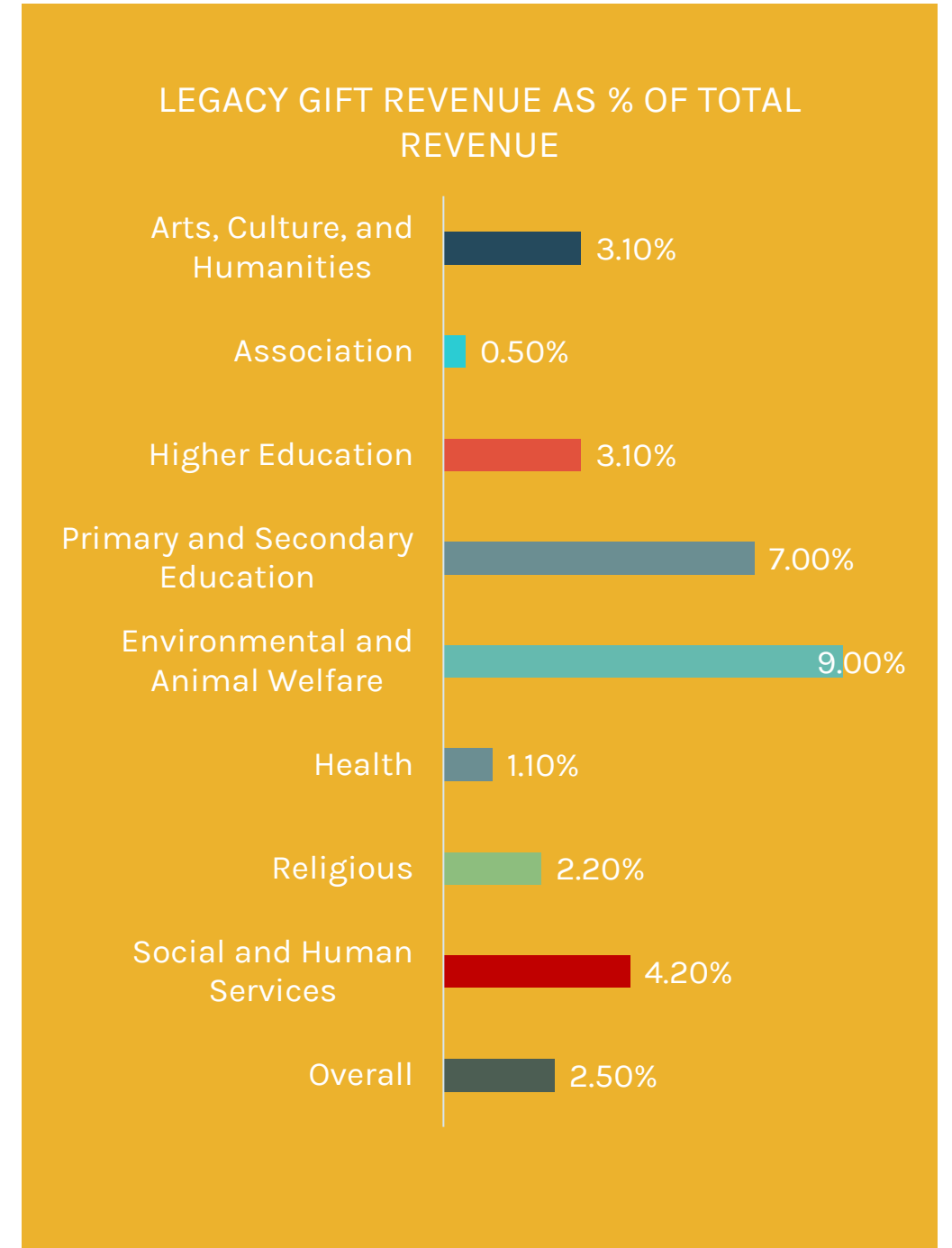
FINDINGS

- Across all subsectors, we observed a ratio of 252:1 for legacy gifts to annual gifts, with an average legacy gift value of more than \$120,000.
- Environmental and Animal Welfare, and Arts, Culture, and Humanities nonprofits saw the greatest disparity between average annual and legacy gifts.



