



► **PEAK PERFORMANCE:  
STRATEGIC STEWARDSHIP FOR PLANNED  
GIVING PROGRAMS**

**April 14, 2011**

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## ► YOUR PRESENTER

- **Katherine Swank, J.D., Senior Consultant @ Blackbaud since 2007**
  - Hall of Fame Inductee 2010 for Excellence in Customer Service
  - 2010 Blackbaud Conference for Nonprofits “Top 10 Speaker”
- Author and Frequent Presenter on Planned Giving, Major Gifts, Prospect Research and Industry Topics
- Law degree, Drake University School of Law, Des Moines, Iowa
  - Member, State Bar of Arizona
- Over 25 years as a development officer, including
  - National healthcare, public broadcasting, law school
  - National Director of Planned Gifts \$300M healthcare org.
  - Lead manager, \$20 Million Capital Campaign
  - Raised over \$215 million in career
- 11 years as affiliate faculty for Regis University’s Masters in Global Nonprofit Leadership program, Denver, Colorado

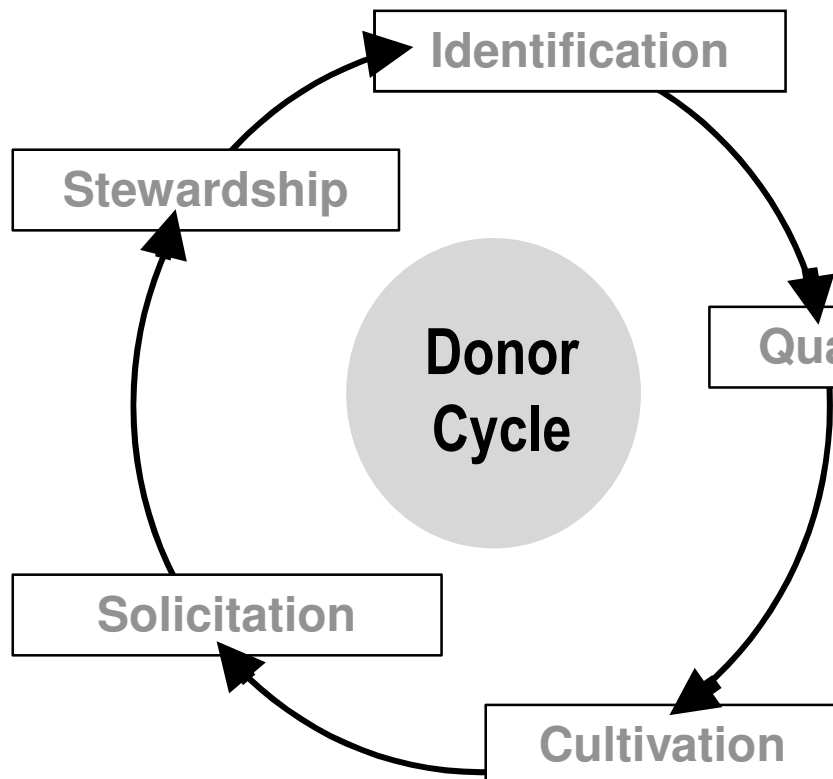




## ► OUR AGENDA

- Stewardship's Role in the Fundraising Continuum
- Planned Giving's Unique Challenges to Stewardship
- Why Donors Give and Their Expectations of Us
- Best Practices of Stewardship
- The Role of Stewardship in Planned Gift Programs
- 11 Principles of Effective Stewardship
- Sample Stewardship Plan and Materials
- Q & A
- Resources

## ► THE FUNDRAISING CONTINUUM



- Every donor travels through the Donor Cycle
- Same steps whether effort is annual, major or planned
  - Different emphasis on different steps
  - Changes by effort
- Regardless of the *effort* - stewardship of a gift and its donor is the foundation of the Donor Cycle
- ***Cannot move forward without stewardship***



## ► PLANNED GIVING'S UNIQUE CHALLENGES TO STEWARDSHIP

- Planned gift donors are often “anonymous”
  - Meaning we don't know who they are until the end of life
  - So we have a difficult time stewarding them
- Not a unique issue to one organization over another however
  - Most planned gifts are made in *revocable* arrangements
    - Will or trust
    - Life Insurance
    - Retirement plans, etc.
  - Since there is no legal requirement to inform, donors do not alert the organization during their lifetime



