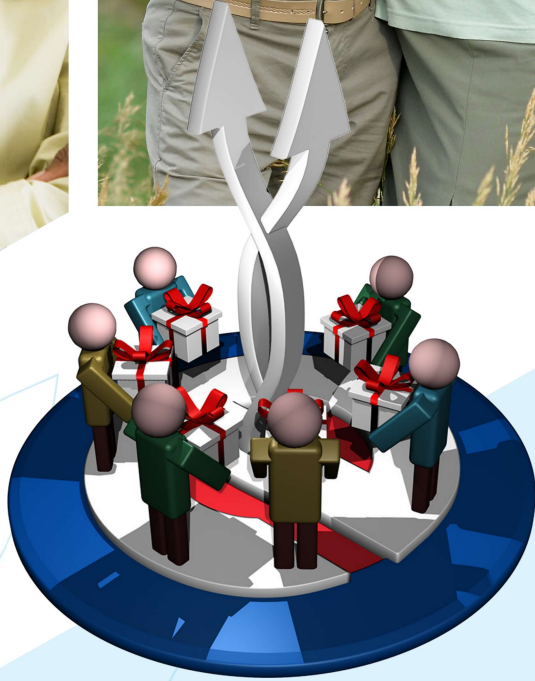


The Secrets of  
**Growing Qualified**  
CHARITABLE **DISTRIBUTIONS**



2024 Major & Planned Gifts  
Marketing Study

Published by



Integrated Marketing for Planned Gifts

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## The Secrets of Growing Qualified Charitable Distributions

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In recent years, nonprofits have seen significant growth in qualified charitable distributions (QCDs) from individual retirement accounts (IRAs). Rising awareness and utilization of QCDs as a tax-efficient method for charitable giving have driven this increase. QCDs allow individuals age 70½ and older to donate up to \$105,000 per year directly from their IRAs to eligible charities without incurring income taxes on the distribution, making them an attractive way to make a charitable gift.

Some of the factors for successful programs uncovered in this study include:

- **STRATEGIC EDUCATIONAL INITIATIVES** that enhance donor understanding of QCDs from IRAs
- **PERSONALIZED AND TARGETED DONOR COMMUNICATION** that emphasizes the tax advantages and philanthropic impact of QCDs
- **INNOVATIVE MARKETING CAMPAIGNS** that resonate with donor demographics and preferences, and the integration of technology to streamline the donation process
- **PROACTIVE ENGAGEMENT** with financial advisors and allied professionals to build awareness and trust in QCDs
- **ORGANIZATIONAL COMMITMENT TO ONGOING LEARNING AND ADAPTATION**, ensuring that strategies evolve with donor needs and legislative changes

Legislative changes, such as the permanent extension of QCD provisions through the Protecting Americans from Tax Hikes (PATH) Act of 2015, enhanced the expansion of QCDs. As a result, more donors began leveraging this strategy to support their favorite causes, providing a steady and substantial stream of funding for nonprofit organizations.

Most recently, as part of the SECURE 2.0 Act, QCDs expanded to include a one-time gift to fund a charitable gift annuity or charitable remainder trust. Over the last year, nonprofits have seen growth in QCDs directed toward gift annuities as donors take advantage of this new giving opportunity.

In this study, Crescendo looked at responses to a survey of 304 nonprofit organizations that market QCDs and the factors that made their programs successful. While the organizations responding to this study may not be fully representative of the experiences of all organizations, their insights are instructive. We hope the ideas shared will help your organization think about and refocus its QCD outreach and marketing efforts to achieve better results.

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# QCDs by the Numbers

Organizations that actively market QCDs drive meaningful financial support for their charitable missions.

