

Planned Giving – “The 25 year solution to a permanent problem” for charitable organizations.

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In conjunction with Sagemark Consulting, a division of Lincoln Financial Advisors Corp.

If I told you there was a permanent solution to your organization’s financial challenges and that this solution would take 25 years to implement, would you want to know more? What if a previous leader in your organization had chosen to start on the path 15 years ago or better yet, 25 years ago? How would you feel about the 25 year solution then? That permanent solution is Planned Giving. Planned giving refers to the process of making a charitable gift of estate assets to nonprofit organizations, a gift that requires consideration and planning in light of the donor's overall estate plan.

Annual appeals have traditionally been the target of all effort and energy in a non-profit at an organizational level. There have been times, however, when a leader has drawn a line in the sand and made the commitment to a more dependable, longer term solution to the challenge of funding social ministry. Consider a well known Ivy League institution which has become the envy of the development world. A leader at this university years ago chose to intentionally talk with people about perpetual giving, giving beyond their lifetime. This has culminated in an endowment that exceeds what most organizations even believe is possible. That commitment created a reality where scholarships can be provided indefinitely, programs can be developed based on quality and buildings can be built without the weight and stress of carrying debt.

The question then becomes why don’t we pursue planned giving with all of our energy and effort? It is not that it is complicated or overwhelming. A person can make a change to a will, a beneficiary; buy a life insurance policy or purchase a gift annuity along with an enormous amount of additional simple techniques. The reason cannot be that people don’t know what to do. The reason also cannot be that they have no interest in doing it. There has got to be a reason that is explicable since some organizations have figured this out and some have not. The reason is simply discipline or more specifically, a commitment to a simple daily action plan to embed Planned Giving into your organization.

Let me take a minute to describe the process that would need to take place over a 25 year period to make Planned Giving a reality. First, it all starts with the leadership of the organization, not just the CEO but the entire leadership team along with the Board of Directors. If they not only understand why this is important but they have personally taken the initiative to make their planned gift a reality, then the critical mass will be present to carry the momentum throughout the entire organization and constituency. The next step is a plan to reach out to this population, 1 person at a time. Simply to hold a conversation about the possibilities that can be created by their personal bequest.

That plan includes one question that would need to be asked of 1 person each day that cares about the organization. That question is, "Mr. Jones, you obviously care about our organization as exhibited by all of your efforts on our behalf, would you consider intentionally having a conversation with us about how to perpetuate your giving forever?" Once you have a yes, simply make the appointment. Make sure the spouse will be there if appropriate, which would be true in most if not all cases. Also, make sure you have an advisor who understands charitable giving to assist with the process. Once you have the appointment, the rest of the process will fall into place since the hardest part is over. When an organization makes the commitment to developing Planned Gifts, it will make an enormous impact on any ministry's long term ability to make a difference.

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