

Are You Missing...

the

\$41 Trillion

Planned Giving

Opportunity



Platinum Era of Planned Giving

The New York Times recently exclaimed, “Charities, in particular, stand to benefit from a platinum era in giving.”

We have all heard about the largest transfer of wealth in the history of the world. In 1993, researchers at Cornell University projected transfers at death of more than \$10 trillion! A 1999 report out of Boston College, “New Estimates of the Forthcoming Wealth Transfer and the Prospects for a Golden Age of Philanthropy”, quadrupled that estimate to ***\$41 Trillion***.



However, the economic recession and depressed stock market cast a shadow of doubt around that projection.

Despite the economic difficulties that have been experienced, the validity of that projection was confirmed in Boston College’s January, 2003 release of the new report “Why the \$41 Trillion Wealth Transfer Estimate Is Still Valid.” Dr. Paul Schervish, Director of the Social Welfare Research Institute and coauthor of the original and the latest report, said, “This forecast is one of the few whose gleam has not been dimmed by the current gloomy climate.”

Will you and your organization benefit from the coming “platinum era?”



The United States: Unique History

The United States, more than any other country in history, has understood the power of philanthropy – how it can change the landscape of a nation.

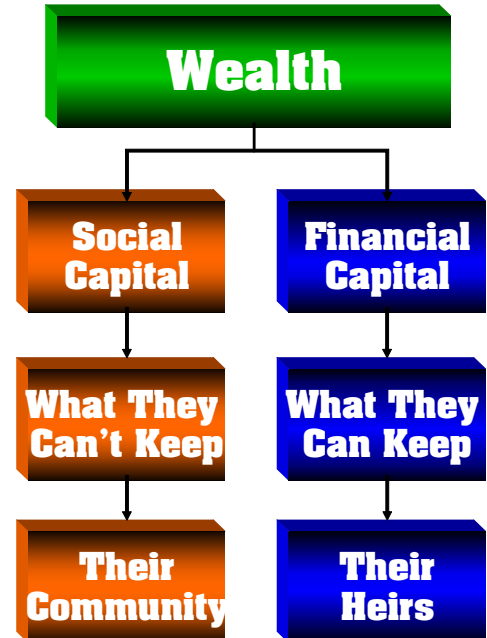
Yet, only if your donors’ wealth is directed to the organizations and causes that perpetuate their values and beliefs.

New Understanding About Wealth

Kiplinger's Personal Finance Magazine said, "...the federal government is looking to take a huge percentage of this wealth from uninformed citizens who weren't shown how to plan their estates properly." Without proper understanding, up to **\$20 Trillion** will be lost unnecessarily to taxes!

Your donors need to come to a new understanding about their wealth. If they have accumulated a multi-million dollar wealth, they need to know that it is comprised of **Financial Capital**, the part they can keep, and **Social Capital**, the part that they cannot keep.

Their **Financial Capital** can be spent while they are alive or transferred to their heirs on or before their death. On the other hand, their **Social Capital** must be returned to society to enhance the general welfare of our society.



Major Misunderstandings About Wealth

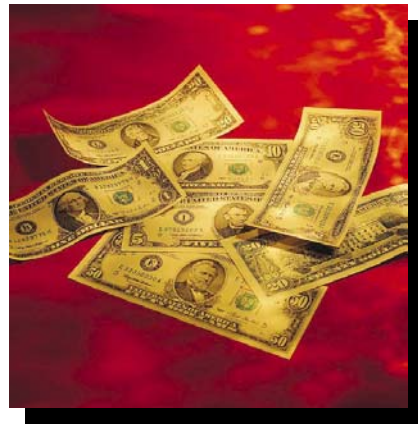
There are two major misunderstandings your donors have about their wealth. The first misunderstanding is that their Social Capital must be returned to society *through the IRS*. This is very wrong. Our federal government, backed up by our court system, has given every American a clear choice... the choice between gift and tax... in other words, the choice between “**voluntary philanthropy**” and “**involuntary philanthropy**”.

Your donors need to understand that paying estate and capital gains taxes is optional. ***They need to know that they can choose to give their taxes to your organization.***

Judge Learned Hand declared, "*Anyone may so arrange his affairs so that his taxes shall be as low as possible; he is not bound to choose that pattern which will best pay the Treasury; there is not even a patriotic duty to increase one's taxes.*" (Helvering v. Gregory, 69 F. 2nd 809, aff'd 293 U.S. 465 (1935)).

Tax avoidance through charitable vehicles is not only legal, but our tax system actually encourages it through tax incentives.

The second misunderstanding that your donors have is this: They believe that if they want to involve charitable giving in their wealth transfer planning, it must come at the expense of their family. Many of the most philanthropic individuals, given the choice between family and charity, would most often choose family. That is why many board members, who have faithfully given time and money over the years, have no provision for charity in their wealth transfer plans.