A striking 33.8% of the nonprofits in this study received between 6-20 QCDs in the last 12 months, underscoring the effectiveness of targeted marketing efforts. The organizations that reported success

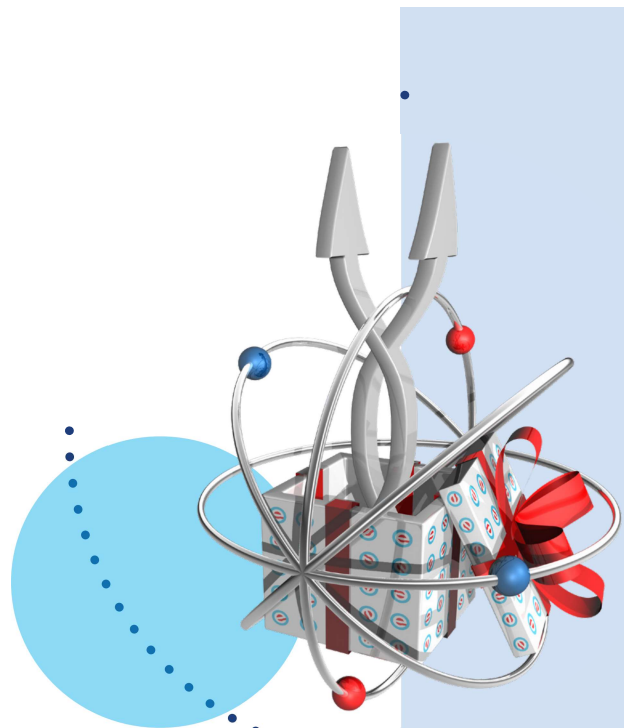
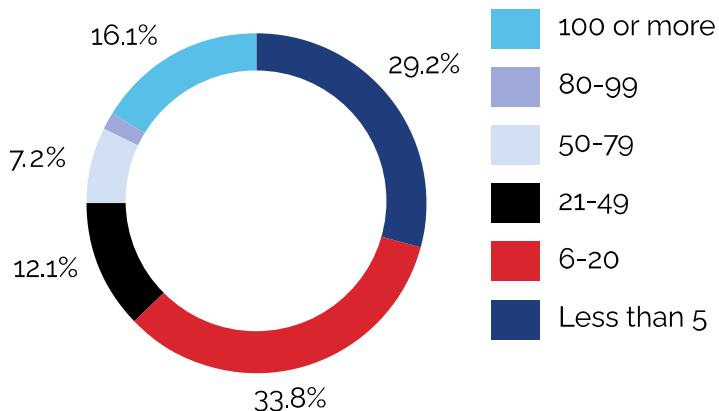
underscored how strategic promotion of QCDs to donors age 70½ and older significantly boosted donor engagement and understanding about the benefits of QCDs.

Moreover, 16.1% of organizations received a remarkable 100 or more QCDs, with two organizations reporting over 1,000 QCDs received this past year. Respondents who saw very high results reported using robust integrated marketing campaigns through email, print and social media to drive substantial donor contributions. As one respondent noted, with the right messaging and outreach, donors are highly responsive to QCD appeals.

While 29.2% of organizations received fewer than five QCDs, this represents a key growth area. It highlights the potential for even greater results with enhanced marketing strategies. With focused efforts, these organizations have the potential to see significant increases in QCD contributions.