INSIGHTS

- Ask for legacy gifts from your most loyal annual donors, regardless of their average gift amount.
- Revise your Gift Acceptance Policies to include a windfall policy



N = 486 organizations | Overall includes organizations categorized as 'other not listed on the table above'
 *Science-focused nonprofit sample size was not statistically significant enough to include throughout the analysis

QUICK POLL

HAS YOUR ORGANIZATION EVER RECEIVED A LEGACY GIFT
THAT WAS NOT EXPECTED OR PREVIOUSLY KNOWN?

UNDOCUMENTED GIFTS ARE MISSED OPPORTUNITIES



FINDINGS

- Nonprofits received a third more funding (32.7%) from documented legacy gifts (\$82 million; 143 donors) than from unknown legacy gifts (\$55.2 million; 2,296 donors).
- The documented gift average was significantly higher (\$577,000+) than unknown legacy gifts (\$24,000+) and expected undocumented legacy gifts (\$648).



INSIGHTS

- Discuss legacy giving plans with donors to clarify their intention for their gift and potentially increase the gift amount.
- If you are unsure where to start, a simple survey can identify donors who have already made legacy commitments that are undocumented and donors who are interested in making a legacy gift.



WANT TO TAKE DOCUMENTATION A STEP FURTHER?

An increasing number of nonprofits are utilizing Artificial Intelligence (AI) applications to help with donor segmentation and to predict the likelihood of giving.

[Learn more about how this technology may benefit your nonprofit mission.](#)

