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Capturing Stories at Midwestern University

Robin Strachan is director of development at Midwestern University in Downers Grove, Illinois. A gift planner with more than 33 years of experience, Ms. Strachan has worked in executive and development capacities at institutions of higher education, healthcare and medical research. Here Ms. Strachan shares with *Give & Take* the techniques she has found most successful when working with donors, including a unique initiative to collect and archive donors' memories of their time at Midwestern University.

Give & Take:
Can you tell us a bit about Midwestern University?

Strachan:
Midwestern University began in 1900 as the Chicago College of Osteopathy, which later became known as Chicago College of Osteopathic Medicine. This flagship college moved to its current location when Midwestern University was formed. The university now has two campuses providing graduate healthcare programs—in Downers Grove, Illinois and in Glendale, Arizona—and there are 11 colleges. Despite how much we have grown over the years, what has not changed is our focus on educating holistic, compassionate healthcare providers. Our alumni value their educations and the faculty who taught them.

Give & Take:
What is your "Capturing the Stories" project?

Strachan:
"Capturing the Stories" represents our effort to preserve our donors' memories of their years at the university. In my visits with donors, either in person or over the phone, I've found they are generally very forthcoming about their experiences at Midwestern. They talk in glowing terms about their educations and their careers, and interwoven with their memories is a lot of really helpful information. Listening to their stories helps me understand them better, to learn what they care about and discover what they value. I get to know them as individuals, not just as alumni who happen to be healthcare providers. That information can then become helpful in the context of a continuing gift discussion.

Give & Take:
And so you started documenting their stories?

Strachan:
A while back, I decided it could be a nice entrée with donors to let them know that I want to hear their stories. I discovered that most donors love being able to share their memories with someone.

Then, instead of simply filling in contact reports about our conversations, I began writing down their stories. It can take time to do this, but documenting what they share helps me remember the important details of their lives. With donors' permission, the stories will become part of the university archives, so these bits of oral history will be preserved.

Give & Take:
Do you also share these stories with the donors or their families?

Strachan:
That's the plan. In one case recently, I was talking to a donor who explained, "I give because I care about the students and because I can." This donor has told me almost all of his stories about being in school, about his internship at the hospital and about how his wife gave birth to their first child at that same hospital. He's told me about all of the professors he knew and the classmates he still cherishes. When I give him the story I've written about his memories, the end of the story will include his quote about why he gives to Midwestern.

For most alumni, it only takes a few minutes of conversation to see that their days at the university were some of the best days of their lives. By capturing their memories surrounding the university, I'm getting to know them much better—what's important to them and what they might be interested in supporting. I have deepened my relationships with donors by actively listening to them. Hopefully by recording their stories and returning them, I will reinforce their ties to the university and help preserve their memories for future generations.

Give & Take:
How else do you strengthen your relationships with your donors?

Strachan:
When I first started working at Midwestern, the first thing I did was send a handwritten note to each of our Heritage Circle members, a special group of donors who have decided to include the university in their estate plans. Handwritten notes make a big difference, particularly with older donors. A lot of these donors have kept that note and a year or two later would refer back to it when talking to me. Additionally, we call these donors regularly and send birthday cards. We also stay in touch with a broader audience through the newsletter and website that Sharpe Group helps us produce.

Our donors like to see the impact their gifts have on students, so for the past couple of years I've asked students to hand-write thank-you notes to all of our donors. I've received a lot of positive responses from those notes. And when a scholarship is awarded, the recipient always sends a handwritten thank-you note. Those donors hold on to these notes and have told me they find them very meaningful.

Give & Take:
What advice do you have for gift planners who are new to the field?

Strachan:
We as a field have gone toward a metrics-based, performance-based model, but the danger is that we are using technology so much to track our success that we are not getting out from behind our desks as much as we should. We need to spend more time visiting with people and less time getting tangled up in technology. You're not going to raise money sitting at your desk entering information into software programs.

Also, it's important not to get overwhelmed. Don't hesitate to ask for help. One thing Sharpe Group does so well is help fundraisers see that their job is doable. No matter how busy you are, no matter how big your development operation might be, Sharpe can help you see how to meet your goals. I couldn't respect them more.