## ► PLANNED GIVING'S UNIQUE CHALLENGES TO STEWARDSHIP

- Why does this happen?
  - Many planned gift givers are conservative with their finances and with their information
    - Do not feel wealthy, although some are very wealthy
    - Do not want “undue” or “unwelcomed” attention
    - Do not want their families, neighbors or strangers to see that they “have” money
    - Do not like to discuss “money”
  - Most donors don't know that we are interested in finding out, or don't understand why it's important to tell



## ► HISTORICAL ACTIONS

- Because we view stewardship as an “after the fact” activity, we fail to recognize and steward planned gift donors
  - We “thank” the estate representative
  - Often not connected with the family of the donor
  - Not connected with the charitable organization



## ► PROACTIVE STEWARDSHIP

- Understand the motivators and de-motivators for giving
- Meet the expectations of all donors; including planned gift donors
  - *Even if you don't know who they are yet!*
- Determine who your most probably planned gift donors are
- Steward them NOW as if they had already made a planned gift
  - *Many of them already have!*



## ► PLANNED GIFT REVENUE POTENTIAL

<b>The Power of Planned Gifts</b>			
<b>Gifts</b>	<b>1,000</b> 100/year for the next 10 years	<b>250</b> 25/year for the next 10 years	<b>50</b> 5/year for the next 10 years
<b>\$70,000</b> High Avg. U.S.	\$70,000,000	\$17,500,000	\$3,500,000
<b>\$35,000</b> Low Avg. U.S. – Avg. Canada	\$35,000,000	\$8,750,000	\$1,750,000
<b>\$10,000</b>	\$10,000,000	\$2,500,000	\$500,000



## ► MOTIVATORS FOR GIVING

1. Share passion for your Vision and Mission (#1 across studies)
2. Giving back/Helping those in need/Make a difference
3. Organization is accountable for its results
  - Requests for informational results of donations is highest among Asian countries



## ► DE-MOTIVATORS OF GIVING

1. Unreliable - Didn't do what you said you would do
2. Not accountable
3. Personal financial position
4. Donor fatigue



## ► TOP EXPECTATIONS OF DONORS

- That the gift was received and you were pleased to get it
  - For our purposes: The planned gift notification or intention was received and you were pleased to learn of it
- The gift was set to work as intended or will be set to work as intended when received
  - Greater accountability on how donations are being used
  - The project or program the gift was sent to is having the desired effect
- Greater access to leadership
- Treatment that indicates the donor is a “special friend”
- More information on what the organization is doing