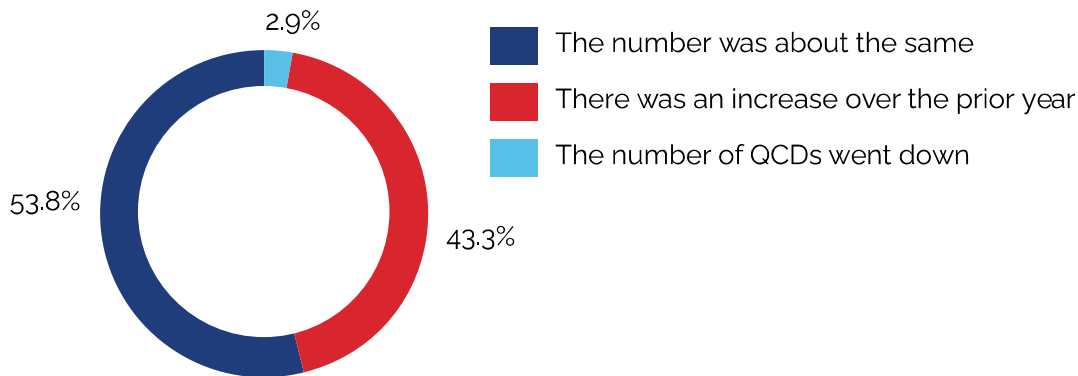
Smaller yet notable segments of organizations received 21-49 QCDs (12.1%), 50-79 QCDs (7.2%) and 80-99 QCDs (1.6%). These varied results further validate the impact of active marketing on QCD growth. As more nonprofits refine their marketing approaches, we can anticipate an upward trend in these numbers.

How many QCDs did you receive in the last 12 months?



# Stability and Growth

How did the number of QCDs received this year compare to the prior year?



The responses to the question of how the number of QCDs received last year compared to the prior year reveal a promising picture for nonprofit organizations that actively market QCDs. A significant portion of respondents, approximately 53.8%, reported that the number of QCDs remained about the same as the previous year. This steady stream of contributions suggests that while the overall trend is stable, the potential for further growth is ripe for many organizations, especially through enhanced and targeted marketing strategies.

More compelling, 43.3% of respondents indicated an increase in the number of QCDs over the prior year. This substantial percentage demonstrates the effectiveness of proactive marketing efforts reported by these organizations. Nonprofits with active QCD programs successfully tapped into the potential, using targeted outreach and education to encourage more donors to utilize this tax-efficient giving option.

A smaller segment, around 2.9% of respondents, noted a decrease in the number of QCDs received.

This data highlights the variability in donor behavior and suggests that some organizations may need to reevaluate their strategies to better engage their donor base. Understanding the factors contributing to these declines, such as changes in donor demographics or economic conditions, could provide valuable insights for reversing this trend.

Overall, the responses reflect an optimistic landscape for nonprofits with active QCD programs. While many organizations maintain steady levels of QCD contributions, a noteworthy proportion is experiencing significant growth. This underscores the potential for even greater results through continued and enhanced marketing efforts. The data suggests that with a focused approach on educating donors about the benefits of QCDs, nonprofits can achieve remarkable success in leveraging this valuable charitable giving tool. ■

# Target Marketing

Over the last year, organizations that saw growth in QCDs reported using a combination of strategic marketing initiatives and targeted education. These efforts not only enhanced donor engagement but also expanded the reach and impact of charitable giving through IRAs.

According to Major Gifts Officer Chris Wilhite from Central City Concern, their organization achieved a substantial 35% increase in QCDs by leveraging proactive mailers and comprehensive education efforts aimed at donors over 69 years old. This approach not only raised awareness among donors but also empowered them with the knowledge needed to make informed charitable decisions.





“

Our organization sent a mailer to donors 69 years of age or older . . . and we have seen a lot more education from a greater number of financial advisors.

– Chris Wilhite, Gift Planner  
Central City Concern

”

# Successful QCD Marketing Campaigns

## Carter Consulting Group

**Success:** 15% increase in QCDs

**Factors for Success:** Aging donor base, the standard tax deduction precludes traditional giving for some, increased awareness and influence from financial advisors all led to higher QCDs

– Julie Carter, President  
**Carter Consulting Group**

## Mary Health Of The Sick

**Success:** Matching previous year's peak in QCDs

“ Our strategy includes distributing postcards, briefs and brochures through mail, email and social media, effectively raising awareness about our mission and ways to contribute. ”

– Vicki Samra, Director of Development  
**Mary Health of the Sick**





These examples illustrate how targeted strategies, informed by understanding donor demographics and leveraging effective communication channels, can drive significant growth in QCDs for charitable organizations.