NO CLEAR RELATIONSHIP EXISTS BETWEEN LEGACY GIFT REVENUE AND ENDOWMENT SIZE



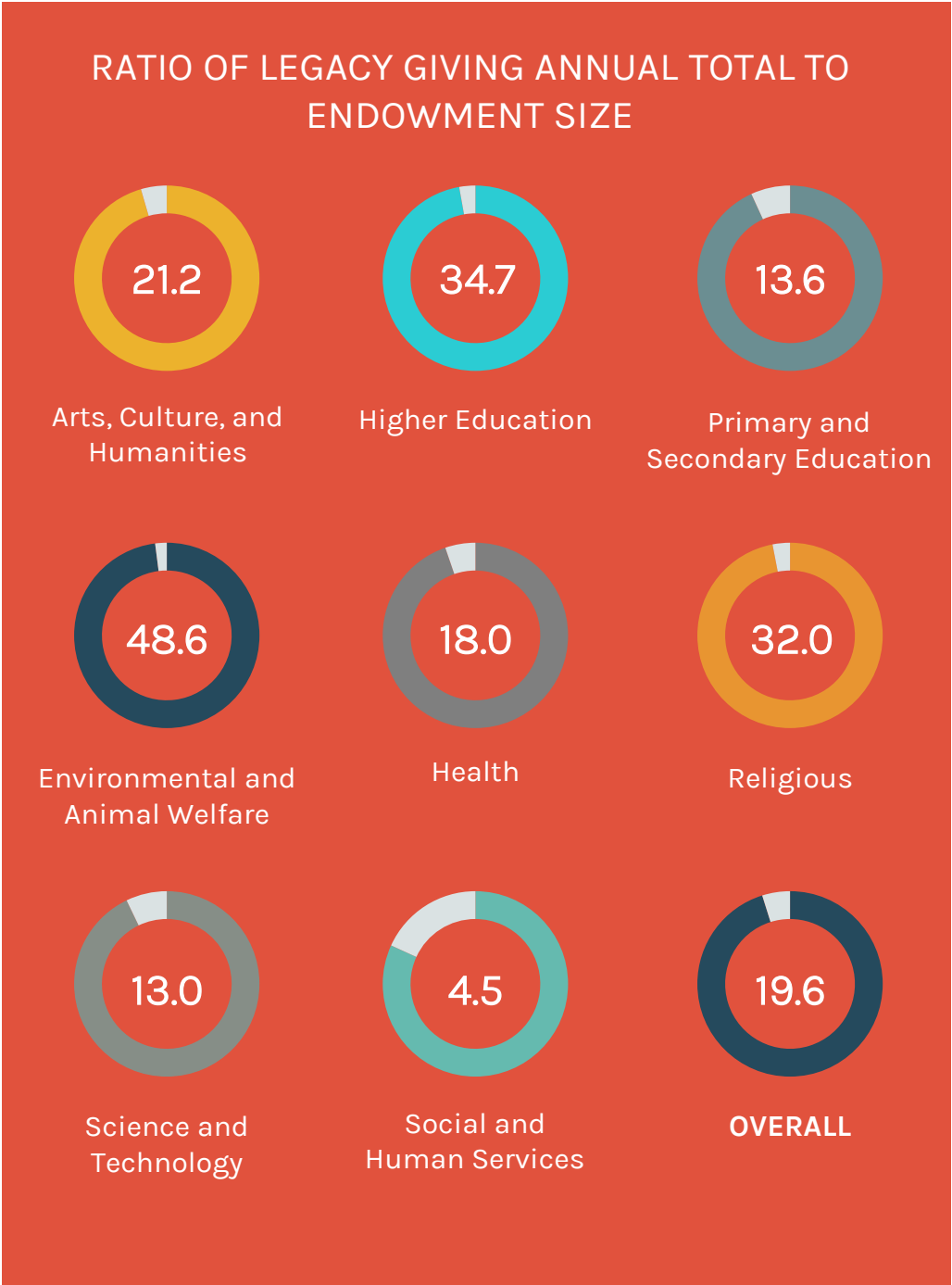
FINDINGS

- No clear correlation between legacy gift revenue and endowment size.
- Nonprofit endowment size to legacy gift ratio is just under 20:1 across all subsectors, with considerable variance.
- Social and Human Service nonprofits, less likely to have an endowment than nonprofits in other subsectors, saw the lowest multiple (4.5:1).



INSIGHTS

- Social and Human Service nonprofits are uniquely challenged to develop endowments – donors allocate their money immediately into programs to help people in need.
- A strong case for support focused on long-term strategic planning and program innovation and risk can be a way to [message the importance of an endowment](#) for nonprofits that face similar challenges.



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LEGACY SOCIETIES ARE UNDERUTILIZED AS A POWERFUL DONOR ACQUISITION AND RETENTION TOOL



FINDINGS

- Three-quarters (75%) of respondents have established, are establishing, or are considering establishing a legacy donor recognition society.
- According to Giving USA, one-third of donors (36.5%) desire membership in a legacy giving society, yet only 10% of donors received this desired recognition.



INSIGHTS

- Legacy societies can be a powerful tool for improving donor recognition and stewardship.
- Providing donor stewardship opportunities over the donor's lifetime involvement is important while recognizing that other more public forms of recognition are less desired by donors.



WANT TO LEVERAGE YOUR GIVING SOCIETY TO MEET DIVERSITY AND INCREASED REVENUE GOALS?

Reimagining legacy societies can encourage the giving nonprofits need for consistent and sustainable revenue growth. For nonprofits with diversity, equity, and inclusion (DEI) goals, broadening giving society entry criteria to include more donors can build community among a more diverse donor coalition.

Consider expanding your organization's legacy society beyond legacy and other deferred gifts. Include donors who give major gifts of assets and bring them together annually. Older donors will enjoy meeting the next generation, and younger donors will gain invaluable perspective from long-time donors.

DEDICATED STAFFING POSITIVELY IMPACTS LEGACY GIFT REVENUE



FINDINGS

- Nonprofits that employ at least one person focused on planned giving experienced a 293% increase in legacy gift revenue over nonprofits with part-time staff.
- Nonprofits with more than two full-time staff secured nearly double the legacy gifts as nonprofits with only one.



INSIGHTS

- The best time to [invest in a planned giving program](#) was ten years ago; the second-best time is today.



THE COST TO RAISE A PLANNED GIFT DOLLAR AND POTENTIAL REVENUE

It takes anywhere from less than \$0.01 to \$.57 to raise a legacy gift dollar, which is significantly less than the cost to raise a major or cash gift.

