



Gift Planning Landscape: An Overview

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INTRODUCTION

This gift planning landscape and marketplace overview was created to serve as a useful learning and discussion tool for those new to the field.

The overview and vendor list are not meant to be exhaustive. We are also not endorsing any organizations or companies. If we have miscategorized your group or if we missed it, please email us at learn@daylightadvisors.com.

We appreciate the guidance and input from our gift planning colleagues:



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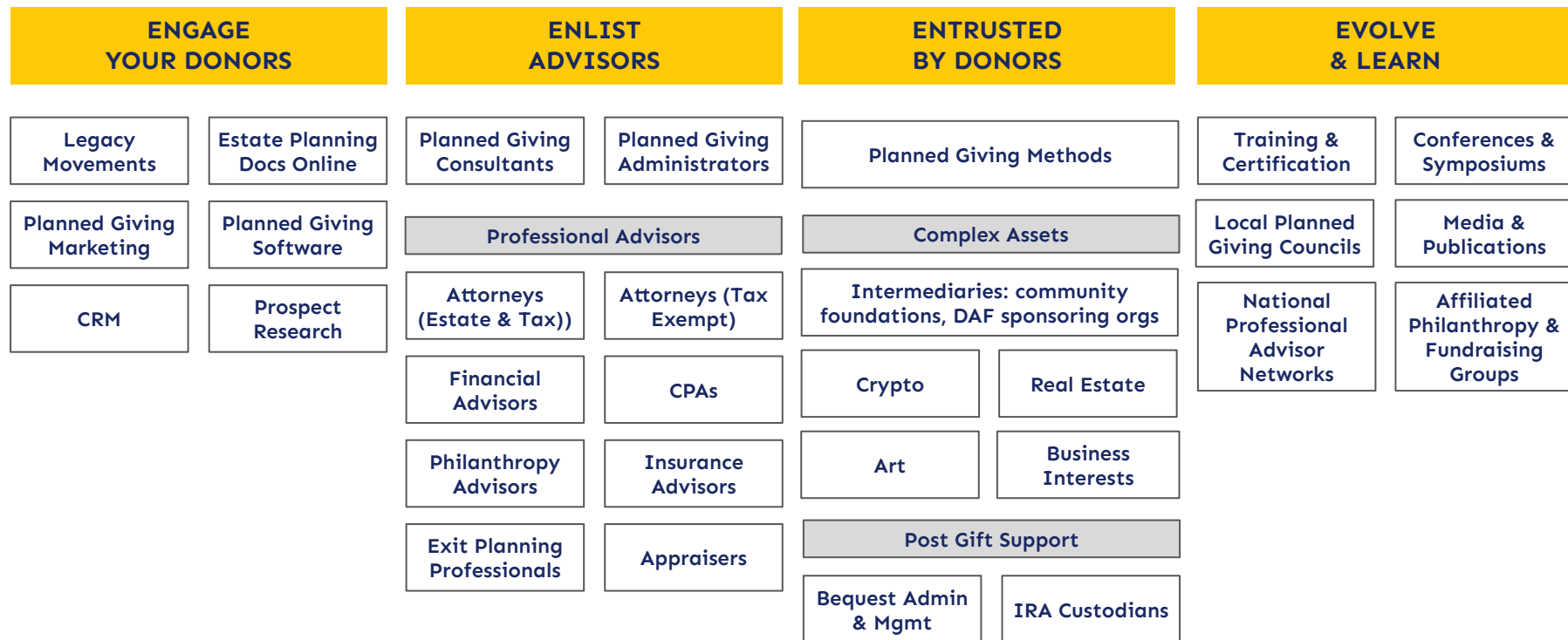


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GIFT PLANNING LANDSCAPE: OVERVIEW



ENGAGE YOUR DONORS

Legacy Movements

Advisors and nonprofits are working together to encourage community members to become legacy donors. These are usually public awareness campaigns to educate and build trust in the sector. Some groups, like [Leave 10](#), enable individuals to pledge a percentage of their estate to philanthropy.

Planned Giving Marketing

Large and small marketing firms offer various planned giving materials to nonprofits and their donors. Some vendors offer online marketing campaigns that include educational planned giving software for donors. Others focus on providing hard-copy literature and donor stories.

Planned Giving Software

Several firms offer software to run illustrations on charitable remainder trusts (CRTs), charitable lead trusts (CLTs), and charitable gift annuities (CGAs). These illustrations help donors understand the tax consequences, payment amounts, life expectancy, etc. of their gift. In addition, some software providers offer nonprofits a way to manage and account for their expectancies.