## American Humane

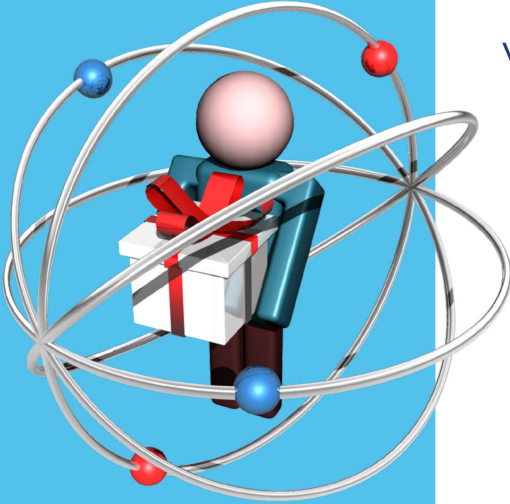
**Success:** Growth attributed to marketing and donor education

“ We attribute this growth to our own marketing, growth of the demographic able to give a QCD, and generally greater awareness about the value of giving via IRA QCD. ”

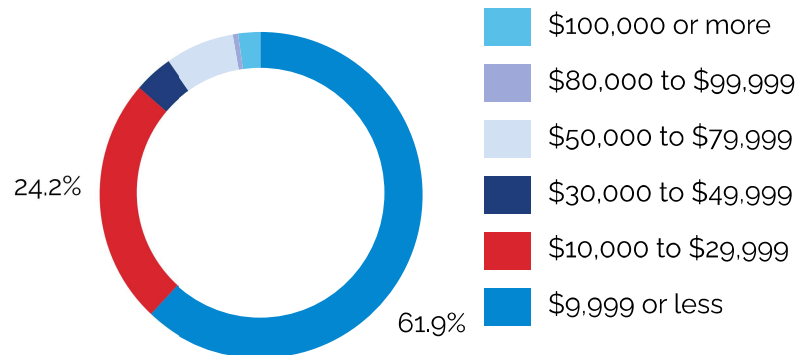
– Heather Miller, Director of Planned Giving  
**American Humane**



# Small Gifts Matter



## What was the average size of your QCDs?



By leveraging insights into average QCD sizes and donor motivations, charitable organizations can optimize their fundraising efforts, cultivate donor loyalty and strategically advance their missions through impactful philanthropy.

Analyzing the average size of QCDs from the chart reveals a nuanced picture of donor behavior and strategic implications for charitable organizations. The majority of average QCD sizes reported by organizations were on the lower end of the spectrum, far below the \$105,000 cap allowed per person aged 70½ or older.

Many of the organizations reporting smaller-size QCDs noted that these contributions reflected a broader donor base making small but consistent contributions through their IRAs. For instance, some organizations noting average QCD sizes in the range of \$5,000 to \$10,000 annually indicated a strategy of engaging a larger pool of donors who contribute within their means yet significantly impact the organization's mission over time.

Conversely, organizations that reported larger average QCD sizes, approaching or at the \$105,000 cap, said donors typically made these contributions with higher financial capacity and strategic philanthropic goals. These donors leverage the maximum QCD allowance to make substantial major gifts and campaign gifts, with the goal of benefiting both the organization and their personal tax planning.

Understanding these average QCD sizes allows organizations to tailor their fundraising strategies effectively. For donors contributing smaller QCDs, emphasizing the ease of making charitable contributions through IRAs and highlighting the cumulative impact over time can enhance donor retention and engagement. Meanwhile, for high-capacity donors maximizing their annual QCD allowance, organizations should focus on highlighting the transformative impact of larger gifts and offering personalized stewardship to deepen donor relationships. ■