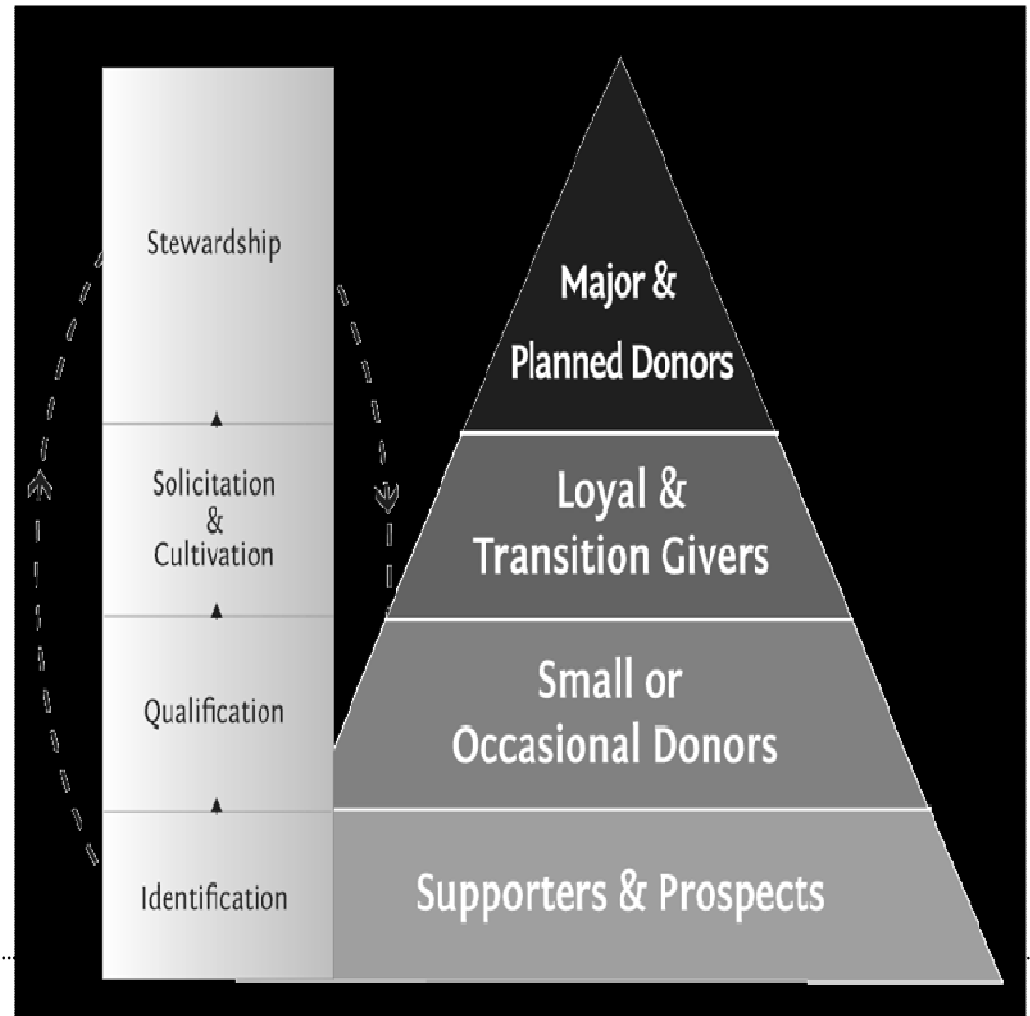


## ► MAKE GREAT STEWARDSHIP AN INSTITUTIONAL PRIORITY

- Donor recognition must become more than a response to a gift or gift notification received
  - A strategic tool for communicating with current and prospective donors
- The methods and activities for thanking are keys to enhanced giving
- ***Think before you Thank***
  - Plan
  - Create a comprehensive effort
- **“Institutionalize stewardship“**
  - Everyone within the organization needs to be on board
  - Every staff member should understand their responsible for accountability to our donors

## ► THE ROLE OF STEWARDSHIP FOR PLANNED GIFT DONORS

- Planned gifts are usually larger gifts
  - Higher than average annual gift
  - As high or higher than average major gift
- Donor doesn't see a distinction between today and the future
- **Treat like a major donor now!**
- Follow the same stewardship steps you use with important donors





## ► YOUR STEWARDSHIP POOLS

- *Reactive Stewardship – full stewardship activities*
  - All people who notify you of a planned gift intention
    - Bequest gift
    - Trust gift
    - Life insurance gift
    - Retirement plan gift
    - Life-income arrangements
    - Gifts of real estate, stocks
    - Other types of planned gifts as are common to your country

## ► YOUR STEWARDSHIP POOLS

- *Proactive Stewardship – partial stewardship activities*
  - Identified planned gift prospects
    - Those who have notified you
  - Those individuals who meet the criteria of your “unique” planned gift donor
    - Profile is created by analyzing your donor data using information such as
      - Age, giving history, repeat gifts, giving levels, marital status, children, etc.
  - Probable planned gift donors
    - Everyone who requests planned giving information
    - All board and committee members
    - All professional-level staff members
    - All employees of 10 years or longer
    - Volunteers
    - Donors who have made gifts at any level for 10 or more years or have given your organization 25 or more gifts including recurring/monthly gifts
    - All donors who have made single-year gifts of \$10,000 or more
      - Adjust this level as appropriate for your organization’s historical giving levels



## ► STEWARDSHIP PROGRAM COMPONENTS

- Acknowledgement (Reactive Pool)
  - Your first response to a gift intention or other gift vehicle beneficiary notification
  - Be grateful; say “thank you” in the most personal way possible
    - Use the least amount of template language possible
    - Include language that is specific to the donor’s gift intention or desired outcome
    - Speak from the heart
  - Consider additional acknowledgement from key players as well
    - For example, a faculty member, VP of Programs, a student
- Recognition (Reactive Pool)
  - An opportunity for contact as well as another opportunity to say “thank you”
  - Be certain to provide access to the recognition



