

“The goal of life is not to live forever. The goal of life is to create something that does.” William O'Hara

It's a Family Affair:

Developing Relationships to Receive Donor Advised Funds & Planned Gifts

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The Great Transfer of Wealth



\$91
trillion

Are you
ready?

Donor Advised Funds

Snapshot of a DAF donor

- 50 years or older
- 79% volunteer
- Committed philanthropist
- Strategic thinkers (planners and wealth management)

How Do I Find DAF Donors?



DAF Considerations

- No tax receipt, but definitely a “thank you.”
- DAF Widget
- Beneficiary designation

What is Planned Giving?

“Planned Giving is the cultivation of donors for the purpose of receiving major gifts, usually in the future. Because of gift size and complexity, they require “planning” and often are transmitted through a legal instrument such as a will or trust. -Partners for Philanthropic Planning

Includes:

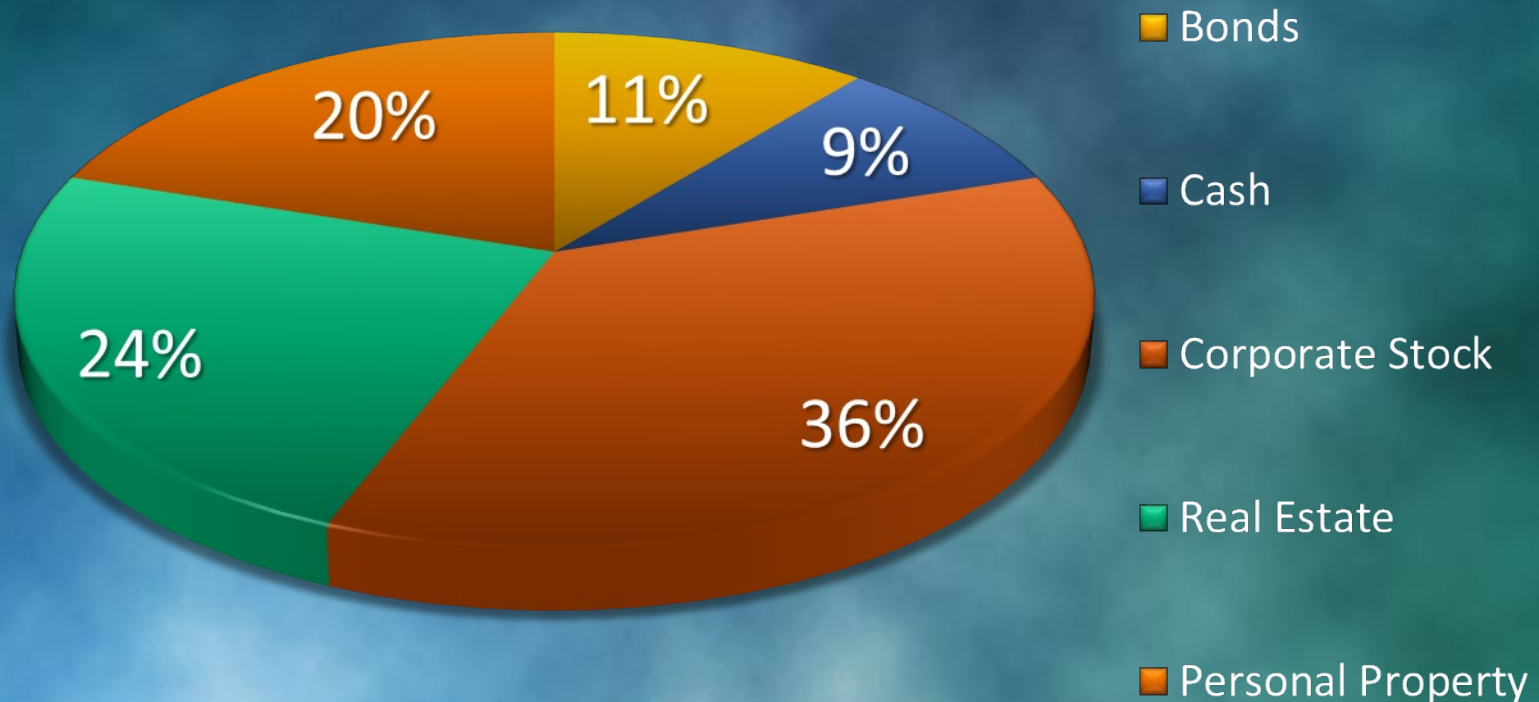
- Wills (Bequests)
- Insurance Policies
- Stocks/Securities
- Trusts
- Annuities
- Property

Why Would I Want to Get Involved in Planned Giving?