# Older Than Age 70½

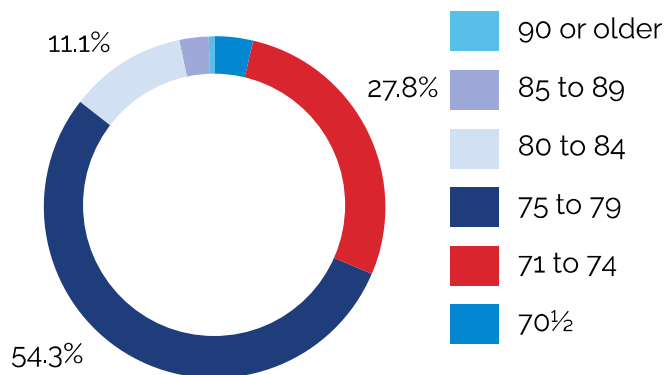
Analyzing the average age of QCD reveals distinct patterns in donor demographics and their engagement with charitable giving through IRAs.

The largest category of QCD donors, comprising 54.3% of respondents aged 75 to 79, were making QCDs five or more years after surpassing the minimum age. This group represents individuals who take mandatory IRA withdrawals and leverage QCDs as a tax-efficient way to support charitable causes while meeting their distribution requirements.

Following closely behind, 27.8% of QCD donors fall within the age range of 71 to 74, indicating a cohort that begins utilizing QCDs closer to the minimum age eligibility. This group illustrates early adoption of QCD strategies as donors approach the mandatory withdrawal age, potentially driven by financial planning considerations and the desire to optimize tax benefits through charitable contributions.

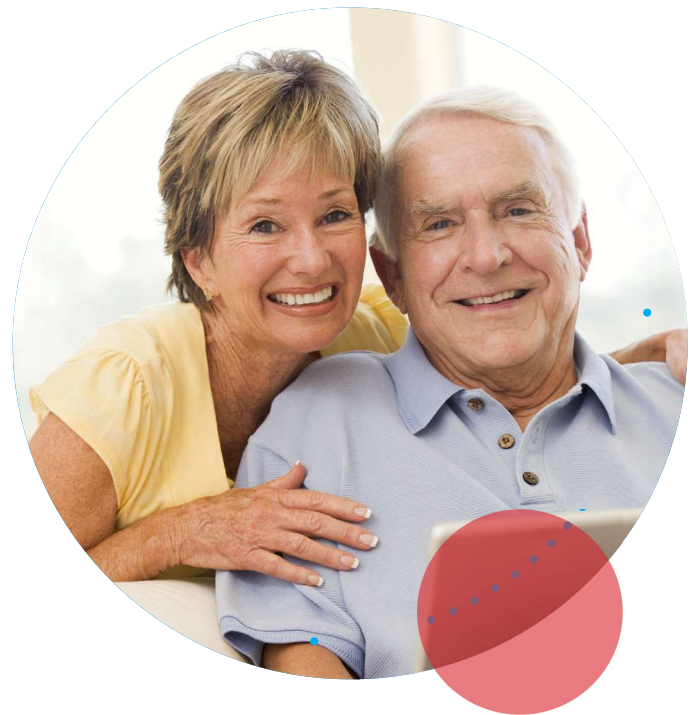
Meanwhile, 11.1% of QCD givers were age 80 to 84, highlighting continued engagement in charitable giving even as donors advance into older age brackets.

## What was the average age of your QCD donors?



This demographic segment underscores the enduring appeal of QCDs among older adults, who continue to support charitable causes while managing their retirement income and tax liabilities.

Overall, this analysis underscores the importance of understanding donor age demographics in shaping effective fundraising strategies centered around QCDs. Organizations can leverage these insights to tailor outreach efforts, provide targeted education on the benefits of QCDs, and foster long-term relationships with donors across different stages of retirement planning and charitable giving maturity. ■



By aligning strategies with donor demographics, organizations can enhance donor engagement and maximize the impact of QCDs in advancing their missions.