## ► STEWARDSHIP PROGRAM COMPONENTS

- Reporting (Proactive and Reactive Pools)
  - Share the impact of similar gifts that have been put to work
  - Report impact of legacy program as a whole
- Ongoing Stewardship Activities (Proactive and Reactive Pools)
  - Activities that provide access to leadership



## ► **SAMPLE STEWARDSHIP ACTIVITIES**

- Reactive Pool Activities
  - New member welcome packets
  - Cards
    - Anniversary cards (date of gift or notification, near graduation, date of building dedication/naming, etc.)
  - Recognition Gifts
    - Depending on commitment size?
  - Annual event to recognize legacy donors, surviving family members, etc
    - Consider folding this donor group into your established donor events




## ► **SAMPLE STEWARDSHIP ACTIVITIES**

- Proactive and Reactive Pool Activities
  - Cards
    - Birthday cards hand signed by key players
    - Thanksgiving cards, etc.
  - Special reports from organizational leadership
  - Invitations to special events, annual meeting, etc.
  - Advance ticket sales, special seating
  - Advance notices of upcoming events, information

# ► SHARE THE IMPACT OF PLANNED GIFTS

- Provide financial information that shows impact
- Give donors a sense of “membership
- Even if their membership is a secret

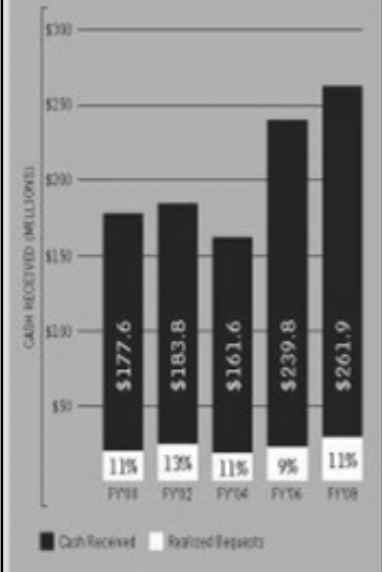
CREATE A LASTING LEGACY OF YOUR OWN


**THE UNIVERSITY OF CHICAGO**

THE UNIVERSITY OF CHICAGO IS ESPECIALLY GRATEFUL FOR THE BEQUESTS IT RECEIVES FROM ALUMNI, FACULTY, AND OTHER FRIENDS.

### Realized Bequests as a Percentage of Cash Received

On average realized bequests account for 11 percent of total cash received by the University each year.



Fiscal Year	Cash Received (Millions)	Realized Bequests (Millions)	Percentage of Cash Received
FY01	\$177.6	\$19.5	11%
FY02	\$183.8	\$23.9	13%
FY04	\$161.6	\$17.8	11%
FY06	\$239.8	\$21.6	9%
FY08	\$261.9	\$28.8	11%

include a provision in or trust for the benefit of ersity, you provide essential that will shape the future iversity and ensure its e for generations to come.

**Benefits of a Bequest**  
is simple to arrange, reduces ble estate, and allows you your assets throughout ime. The flexibility of a ermits you to designate a ollar amount, a percentage ate, or a piece of property. ore, your bequest can benefit nic program that holds a gnificance to you, endow a ip or professorship, or leave ricted gift to the University.

**Communicate Your Wishes**  
uld like to include a bequest ill or your living trust, you to incorporate specific to describe your gift and its use by the University. To accurate understanding, we the opportunity to work with our advisers to appropriately nd tailor this language. Please

contact the Office of Gift Planning for additional information.

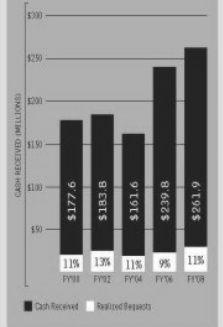
**Share Your Plans**  
If you have already taken steps to include the University in your estate plan, we encourage you to let us know of your intentions so that we can express our gratitude to you during your lifetime.

Sharing your plans with us ensures that your wishes will be met and also assists the University's long-term planning efforts.

**The Phoenix Society—Our Gratitude**  
Donors who support the University through an estate commitment or life-income arrangement are invited to become members of the Phoenix Society. Members receive a welcome package.

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SINCE ITS INCEPTION IN 2001, THE PHOENIX SOCIETY CONTINUES TO GROW, WITH 923 ACTIVE MEMBERS TO DATE.