The revenue comparison is stark:

- *\$57-\$100 return per dollar spent for legacy gifts*
- *\$33 return per dollar spent for major gifts*
- *about \$8 return per dollar spent for cash gifts.*

PROFESSIONAL ADVISORS DO NOT INCREASE LEGACY GIFT REVENUE



FINDINGS

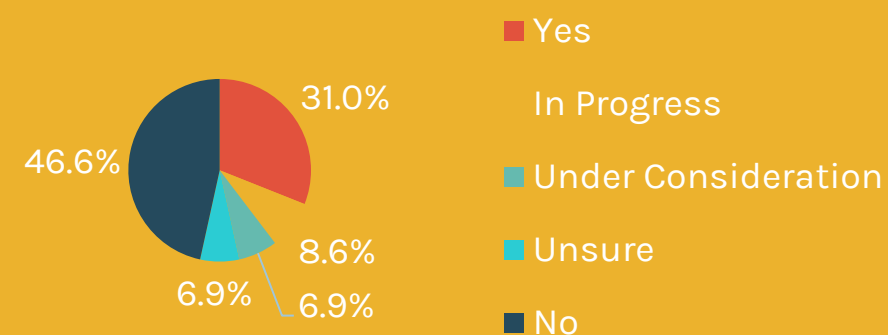
- One-third of organizations (31%) engage professional advisors or estate and financial planning experts to support planned giving efforts, with an average of four advisors per nonprofit
- The data did not show a significant difference in legacy gift revenue for nonprofits with advisors versus those without, even when controlling for staffing variances



INSIGHTS

- Nonprofits should proactively offer to connect donors who need to create or update a will with local professional advisors
- Nonprofits lacking the internal capacity or staff experience to fully staff and manage a planned giving program can look to professional advisors to fill short-term gaps to support donors and advance fundraising efforts

ORGANIZATIONS UTILIZING PROFESSIONAL ADVISORS



ORGANIZATION UTILIZING PROFESSIONAL ADVISORS	TOTAL LEGACY GIFT REVENUE
Yes	\$24.7M
In Progress	\$5.6M
Under Consideration	\$8.0M
Unsure	\$27.8M
No	\$22.6M

N = 58 organizations

A MAJORITY OF NONPROFITS HAVE OUTDATED GIFT ACCEPTANCE POLICIES



FINDINGS

- 52% of nonprofits that have not updated their gift acceptance policies in the last five years or do not know when they were last updated
- CCS's nonprofit partners frequently ask for support and guidance on how to update their gift acceptance policies for the various giving vehicles and for information on counting and crediting standards



INSIGHTS

- Review your gift acceptance policies at least every five years to ensure policies align with organization fundraising best practices
- Include a windfall policy



Organizational planned giving results vary widely, primarily due to variances in how these programs are invested in and staffed, as well as which resources are available to fundraisers.