The fundraising opportunities available through planned giving are phenomenal. With good relationship building and engagement of donors, the sky is the limit. Gift planning is not an instant-gratification job, but the ultimate gratification can be enormous. ■

High Capacity Donors

The latest *U.S. Trust Study of High Net Worth Philanthropy* report provides some interesting insights into the attributes and philanthropic practices of affluent Americans.

This research is based on a survey of U.S. households with a net worth of $1 million or more (excluding the value of their primary residence) *and/or* annual household income of $200,000 or more. The average income and wealth level of participants in the study was approximately $331,000 and $16.8 million, respectively. According to IRS figures for 2014, taxpayers with incomes over $200,000 accounted for over half of all charitable gifts deducted that year. The $106 billion donated by this group also represents some 40 percent of the total amount of gifts by individuals in the U.S. in 2014, according to *Giving USA*. This is why understanding more about the characteristics of these affluent and high net worth individuals is of great interest to gift planners and charitable advisors.

Donor motivations

One critical point from the study is that more than 97 percent of these affluent donors are driven to give because of the mission of the recipient organization.

The five most common primary motivations cited for making a gift were ranked as follows:

1.	Mission of the organization	97.2%
2.	Belief that a gift will make a difference	94.3%
3.	Support the same causes year after year	92.3%
4.	Personal satisfaction or fulfillment	90.8%
5.	Give back to the community	87.9%

The most important secondary motivations which sometimes affected the decision to make a gift were ranked as follows:

1.	When you were asked	84.9%
2.	Spontaneously in response to need	77.2%
3.	To honor another	66.9%
4.	To remedy an issue affecting you or others	60.7%
5.	Give back to the community	60.6%

The report makes it clear that a variety of overlapping motivations influence the decision to make a gift, including one's religious beliefs, tax benefits, political or philosophical beliefs and volunteer engagement. Section six of the study goes into greater detail about various philanthropic motivations, values and personal fulfillment from charitable activity. Understanding what motivates your donors can help you communicate to your constituents more effectively. ■

Noncash Contributions Exceed $50 Billion

by Barlow Mann

With the stock market at an all-time high, gifts of securities may be particularly attractive for some donors.

According to the Summer 2016 IRS *Statistics of Income Bulletin*, the agency's most recent report, individual taxpayers who itemized deductions reported $51.6 billion in noncash charitable contributions in 2013. This figure represented over 25 percent of all itemized gifts and 21 percent of all individual gifts reported by *Giving USA* for 2013. About one third of those taxpayers reported gifts in excess of $500 on IRS Form 8283, totaling $46.4 billion, or some 90 percent of overall noncash contributions.

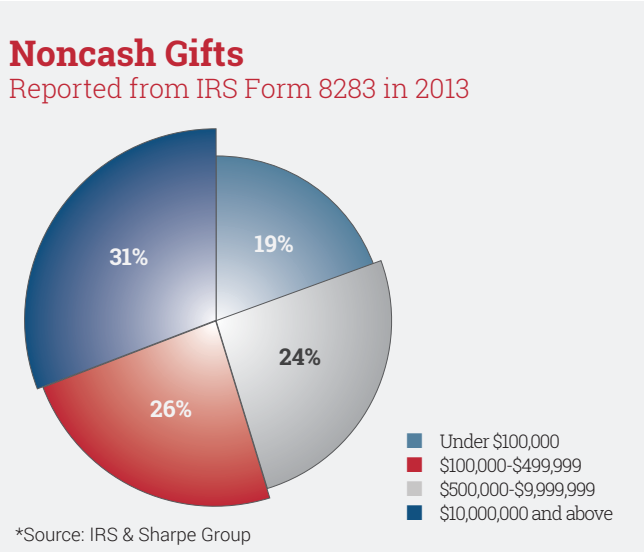
Stocks lead the way

Corporate stock contributions increased at more than twice the rate of total noncash contributions, rising 17.7 percent to almost $20 billion for 2013. The average stock contribution was $143,369 for the year.

