### Beaufort Memorial Hospital Foundation

#### **Legacy Giving Opportunities**

James E. Connell FAHP, CSA

Connell & Associates

Charitable Estate and Gift Planning Specialists

www.connellandassoc.com



for PDF of presentation www.connellandassoc.com/articles

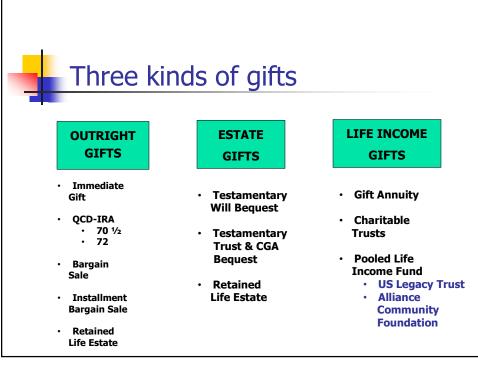


1



#### What is the impact of legacy giving?

- "St. Jude Children's Research Hospital has become a fundraising juggernaut thanks partly to its aggressive pursuit of bequests from potential donors"
  - (Chronicle of Philanthropy 3-23-2022)
  - \$1.5 billion from bequests, or 20 percent of the \$7.5 billion it raised, in a recent five-year period.
  - Double the national average of 9% of charitable contributions that come from bequests. (Giving USA)
  - The average American contributes 2% of their net worth to charity in their estate plans. (IRS taxable estates,2020)





# Traditional VS Legacy Giving

- Tell donor about current needs that are real and urgent
- Donor gives on the basis of a specific ask
- Donor makes immediate gift or pledge

- Ask donor what their needs and goals are
- Donors give because of their values
- Donors need time to plan how they will structure their gift and accomplish their personal, financial and estate objectives



# Traditional VS Legacy Giving

- Donor's gift is from their income
- Approach used involves
  - List of current projects, programs and needs
  - Identification of prospect
  - Cultivation of prospect
  - Ask for gift

- Donor's gift is from their assets
- Planned gift approach begins with identification of those who already have
  - Ownership
  - Gift history
  - Leadership or volunteer history

5



# "Planned/Legacy gift" defined



"A voluntary gift, of any kind, in any amount, either current or deferred, that requires the assistance of a qualified volunteer, professional staff person, or the donor's own advisor(s) to help complete the gift."

(Robert F. Sharpe, Jr.) <a href="https://www.sharpenet.com">www.sharpenet.com</a>





## Planned giving or gift planning?

- Focus is on the "planning" of the gift
- Offers significant potential for both deferred AND current gifts
- Supplements current giving of donors
  - does not replace or cannibalize it
- Completes gift "toolbox" for your donors
  - on equal footing with other charities
- Often misunderstood and underappreciated
- Expands gifting options for donors

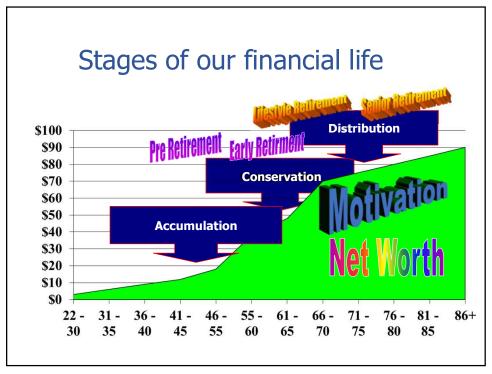
7



## What drives major donors to give?

- 72% give when they believe their gift will make a organization's difference communications about
- 71% give when they know the organization is efficient in its use of gifts
- **54%** give based on the organization's communications about the percent of funding going to programming versus administration
- 34% give based on the organization's communications about it's impact

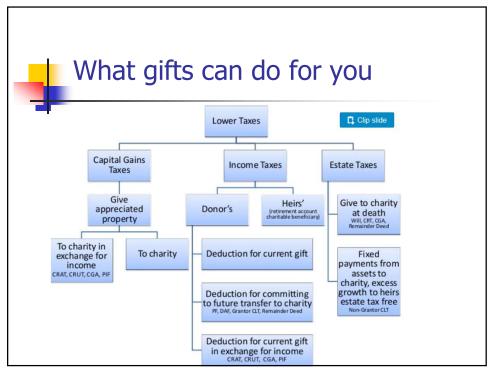
Source: BofA/Merrill, 2011 \$200,000+ households

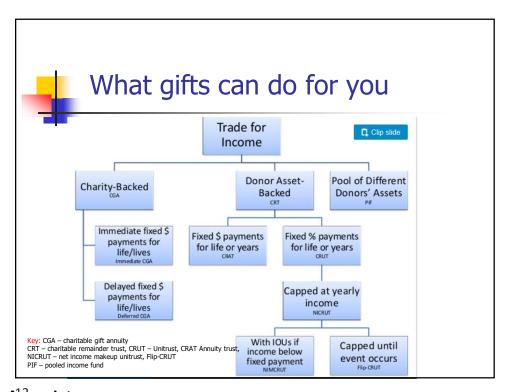


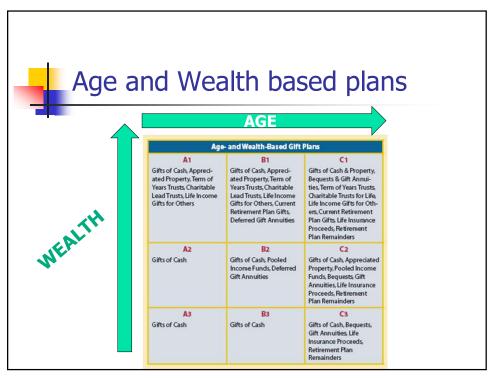


# Three types of gifts

- Outright gifts irrevocable gifts of entire interest made today
- Expectancies revocable gifts committed for the future use (bequests)
- Split-interest gifts irrevocable gift arrangements which give a portion to charity and a portion to a non-charitable beneficiary





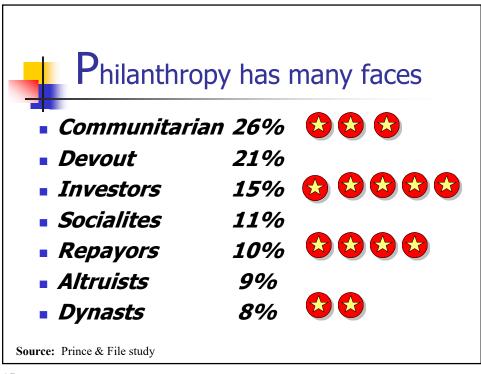


# Philanthropy has many faces Each segment represents a characteristic and distinctive way a donor group approaches philanthropy A set of typical attitudes and beliefs A range of considerations A process of evaluation A style of involvement

"One set of motivations tend to dominate people's decisions"

James E. Connell & Associates
Charitable Estate and Gift Planning Specialists
Box 3335, Pinehurst, North Carolina 28374
Phone 910-295-6800 .... Fax 910-295-6866
"Building Endowments for American Charities"

Source: Prince & File study





- Review all promotional material
  - Consider postcard and articles in all media
- Develop list of top 25 prospects
  - Involve boards and volunteers
- Review and update website information
- Expand knowledge & impact of Professional Advisory Board (PAC)
- Educate board, staff and other volunteer groups on legacy gift opportunities and examples
  - 10 minute legacy presentations