COUNTING LEGACY GIFTS AND OTHER REVOCABLE DEFERRED GIFTS IS ESSENTIAL



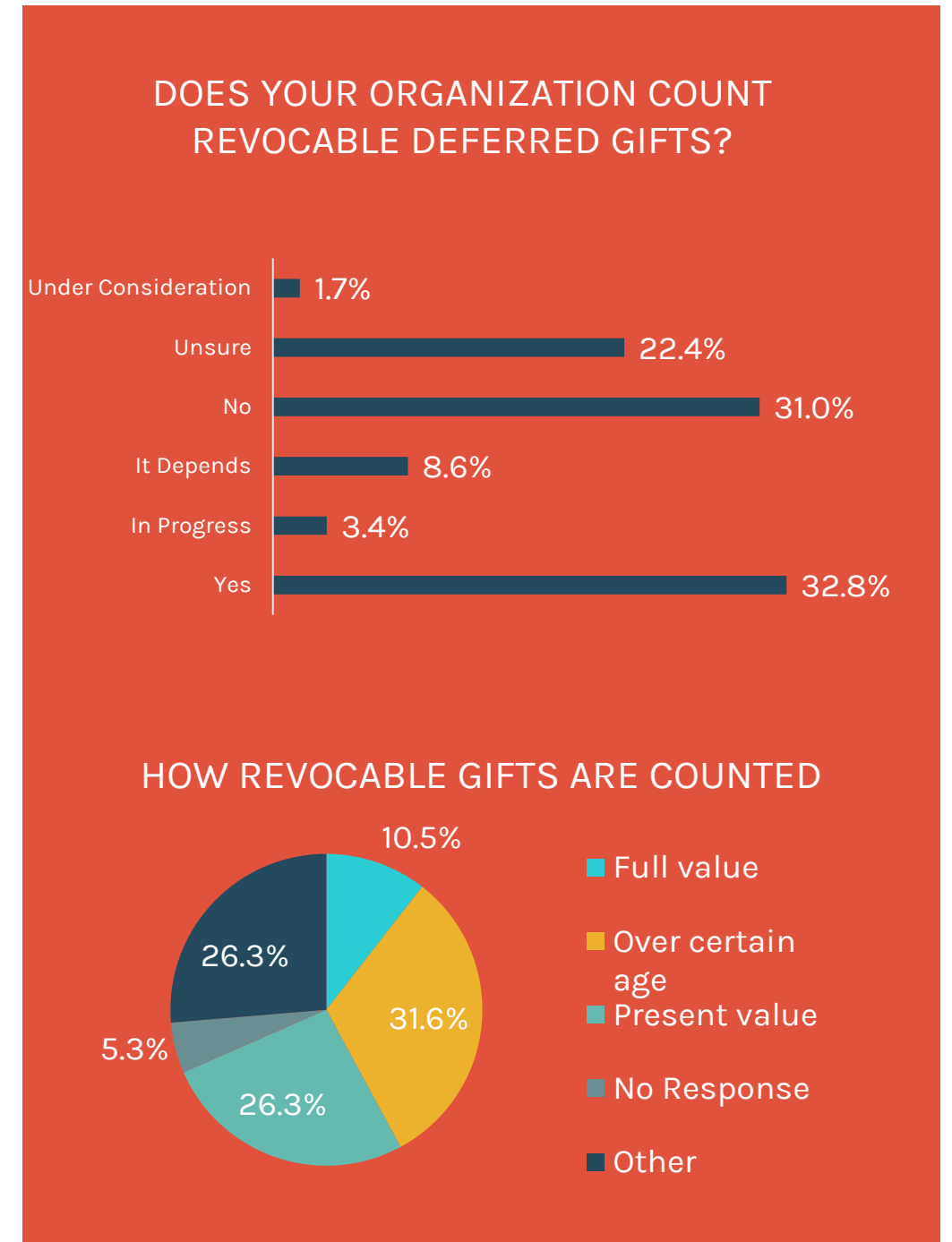
FINDINGS

- Nearly one-half of nonprofits (45%) count revocable deferred gifts, with the most popular options for counting criteria being "over a certain age," present value calculation, or situation-dependent criteria



INSIGHTS

- Determine your nonprofit's comfort with counting revocable deferred gifts
- From a stewardship perspective, counting revocable deferred gifts, even from donors as young as 40, tells the donor you value their gift because of the gift's intent, as well as its future cash value



N = 58 organizations

ONLY HALF OF NONPROFITS CONSISTENTLY TRACK DONOR AGES OR BIRTHDATES



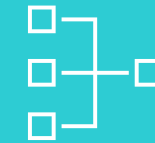
FINDINGS

- Just over one-half of nonprofits (58%) record ages and birthdates; of those, only 55% have age or birthdate data for at least 50% of their donors
- Only 19% of nonprofits that track ages have defined age limitations for counting legacy gifts
- Despite the challenges with consistent data collection, most nonprofits (80%) have a dedicated database or CRM or are in the process of setting one up



INSIGHTS

- Nonprofits that currently collect this data inconsistently and nonprofits that aspire to collect this information for their donors may consider the benefits of a systems change management review
- By understanding your 'data in practice,' you can improve how information is gathered, managed, and used to drive your nonprofit's strategic fundraising activity



WANT TO CHANGE YOUR DATABASE OR CRM AND IMPROVE YOUR DATA MANAGEMENT?