In a sign that real estate continues to recover from the aftermath of the Great Recession, gifts of real estate, lands and easements grew 13 percent from $2.75 billion in 2012 to $3.1 billion in 2013. The average gift of property interests, per tax return, was $180,000.

Income issues

Just under 20 percent of the noncash gifts reported on IRS Form 8283 came from returns under $100,000. Another 25.9 percent came from returns in the $100,000 to $499,999 range. Higher income returns accounted for the majority of all noncash gifts, with returns from incomes between $500,000 and $10 million, representing 24 percent, and those over $10 million, representing 30.6 percent of the total.



Age and noncash gifts

It should be no surprise to Sharpe clients and *Give & Take* readers that taxpayers age 65 and older gave the most in terms of total charitable contributions (both cash and noncash) reported on schedule A of individual tax returns. The 65-and-older group also reported $17.3 billion in noncash contributions, or 37.3 percent of the $46.4 billion reported on form 8283.

These mature itemizers also had a larger average gift and gave a higher percentage of their adjusted gross income when compared to other age brackets. In fact, the older donors were more than twice as generous per capita. Their "average gift reported" and "donation as a percent of AGI" were more than twice as high as the next most generous age group, 55 to 64. Over half of the total amount of noncash gifts came from individuals 55 and older.

As economic recovery continues, both real estate and publicly traded stocks have grown in value, leading to record levels of household wealth in America. However, recovery has been uneven, and many of those who have experienced an increase in asset values, including stock, real estate and other property, tend to be among the wealthier 55-and-older age group.

Getting your share

Sharpe Group has several tools to help you show donors the benefits of making charitable gifts through appreciated securities and how to structure such giving, including the popular *Giving Securities* booklet. For more information, visit *www.SHARPEnet.com/stock-gifts-tools*. ■

Barlow Mann is Chief Operating Officer for Sharpe Group

Sharpe Group on the Road

Sharpe Group Senior Consultant Aviva Shiff Boedecker will lead a session on "Looking for Gifts in All the Right Places: 10 Clues that You're Talking to a Planned Giving Prospect and What to Do About It" at the **AFP International Fundraising Conference** in San Francisco, April 30-May 2, 2017.

Sharpe Group Managing Consultant Joe Chickey will lead a gift planning presentation at the **Planned Giving Day in Little Rock**, hosted by the Arkansas chapter of Charitable Gift Planners, on April 27, 2017.

Sharpe Group Speakers Bureau

Since 1963, Sharpe Group has been a leader in the field of gift planning. In addition to our popular seminar series, our experts speak to groups of all sizes and at national and professional conferences. For more information, visit www.SHARPEnet.com/speakers-bureau.

Upcoming **Sharpe Group Seminars**

An Introduction to Planned Giving

Discover how to build your planned giving program.

Learn the keys to effective communications with your donors. Examine the donor lifecycle and explore how you can help donors make larger gifts today and plan gifts through bequests, trusts, gift annuities and other vehicles. Learn to work effectively with those 65 and older who may make up much of your donor base—or soon will. This seminar is appropriate for those who are new to planned giving or responsible for finding ways to enhance an existing program.

Chicago	March 23-24, 2017
Washington DC	September 14-15, 2017

Structuring Blended Gifts

Explore ways donors can give using a blend of current and deferred gifts.

This seminar explains how blended gifts can make it feasible for those balancing multiple financial priorities to make larger gifts than they may have thought possible. In the days ahead, donors and advisors will increasingly turn to blended gifts to reap both current and future benefits. Note that proposed tax law changes will be incorporated throughout the presentation. Make sure you're informed so your organization doesn't miss out on this growing trend.

Washington DC	April 18-19, 2017
New York	August 10-11, 2017
Chicago	October 2-3, 2017

Integrating Major and Planned Gifts

Learn how major and planned giving can work together.

Discover how to help donors make the best gifts based on their age, wealth and other factors, while meeting your current, capital and endowment needs. Learn how to interpret a donor's verbal and non-verbal clues to determine which giving option is right for them and how to help donors make charitable gifts that might not otherwise be possible. This seminar is for you if your organization has both departments and would like to bring everyone together, or if you or others are responsible for both major and planned gifts.