# Strategies That Work

Organizations that employ effective marketing strategies for QCDs can significantly impact donor engagement and contributions. Several success stories highlight these efforts. Similarly, Jennifer Reavey, Administrative Support Specialist from North Carolina State University, underscores the impact of targeted mailings and integrated messaging across other communications. This approach ensures consistent visibility and reinforces the benefits of QCDs for donors. Such efforts not only inform but also encourage action among their supporter base.

Overall, these strategies illustrate the importance of tailored messaging and consistent outreach in driving QCDs participation.

By providing clear information and integrating QCDs into broader fundraising efforts, organizations can effectively leverage these tax-smart giving options to enhance donor relationships and support their missions. ■



These success stories underscore the effectiveness of tailored and persistent marketing efforts in promoting QCDs, ultimately fostering donor engagement and increasing charitable contributions.



## LCMS Foundation

Tina Clasquin, Senior Vice President from the LCMS Foundation, emphasizes the impact of targeted mailings and integrated messaging across various communications. By including QCDs in their mailings and other communications, Clasquin explains, **“Donors have a better understanding of the advantages, and QCDs are more attractive in the current tax environment.”**



## Southern Utah University

Ryan Stringfellow, Executive Director of Development and Gift Planning, shares Southern Utah University's passive yet effective approach to marketing QCDs through monthly emails and an annual postcard. **“QCDs grew by about 25%,”** Stringfellow states. **“I think the reason is twofold: many donors are at the age where a QCD makes sense, and we started marketing IRA giving late last calendar year.”**



## Catholic Foundation of Oklahoma

Peter de Keratry, Executive Director of Stewardship and Development from the Catholic Foundation of Oklahoma, highlights their comprehensive marketing strategy that includes QCDs in all forms of buckslips, emails and tag lines, social media and print ads. By making QCDs a prominent part of their communications, de Keratry explains, **“We are marketing QCD gifts much more broadly, and those age 70 and older are increasingly willing to use them.”**



## Saint Louis Zoo

Lori Sullivan, Planned Gifts Director from the Saint Louis Zoo, brought more awareness of the QCD tax benefits stating, **“More people are becoming aware of the opportunity to make gifts of their RMDs and save on taxes.”** They accomplished this through newsletters, highlighting information on their website and in their donor visits. She continues by saying, **“Donors who were making modest annual cash gifts for years suddenly added a few zeros to their annual gift with the IRA tool. The love was always there, ready for opportunity!”**



# Timing Is Everything

The data on when respondents typically market QCDs to donors reveals several interesting trends and strategies in nonprofit fundraising practices. A significant majority, 63%, indicated that they market QCDs throughout the entire year. This continuous approach is a proactive strategy to educate donors about the benefits of QCDs, aiming to capture donor attention at various points when donors are more likely to make financial planning decisions.

19.8% of nonprofits reported starting their QCD marketing efforts in the fall or toward the end of the year. This timing coincides with the period when IRA owners typically take required minimum distributions (RMDs). By focusing efforts during this time, organizations strategically align their messaging with donors' financial activities, potentially capitalizing on increased donor awareness and readiness to make charitable contributions.