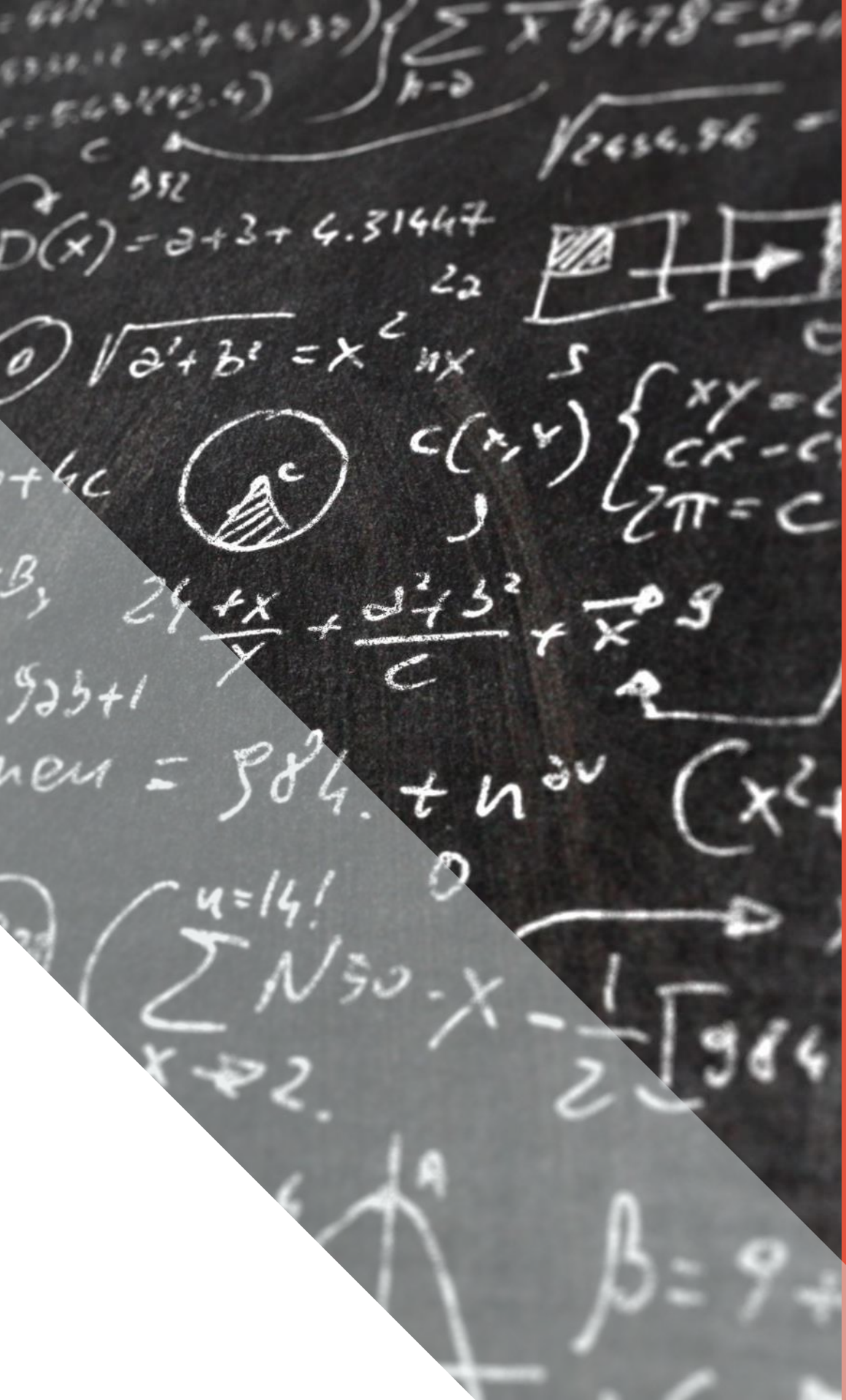
Deciding on the right CRM for your nonprofit is a critically important decision. Ask the following questions to guide your process and final CRM decision.

- *Are there sector-specific CRMs that you should consider?
How many constituent records do you have and manage?
What about your current CRM is not working for you?
What functionality do you need the CRM to have?
What other tools does your nonprofit use?*

For more insights, check out [these considerations for choosing a CRM](#).

QUICK POLL

WHAT TACTIC ARE YOU GOING TO TAKE TO ELEVATE GIFT
PLANNING AT YOUR NONPROFIT?



Q+A

THANK YOU FOR JOINING US

All attendees and registrants will receive the recording and materials tomorrow along with the full report.

Two requests...

- *Please complete the short survey that will show in your browser at the webinar conclusion.*
- *Please share your thoughts on our report by reaching out to Tom, Angel, or any CCS team member.*





FUNDRAISING

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