- Sustainability for organization – “...a nonprofit should expect at least 20 percent of its annual income to come from its endowment fund” or face possible financial crisis. - Bryan Clontz
- Peace of mind & lasting legacy for the donor:
 - 78% of Millennials
 - 64% of Generation Xers
 - Don't have a will, according to AARP

Typical Wealth Distribution

Asset Percentages of Average
Major Donor



Source: Prince and Associates

What Does My Board Need to Be Ready to Accept Planned Gifts?

Financial
Stability/History

Strategic Plan

Investment
Policy

Gift Policy

Donor Intent
Form

Partnerships

What Planned Gifts Are Right for Our Organization?

GIFTS AT A GLANCE			
GIFT TYPE	BASIC DESCRIPTION	BENEFITS TO DONORS	CANDIDATES FOR THIS OPTION
Bequest	Gift of any amount through a will or trust	Estate tax benefits	Donors of any age or income level
Beneficiary Designation	Gift from a retirement plan or life insurance policy	Estate tax benefits; potential tax savings to heirs	Donors of any age or income level
Charitable Remainder Trust	Gifts of cash, stock, real estate or complex assets in return for variable payments. Upon passing, remainder is distributed to charity. Donor can make additional contributions	Annual income that adjust over time; act as a hedge against inflation. May eliminate capital gains taxes on appreciated assets. Income tax charitable deduction in year of gift.	Donors of any age, but generally middle-aged Good for complex or appreciated assets
Charitable Lead Trust	Gifts of appreciated assets which are expected to recognize more appreciation once inside the trust. Payments are made to charity for a specified term. Upon term expiration, assets revert back to donor or donor's family.	Income tax charitable deduction in year of gift. Asset appreciation inside the trust is not subject to estate and gift tax.	Donors with appreciated assets and would like to pass the asset intact to the next generation Donors with other sufficient sources of income
Retained Life Estate	Gift of house and/or property.	Income tax charitable deduction in year of gift. Donor can continue to live in or use property.	Older donors who own their homes (including vacation homes).
Charitable Gift Annuity	Gift of cash or stock in return for fixed payments to donor for life. Upon passing, remainder is distributed to charity.	Security of fixed income for life. Knowledge it is guaranteed by nonprofit. Income tax charitable deduction in year of gift.	Older donors who want to help a charity, have liquid assets, (such as stocks, CDs, savings accounts). Middle-aged donors who want to provide income for their parents or others.

Source: Waco Foundation
Planned Giving
Toolkit, 2014

Who Are Our Likely Donors?

- Parents
- Alumni
- Staff
- Past Board Members
- Donors who have given consistently

Ways to Promote Planned Gifts

- Email signature –

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Midway ISD/ Midway ISD Education Foundation

13885 Woodway Drive

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254.761.5614

<https://www.facebook.com/MidwayFoundation>



Consider a lasting gift to Midway ISD. Contact us about including the Education Foundation in your planned giving.

Newsletter Articles

- Feature Stories
- Planned Giving Panel (each edition)

PLAN YOUR GIVING

**Additional assets you can
give to the Midway ISD
Education Foundation:**

Appreciated Securities
Life Insurance
Business Interests
Retirement Plans
Wills and Trusts

Remember the Education
Foundation when updating
or creating your estate
plan.

Contact the Education
Foundation or your financial
advisor for more
information.

254-761-5614
foundation@midwayisd.org

Additional Promotional Ideas

- Website
 - EIN # and Contact Information
 - Sample Bequest Language
 - Avoid using “Estate Plan.” Use Legacy Plan, Planned Gift, etc.
- Donor Card
 - Have you included the MEF in your planned giving?
- Giving Society
- Parent Trainings – Wills
- Financial Advisors – “Some people like to consider providing for their favorite charities in their will. Are there any charities that you’d like to remember?”

Don't Wait to Get All Your Ducks in a Row, Just ASK!

- Have you considered ways to continue providing for your favorite charity after we're gone?
- Have you considered designating MEF as a beneficiary of an IRA or life insurance policy?
- Staff members: Possibly designating MEF as beneficiary of your district – issued life insurance plan?
- Would you consider making MEF a beneficiary of your DAF?

Resources

• Websites

- Planned Giving Design Center: Free articles, free planned giving calculator
- Crescendo, Stetler, etc.

• Organizations

- Community Foundations
- Association of Fundraising Professionals (AFP)
- National Association of Charitable Gift Planners
www.charitablegiftplanners.org
Houston – <http://cgph.org>