

DRAFT
The Business Case for Gift Planning

[ABC Charity] is committed to maximizing donor relationships and increasing fundraising revenue to advance its mission through collaborative gift planning and intentional strategies to diversify fundraising revenue.

Where We Are:

- [ABC Charity] has #1 living individual donors who have made a deferred gift commitment; this represents #2% of ABC Charity pool of active donors.
- Over the last ten years, [ABC Charity] has received #3 estate gifts with an average gift size of #4. Of these #3 decedents, #5 were members of the [Legacy Society] and #6 were unknown to ABC Charity before the donor's death. This #7% known to unknown ratio reflects there may be at least #8 additional gift commitments undiscovered among [ABC Charity] donors.
- [ABC Charity] has a deferred gift "stick rate" of #9%. In other words, of the #10 members of the Legacy Society who died over the past ten years, #11 made a gift to [ABC Charity] through their estate plan.
- Realized planned gifts represented #12% of ABC Charity revenue in 2019, its most recent fiscal year.
- [ABC Charity] donors use cash to fund most gifts. Of the #13 individual gifts of \$1,000 or more in 2019, only #14 donors used publicly traded stock or other non-cash assets to make the gift, and only #15 donors made blended gifts incorporating a current and deferred element to the gift.

The Opportunity:

- [ABC Charity] has the opportunity to secure a substantial number of additional deferred gift commitments. [ABC Charity] has #16 donors who have made a gift in ten or more of the past twelve years, indicating a high level of commitment to and partnership with the charity. Securing a deferred gift from 10% of these donors, using an average gift size of #4, would generate \$#17 in additional future revenue; securing a deferred gift from 15% of these donors, using an average gift size of #4 would generate \$#18 in additional revenue.
- [ABC Charity] has the opportunity to discover an estimated #8 deferred gift commitments already in place to provide stewardship and donor engagement which will help secure that future revenue. Using the average gift size of #4, these undiscovered gifts represent \$#19 of future revenue.
- Research shows that donors who put deferred gifts in place generally increase their annual giving, impacting the stability and growth of current revenue.
- [ABC Charity] has the opportunity to increase annual giving by expanding gift options to include non-cash gifts, split-interest gift forms, and engaging donors in blended gifts. Tapping into this broader range of assets will help to maximize donor benefits and the impact on [ABC Charity].

The Investment:

To realize this opportunity, [ABC Charity] is committed to:

- Incorporating gift planning and deferred gift conversations into donor interactions across the donor base;
- Soliciting, valuing, counting, and tracking revocable deferred gift commitments;
- Expanding the charity's ability to analyze and accept non-cash gifts such as real estate, closely held securities, insurance, and tangible personal property;
- Adopting team structures, metrics, and goals that build collaboration among the teams and foster conversations with donors that encourage current, deferred, and blended gifts; and
- Committing to a stewardship plan that positions donors as partners in the short-term and long-term accomplishment of our mission.

The Inserts:

[ABC Charity]

Substitute the name of your ABC Charity

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[Legacy Society] Substitute the name of your charity's Legacy Society

1. Current number of members of the Legacy Society
2. Use the number of members of the Legacy Society as the numerator, and the number of donors who have made at least one gift over the last ten years as the denominator.
3. Number of estate gifts received over the last ten years (Count estates only once even though distributions may come in over multiple years. Accelerate all payments into year of first receipt. This is important to get an accurate average.)
4. Divide the total dollars received from estate gifts over the last ten years by the number of estates.
5. Number of estates where the decedent was a member of the Legacy Society at death.
6. Subtract the number of Legacy Society members in #5 from the total number of estates to determine the number of unknown estates.
7. Use the count of Legacy Society members in #5 as the numerator, and total number of states in #3 as the denominator.
8. Solve to multiply the total number of Legacy Society members by the unknown ratio to determine likely number of undiscovered bequests.
9. Stick rate equals the number of members of the Legacy Society over the last ten years who died and left a deferred/planned gift to ABC Charity.
10. Number of members of the Legacy Society who died over the last ten years.
11. Number of those in #10 who left a planned gift to ABC Charity through their will or estate plans.
12. Use the dollars generated by realized revocable deferred gifts, and closed irrevocable deferred gifts (charitable remainder trusts, charitable lead trusts, charitable gift annuities) as the numerator, and the total ch
13. Number of individuals making gifts of \$1,000 or more in the last year.
14. Number of donors who used publicly traded stock other non-cash assets to make the gift.
15. Number of donors who made a blended gift.
16. Number of individuals in donor base who have given in at least ten years of the last fifteen.
17. Multiply #15 x 5% x #4.
18. Multiply #15 x 10% x #4.
19. Multiple #8 x #4.