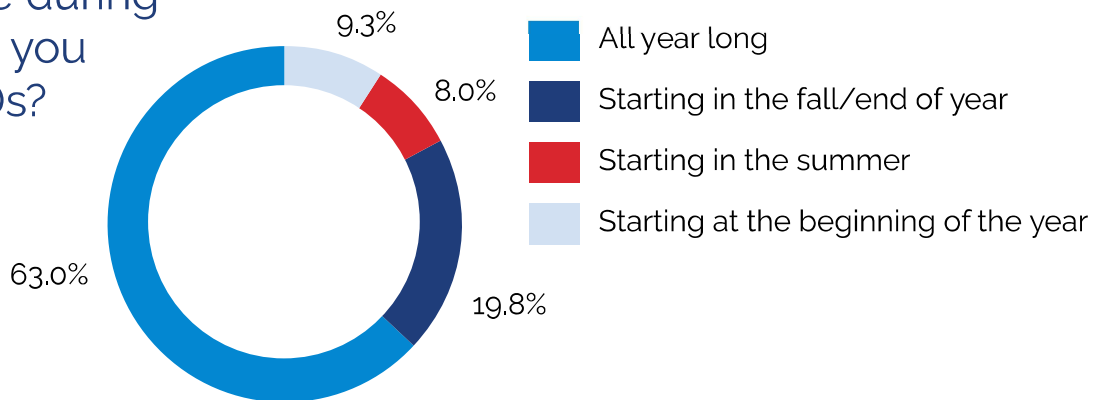
Another notable finding is that 9.3% of nonprofits begin their QCD marketing efforts at the beginning of the year. Organizations that opt for this timing aim to reach donors early in their tax planning process, ensuring that donors consider QCDs as a tax-efficient giving option for the upcoming year. Similarly, 8.0% of organizations start their QCD marketing in the summer, just prior to the fall season. This timing might leverage donor engagement before the end-of-year rush and tax planning deadlines, ensuring that QCDs are top of mind when donors are finalizing their financial decisions.



Overall, these findings reflect organizations making strategic and thoughtful marketing decisions around donor behavior, tax season and financial planning cycles. Organizations that market QCDs throughout the year or during specific high-engagement periods are likely to optimize their outreach efforts and maximize donor participation in tax-smart charitable giving.



At what time during the year did you market QCDs?



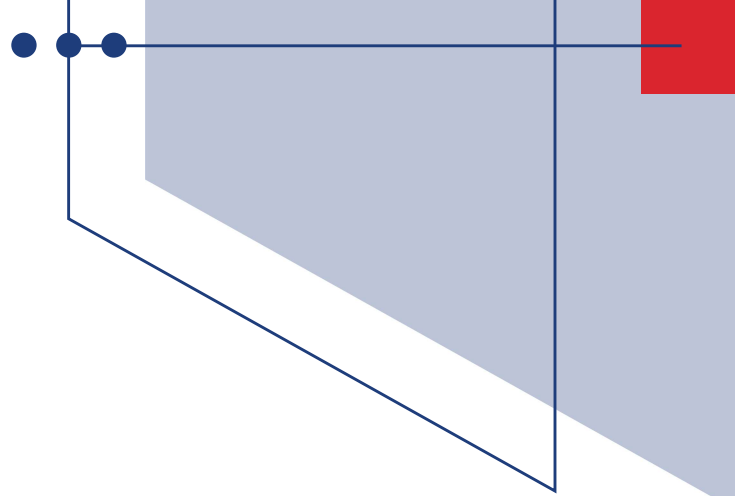
# Leveraging Opportunities



The passage of the SECURE 2.0 Act created a new opportunity for nonprofits seeking innovative ways to secure charitable contributions. Among the provisions was the option to fund charitable gift annuities (CGAs) with a one-time QCD, offering donors a tax-efficient strategy to support their favorite causes. While initial adoption has varied, organizations actively promoting this newer avenue for philanthropy are beginning to see promising outcomes.

Dennis Carlson, Field Representative of Gift Planning, of Hope TV, notes, "We've facilitated six QCD to CGA rollovers this past year alone. It's been rewarding to see donors embrace this new giving option, knowing they're not only supporting our mission but also benefiting financially." This sentiment underscores how nonprofits are leveraging SECURE 2.0 to deepen donor engagement and expand their giving portfolios.





The data reflects a diverse landscape of adoption rates across different sectors. Many organizations with a substantial number of CGA rollovers exemplify robust implementation and effective donor stewardship. Meanwhile, others are cautiously optimistic, as seen in responses indicating ongoing educational efforts and initial donor interest.