Chicago	June 29-30, 2017
Washington DC	November 2-3, 2017

See full agendas and register at www.SHARPEnet.com/seminars or call 901.680.5318 with questions.

Five Tips for Fundraisers New to Gift Planning

by Aviva Shiff Boedecker

Managing a quality gift planning effort that attracts and keeps donors can be more of an art than a science. Here are five tips for making a significant contribution to your organization's success.

1. Start slowly and build carefully.

Don't feel compelled to do everything at once. Take time to prepare a careful strategic plan. Determine what is most important to set in place, what it will take to get there, what results you hope to see and when. Plan to do things in order. For instance, educate board and staff about how your organization will benefit from gifts that may not be available for expenditure for several years or more, before you start writing trust management policies.

If you're starting a new program: Figure out who your best prospects are—alumni, long-term donors, members, grateful patients or others. In some cases, advisors in your community may be helpful in discovering prospective donors among their client base. Don't forget volunteers. They can sometimes be better planned giving prospects than the wealthiest members of your board.

If you're taking over an established program: Get to know the existing donors. They are your best prospects for additional gifts and, if they are happy, may be your best "sales force." Make sure they are satisfied with the way their gifts have been stewarded, and allow them a chance to get to know you and feel comfortable with you. (See "Capturing Stories at Midwestern University" on Page 2.)

2. Define how you will measure success.

Set realistic goals and communicate them to your management and board, where applicable. Otherwise, your goals may be set for you without your input. Make sure your goals are aligned with the program priorities you have identified.

Your goals should be based on overall programmatic objectives, not just the number of gifts completed, especially for a start-up program. Examples of *manageable* goals are:

- identify supporters over age 65 who will be the best prospects for gifts that are based on life expectancy
- plan and complete mailings about bequests and bequest-like gifts, such as remainders of retirement plans, as soon as you possibly can
- plan and complete one board training session and one staff orientation, where practical
- compile a mailing list of donor advisors and plan outreach to them, where appropriate
- attend one seminar or conference about planned giving
- join your local planned giving council and attend meetings
- identify resources for the support and marketing materials you will need
- identify your "ideal" number of newsletters, personal visits or Legacy Society events

Examples of *problematic* goals are: complete $2,500,000 in charitable gift annuities; add 40 people to your Legacy Society; get 50 percent of your board to make a planned gift commitment. These goals not only depend on factors that can be beyond your control (economic outlook, makeup of donor base), they may sometimes result in gifts that meet the needs of neither the organization nor the donor in an effort to sucessfully meet a goal.

3. Just because it's not complicated doesn't mean it's not effective.

For start-up programs, it is usually best to initially concentrate on developing a bequest/remainder program. Bequests are sometimes overlooked, perhaps because they do not come with a lot of bells and whistles, or perhaps because they are by nature revocable and don't "count" toward gift totals the same way other gifts may.

Many programs find that 85 percent or more of planned giving revenue comes from bequests and other simple remainders. Bequest-type gifts (life insurance, retirement plans and pay on death designations) are comfortable for donors because they are revocable and because there are no complicated tax rules to contend with. Since designated beneficiary gifts require only a form that the donor can obtain from their insurance provider or retirement plan administrator, there are no special documents to prepare. This option makes it especially easy for people who may not want to upset a plan already in place to "leave a legacy."

These gifts are also easy to incorporate into your development program because they require no management other than stewardship while the donor is alive. Yes, it's a good idea to obtain a copy of a will or the designation of beneficiary form if the donor is willing to share it because it will make it easier to receive the gift later and will be helpful to have terms of the gift. But, remember that it is rare to know about more than one out of six bequests in advance. Many people are not comfortable providing documentation of their planned gifts—don't jeopardize your relationship with your donors, or worse, the gift itself, by pressuring donors for information they are reluctant to provide for a myriad of reasons.

In addition, don't forget about the Charitable IRA opportunity for those aged 70½ and older. This can be a good source of additional current income while also setting the stage for a future gift of what remains in the fund.