## ► SHOW RESPECTFUL PUBLIC RECOGNITION

### Estates

*We are deeply grateful to the 151 supporters who left a legacy of life for the children of the world through their estate plans this year. Their generous gifts, which totaled \$7.5 million in Fiscal Year 2009, helped thousands of children live safer, healthier lives and moved us one step closer to achieving zero preventable deaths. We extend our sympathy and heartfelt thanks to their loved ones.*

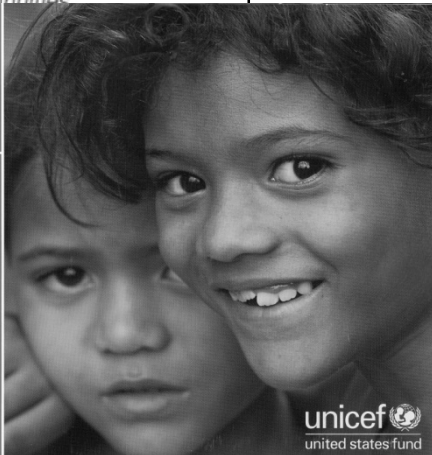
### Legacy Society

*Led by Chair Emeritus Hugh Downs, the Legacy Society honors those supporters who are investing in the future survival and development of children around the world by naming the U.S. Fund for UNICEF in their estate and financial plans. Legacy gifts include charitable bequests, retirement plan and life insurance policy designations, charitable trusts, and charitable gift annuities.*

*As of 8/1/2009, 914 members of the Legacy Society have informed the U.S. Fund for UNICEF of their plans. We applaud their foresight and the generations of children a priority.*

Anonymous (446)  
 Ms. Dee Abrams  
 Helen Ackerson  
 Rev. Amos Acree, Jr.  
 Neeraj Agrawal  
 Farida Ahmed, M.D.  
 Ben Aliza  
 Julie Allen  
 Kristina and Peter Allen

2009 Annual Report



DANNY THOMAS  
**St. Jude Society**  
 Member Listing  
 June 2009

Hugh Downs  
 Joyce Downs  
 Dr. Robert & Shirley W. Zabka\*  
 Margaret M. Yori  
 Ms. Jennifer York  
 Jack D. & Ethel M. Young  
 Mr. Richard E. Young  
 J. Marie Young  
 Roy E. Young  
 Dr. Robert & Shirley W. Zabka\*  
 L. D. Zacek

\* New member of the Danny Thomas — St. Jude Society.

\*\* We gratefully acknowledge the members of the Danny Thomas — St. Jude Society who have chosen to remain anonymous.

## ▶ ALLOW PERSONAL RECOGNITION THAT IS *PERSONAL*

- For some, personal recognition is quiet
- For others, it is not so quiet
- Embrace and prepare for Both!

The Nature Conservancy logo: **The Nature Conservancy**   
Protecting nature. Preserving life.™

The mission of The Nature Conservancy is to preserve the plants, animals and natural communities that represent the diversity of life on Earth by protecting the lands and waters they need to survive.

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[Goals & Benefits](#)  
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**Research**  
[Types of Gifts](#)

**Celebrating Nature**  
This Earth Day, learn how our donors support nature!  
[Read Their Stories](#)

**THE LEGACY CLUB**  
*stories of hope*

**Celebrating Nature** | **A Gift for You and Nature** | **Planning for the Future** | **We Know Real Estate**

**Gift & Estate Planning**  
Discover Ways to Give & Save

**myRealEstate**  
Gift Guide 



## ► OTHER STEWARDSHIP COMPONENTS

- Use technology to your advantage
  - Think about Social Media venues especially with younger planned gift donors
- Ask your donors what they want
  - Every donor is unique
  - Use coding in database to assist
- Inquire early on
  - Use this as an opportunity to start saying “Thank You”
- Remember, the desire to be anonymous does not equate to ***lack of stewardship***