As nonprofits continue to navigate the evolving landscape of charitable giving under SECURE 2.0, the focus remains on educating donors about the benefits of QCDs while adapting strategies to meet varying donor preferences and financial goals. This legislative change has indeed opened new avenues for philanthropy, underscoring the importance of proactive outreach and personalized donor engagement in achieving long-term fundraising success. ■



# Innovation

At the end of the survey, respondents were asked to share anything else interesting, innovative or unique about their QCD program.

Several organizations have implemented innovative strategies to promote QCD gifts, leveraging these opportunities to engage donors effectively. For instance, College of the Desert Foundation has seen positive responses by offering complimentary illustrations to both prospective donors and allied professionals. This approach not only clarifies the benefits of QCDs but also empowers donors to make informed decisions about their charitable contributions.

"We've found that providing personalized illustrations helps donors visualize how QCDs can support our mission while optimizing their tax benefits," shares Elizabeth Chambers, Planned Giving Consultant of College of the Desert Foundation. This personalized approach has resonated well with their donor base, fostering increased engagement and support.

At the same time, organizations like Garden Spot Communities have capitalized on their senior donor demographic by integrating QCD messaging into presentations at town meetings and one-on-one donor conversations.



“

Our older donors appreciate the simplicity and tax advantages of QCDs, making them a preferred option for charitable giving.

”

– Wendy Nagle,  
Chief Mission Advancement Officer  
**Garden Spot Communities**

# Conclusion



This study provides compelling evidence of how strategic marketing efforts can significantly enhance QCDs to nonprofit organizations, thereby amplifying their capacity to fulfill their missions and impact communities positively.

The data reveals that organizations employing targeted marketing tactics, such as personalized donor communication, educational seminars and innovative outreach campaigns, have experienced tangible growth in QCD contributions. These efforts not only attract new donors but also deepen engagement with existing supporters by offering them tax-efficient giving options that align with their personal and financial planning goals.

Stories shared by participating organizations underscore the transformative potential of these strategies. From leveraging multimedia tools like whiteboard videos to offering complimentary illustrations and creating specialized funds tailored to donor preferences, nonprofits have successfully educated and inspired donors to utilize QCDs as a strategic philanthropic tool. This proactive approach not only enhances donor satisfaction but also maximizes the impact of their contributions.

Looking forward, these insights highlight the importance of continuous innovation and adaptation in nonprofit marketing strategies. By investing in comprehensive

donor education, leveraging technology advancements and fostering collaborative partnerships, organizations can cultivate a culture of philanthropy that sustains and grows QCD contributions over time.

Ultimately, the success stories presented here highlight how effective marketing practices can empower nonprofits to achieve greater financial stability, expand their donor bases, and advance their missions of serving communities and making a meaningful difference in people's lives. As nonprofits continue to refine their approaches and embrace new opportunities in charitable giving, they are poised to unlock even greater potential for impact and growth in the years ahead. ■



# IMPACTFUL SOLUTIONS TO REACH MORE **DONORS**



**Do you want to increase your organization's current gift giving from \$50,000 to \$500,000+ in 2024?**

Crescendo's **GiftLegacy Advance 2024** marketing campaign is designed to encourage nonprofits to increase Donor Advised Funds (DAFs) and IRA Charitable Rollover gifts.\*

Crescendo's marketing tools cultivate donor relationships and help you reach your fundraising goals through personalized and strategic communication.



## Marketing

Engage your donors with websites, eblasts, surveys and literature



## Software

Create presentations to motivate donors and close major gifts



## Training

Expand your fundraising knowledge with our webinars, seminars and conference



## Administration

Manage your gift annuities program with expert support and user-friendly software

\* Results not guaranteed and may vary



“We've used Crescendo's system to send out systematic, effective messaging and provide information to cultivate our prospect and donor base. For the last three years, we have surpassed our annual fundraising goal of well over \$50 million per year!”

**Kyle Paige**

*Executive Director, Estate & Gift Planning  
University of Miami*

# Crescendo

Integrated Marketing for Planned Gifts

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