4. Be an advocate for your program.

Informed staff and board members are important to the continued viability of the planned giving program. It is easy to forget that educating fellow staff, your management and board members about planned giving is an ongoing process.

You need to regularly draw their attention to the importance of your efforts and constantly share your successes with them. Be creative; a brief update about a prospective donor with whom you are working, the background of a bequest that came in recently or a sample of the mailing you will be sending out can be more effective than a lecture about the latest changes in the tax laws.

5. Be patient.

It may take time to see the results of your efforts. Planned gifts can take a long time to "incubate." It is not unusual for months or even years to pass between someone's request for information and the next time you hear from them, not to mention the time you finally receive notification of a gift. It's more the rule than the exception to hear, "Thanks for the information. I'll call you when I have a question," when you try to follow up with someone.

People make planned gifts on their own timetables, which unfortunately do not have anything to do with the end of your fiscal year or the current campaign. However, many of our clients find that 50 percent or more of bequest revenue in a given year comes from wills executed within three years of death. This statistic underscores the importance of starting your efforts among the oldest members of your constituency who are making final plans near the end of their lifetime.

You may not see the "response" you expect from your planned giving mailings. People often don't act right away, even though they may have read and been interested in the information. Often people will put your brochure or newsletter in their "estate planning file" to be reviewed weeks, months or even years later when they get around to doing their estate planning. Even then, they may not tell you what they've done.

Gifts often won't "mature" for a while. Therefore, your organization will not have funds to spend right away, no matter how successful your efforts are. This can be frustrating to those in your organization who want an immediate return on investment. See item 4. Network with your peers who have more mature programs and share their results and the time it took to achieve them with your leadership.

Don't worry if you don't understand all the technicalities right away. People skills and marketing sense are more important, and a consultant or perhaps a member of your board or committee can help with technical questions.

Being new to gift planning can be overwhelming. If you keep your goals in mind, take them one step at a time, make sure your management and board know exactly what you are achieving and keep your sense of perspective, before you know it you will be at the helm of a successful program and advising your less experienced colleagues.

Sharpe Group's highly acclaimed seminars are one of the best resources for those new to planned giving. Our next "An Introduction to Planned Giving" Seminar will be held March 23-24 in Chicago. See Page 5 for details. ■

Aviva Shiff Boedecker is a Sharpe Group Senior Consultant.

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Newsletters

Even in the age of digital marketing, printed publications are still the most effective way to reach donors who can and will make planned gifts in the next few years.

Continuing reports of the death of print communications are greatly exaggerated. Findings from more than 50 years of working with nonprofits of all sizes and missions confirm those who are your most likely prospects for planned gifts are from generations who still respond best to print communications. According to Pew Research, fewer than half of Americans aged 75+ use the internet, meaning that the majority of your planned giving prospects will not be reached using a digital strategy alone.

One of the most effective ways to reach this group is with a newsletter. Your Sharpe Newsletter will always reflect the uniqueness of your organization with customized content and design. Sharpe Newsletters offer a balanced blend of gift planning educational topics, information about your mission and donor stories. Sharpe's team of planned giving experts write the technical articles and can provide detailed gift plan examples.

An eNewsletter option is available for those who have a Sharpe Newsletter and Gift Planning Website.

Each newsletter client is supported by a team who will work with you, helping you to choose the topics that best serve your donors' interests. We will write engaging, informative articles and design the newsletter using your branding guidelines as well as graphic elements proven to appeal to older readers. Our experienced editors will interview your donors as needed and write compelling stories about their gifts.

Your Sharpe consultant will recommend the most appropriate follow-up materials from our library of booklets. These pieces provide your donors with more detailed information about the topic highlighted in your newsletter.

To help you reach a broader segment of your donor base, for an added fee Sharpe can convert your printed newsletter into an easy-to-read-and-navigate eNewsletter for those who have a Sharpe Gift Planning Website.

Cost depends on content customization and quantity. Contact a Sharpe Consultant for options and pricing.

Contact us to learn more.

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