However, we have found when donors are given the choice between the IRS and charity – when they are given the chance to *disinherit* the IRS in favor of charity, they will choose charity every time.

But very, very few people know they have a choice.

The government has long understood that charity can accomplish with one dollar what it costs them two or three dollars to accomplish. Therefore, they have designed tax laws that provide incentives to those individuals who choose to direct their Social Capital through charity.

What Works?

Past NCPG President Frank Minton conducted a study of planned giving donors that asked the question, “How were persons who completed planned gifts first identified?” His findings have important implications for “what actually works.”

The response *Attended an Estate Planning Seminar* ranked in the top three.

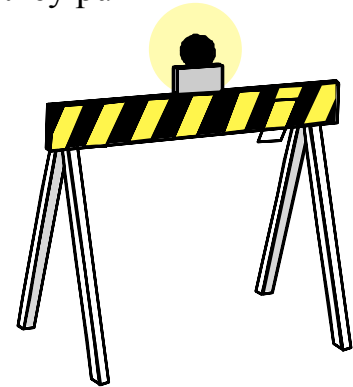
Surprisingly to many, it was well ahead of the responses: *Target Mailing, Referral from Allied Professional, Responded to Newsletter* and *Article in Institutional Publication*. And yet, most of the nonprofits we initially speak to indicate that they have had limited success with seminars.

Why is that?

The Seven Obstacles to Effective Donor Seminars

Development professionals face the following seven obstacles when it comes to putting on seminars that actually “work” with their donors:

1. They are already overloaded and overwhelmed. How can they pull off a first class seminar?
2. It is hard to get donors to attend seminars. How do they attract enough donors to a seminar?
3. Financial resources are tight. What is the most cost effective method for conducting seminars?
4. There are more donors qualified to give than the nonprofit knows about. How can they find out who among their donor base is qualified?
5. Technical seminars confuse most donors. How can they communicate the benefits of planned giving without confusing donors?
6. Education alone doesn't move donors to take action. How do they not only educate donors, but also actually motivate them to want to meet and talk?
7. One-time events don't have lasting impact with donors. How do they stay “top of mind” with their donors?



As a result, they continue to plow significant dollars into the other less effective planned giving tools – *Target Mailing*, *Referral from Allied Professional*, *Responded to Newsletter* and *Article in Institutional Publication*.

The Solution

The *Donor Motivation Program*[™] has been designed, tested and proven to help nonprofits **turbo charge** their planned giving program. We have helped over thirty-five leading charities effectively use donor events to motivate their qualified donors to have conversations that have led to completed planned gifts.

Our turnkey system includes a series of donor-centered presentations designed to educate and motivate donors to take action – to get qualified donors to want to meet one-on-one and talk about planned giving.

The results have been thoroughly satisfied donors... and open doors to brand new planned giving prospects.

What Donors Are Saying

We have made presentations to over 4,500 donors. A donor who recently attended exclaimed, *“This is the greatest seminar I have ever attended.”*

This response is not unusual.

Other donor comments:

- *“This is the best presentation...not one of the best, THE BEST.”*
- *“Unbelievably motivating.”*
- *“Dynamic.”*
- *“Impressive and entertaining.”*
- *“Truly inspiring.”*
- *“The best I’ve ever seen.”*
- *“Excellent presentation – very comprehensive.”*
- *“I’ve been to many; this is one of the finest.”*
- *“Finally, a seminar that is understandable.”*



That’s why we have been called, ***“Planned Giving on Steroids”***.

You Can Benefit From This Platinum Era of Planned Giving

If you are looking for a way to take your planned giving program to the next level and benefit from this “platinum era of planned giving” – we can help.

We will survey the ***Planned Giving Landscape*** at your organization and determine if you are a good fit for **The Donor Motivation Program™**. Call us today to set up a complimentary meeting.

Selected Nonprofit Clients

- **Altoona Johnstown Diocese**
- **Asbury Foundation**
- **Butler County Community College**
- **Butler County Community Foundation**
- **Butler Health System Foundation**
- **Carnegie Mellon University**
- **Delaware County Christian School**
- **Duquesne University**
- **Family Guidance, Inc.**
- **Geneva College**
- **Holy Family Institute**
- **Lehigh University**
- **Light of Life Rescue Mission**
- **The Pittsburgh Foundation**
- **Pittsburgh Leadership Foundation**
- **Pittsburgh Public Theater**
- **Presbyterian Senior Care**
- **The Stony Brook School**
- **Uniontown Hospital Foundation**
- **United Way of Allegheny County**
- **United Way of Metropolitan Atlanta**
- **United Way of Washington County**
- **United Way of Youngstown**
- **University of Pittsburgh**
- **Washington County Community Foundation**
- **Washington Hospital Foundation**
- **Washington and Jefferson College**
- **The Wesley Institute**
- **Westmoreland Regional Hospital Foundation**