## ► 11 PRINCIPLES OF EFFECTIVE STEWARDSHIP

### *Beyond Fundraising, Kay Sprinkle Grace*

1. Engage the donor immediately
2. Don't mix messages; i.e. a thank you with an enclosed request for a gift
3. Carve out a budget for stewardship
  - Include personal outreach efforts as well as physical items
4. Keep your stewardship in line with organizational image
5. Determine what kind of involvement your planned giving donors want outside of making the donation
6. Use current legacy donors to convey message to potential legacy donors
  - Nothing speaks more volumes than a satisfied donor
7. Tie stewardship program to the mission
8. Focus on intangible rather than tangible benefits – make donors into investors
9. Maintain stewardship with even if planned gifts donors decrease or stop giving
  - Remember, the average planned gift is often many times larger than a donor's lifetime cumulative gifts
10. Keep all donors in your database unless they tell you otherwise
  - This allows you to track some efforts and results of your planned giving effort
11. Establish relationships between donors and program staff



## ► BONUS PRINCIPLE!

- ***Stewardship includes personal outreach***
  - Phone
  - Personal email
  - Face to face visits

## ► SAMPLE PG PROGRAM STEWARDSHIP PLAN

Timing	Stewardship Activity
January	“Informal Annual Report” – letter describing annual accomplishments and impact on your constituency
February	Phone calls to all know planned gift donors
April	Annual Planned Giving recognition event
May	School year-end “Thank You” letter and photo from a graduating student
June	Phone calls to Loyalty givers
July	Annual Report and Donor Listing with hand signed letter from President
August	Update report(s) from Program Director, Dean, VP Research, etc.
October	Invitation to Annual meeting
November	Holiday Card (consider appropriate national holidays)
<i>Ongoing</i>	Anniversary cards, birthday cards
<i>Monthly</i>	New member packets
<i>Weekly</i>	Visit with 1-2 members of the Legacy Society

## ► A PG PROGRAM STEWARDSHIP CHECKLIST

- Are you meeting donor's expectations?
  - Acknowledge the gift in a very timely manner (for current \$ planned gifts)
  - Thank the donor immediately and in a very personal manner to show your sincere appreciation
  - Provide accountability on how donations are being used
  - Report that the gift was set to work as intended
  - Provide assurance that the project or program the gift was sent to is having the desired effect
  - Provide access to leadership
  - Invite contact by givers
  - Establish treatment or other "touches" that indicate the donor is a "special friend"
  - Provide additional information on what the organization is doing

## ► NEXT STEPS FOR SPECTACULAR STEWARDSHIP FOR PLANNED GIFTS

- Determine the # of **actual** and **potential** planned gift donors you have
- Have a written plan
  - Reactive components
  - Proactive components
- Include written, phone and in-person components
- Create dedicated budget for stewardship activities
- Be on a constant lookout for ways to better acknowledge, recognize, and report to your actual and potential donors
  - Ask planned giving colleagues for samples; Network!
  - Ask your work colleagues to submit ideas
  - Collect samples from organizations where you are a planned gift donor
- Get face-to-face as often as possible!
  - ***This is the best stewardship activity by far***



## ► THINK ABOUT STEWARDSHIP ALL THE TIME

*Real recognition [thus stewardship] is not something you do at certain intervals in your relationship with donors, nor is it a momentary thing. It is pervasive. [Stewardship] is between the lines in the newsletters you write, it is in the tone of your voice, it is in the welcoming handshakes of the members of your board. [Stewardship] is inseparable from the people who give it.*

From *Donor Centered Fundraising*, Penelope Burk



► **QUESTIONS**

## ► RESOURCES

- Download the electronic copy of the book including the White Paper on this topic:
  - *Cultivating Lifelong Donors: Stewardship and the Fundraising Pyramid* @  
- <http://www.blackbaud.com/bb/desktopreference/boostgiving.aspx>
- *2010 State of Nonprofit Industry Survey: Global Comparison*
  - [http://www.blackbaud.com/files/resources/downloads/Research\\_SONI\\_GlobalComparisonUS.pdf](http://www.blackbaud.com/files/resources/downloads/Research_SONI_GlobalComparisonUS.pdf)
- Analyzing Your Planned Giving Program, PG Calc
  - <http://www.pgcalc.com/about/featuredarticleoctober10.htm>
- *Motivating the MoneyGivers: Why do people give?* Tony Myers and Guy Mallabone
- *MEGA GIFTS: Who Gives Them, Who Gets Them*, Jerold Panas
- *Donor-Centered Fundraising*, Penelope Burk
- *Intentional Stewardship*, Julia Emlen
- *Effective Donor Relations*, Janet Hedrick
- *Raise-funds.com*, Tony Poderis



## ► CONTACT INFORMATION

*Thank You!*

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