Estate Planning Online

Online estate planning software groups work with nonprofits to offer these documents to their prospect base in hopes of identifying legacy gifts.

Approximately [67% of Americans](#) do not have an estate plan.

Prospect Research (Donor Screening)

Data on donors help us qualify potential planned giving prospects. Some data can be collected through good relationship building. Other data may require the help of a vendor. Examples of data that help identify planned giving prospects include donors' backgrounds, past giving histories, wealth indicators, and philanthropic motivations.

CRM

A good client relationship management (CRM) software or process helps the planned giving professional manage their portfolio of prospects and donors. There are many variations of CRMs in the field.

ENLIST ADVISORS (FOR SUPPORT SERVICES)

Planned Giving Consultants

Planned giving consultants are engaged by the nonprofit to grow or strengthen their planned giving program. For new planned giving programs, these consultants can help craft a case statement, create or revise a gift planning acceptance policy, train staff to have planned giving conversations, or get the board excited about the program. They may offer templates and policies.

Some consultants work on their own, in a small firm, or some may be part of a larger fundraising consulting group.

Generally, they charge per hour, by project, or as a monthly retainer.

Planned Giving Administrators

Not all nonprofits can manage planned gifts in-house. Some firms provide planned giving administration services. These services may include payments to donors from CGAs or CRTs, completing tax forms such as 1099-Rs and K1s, computing the values of each gift annuity or a pool, creating reserve reports for state filings, etc. Qualified firms may also provide investment management services.

Fees vary depending on size of program and services rendered.

Example: For trusts larger than \$500,000 funded by cash or marketable securities, Charitable Solutions LLC charges 2% for the first million and includes administrative services, including investment and custody fees.

Attorneys (Charitable/Tax Exempt)

Planned giving involves a coordination of policies and processes that may require legal opinions and assistance. Engaging attorneys with a specialization in charitable or tax exempt organizations and familiarity with planned gifts will reduce risks while increasing the ability to take on gifts.

Appraisers/Appraiser Networks

Donors and nonprofits may need a qualified appraisal of certain gifts and those over particular dollar amounts. Having access to certified appraisers and knowing generally how they work will streamline the acceptance of gifts.

ENLIST ADVISORS (FOR REFERRALS, ADVICE, VOLUNTEERS)

Professional Advisors

Planned giving professionals generally engage professional advisors by inviting them to join a professional advisory council or attending special advisor events. These advisors can provide vital technical support if you run into a question you are unfamiliar with. They can also be your volunteer-speakers at professional advisor events, giving greater credibility to your planned giving program.

If engaged and properly trained to bring up philanthropy and planned giving, your professional advisory group may be your best referral source.

Many articles, podcasts, and books cover this topic. You may also want to learn how your peers manage and recruit their advisory groups.

Financial/Wealth Professionals

Family Office Advisor

Estate Planning Attorneys

Tax Planning Attorneys

CPAs/Accountants

Insurance Planners

Philanthropy Advisors

Trust Officers

Exit Planning Professionals

Real Estate Agents

High-net worth families turn to their financial advisor (41%), lawyer (36%), and tax accountant (17%) for help in making decisions for their wealth distribution plans.

- Cerulli, U.S. HNW and UHNW Markets, 2021

Clients who receive charitable planning are more loyal and likely to recommend their advisor compared to those who don't (measured by a higher Net promoter Score®).

- The 2020 Fidelity Investor Insights Study

ENTRUSTED BY DONORS (PLANNED GIVING METHODS)

Planned Giving Methods

Gift planners help donors achieve their philanthropic goals while helping the charitable organization fulfill their mission. This may require the gift planner to come up with creative solutions that take into account the financial needs of the prospective donor.

There are various methods of making charitable gifts. An outright contribution to the charitable organization is the most straightforward. Other times, a donor may wish to retain a financial interest while making an irrevocable charitable gift (split-interest gift).

A majority of planned gifts are bequests. However, having a conversational knowledge of advanced planned giving methods will put you in a better position to help the donor explore options they may be unfamiliar with.

Outright Gifts

- Bequests
- Life Insurance
- Retirement Plans

Donor-Advised Funds

Private Foundations

Split Interest/Life Income Gifts

- Charitable Remainder Trusts
- Charitable Gift Annuities
- Pooled Income Funds

Gifts that Protect Assets

- Charitable Lead Trusts
- Life Estates
- Bargain Sales

Conservation Easements

The average size per annuity of all gift annuities issued in the previous fiscal year was \$98,904.

- [2021 Survey of Charitable Gift Annuities](#), ACGA

"Nonprofits that employ at least one person focused on planned giving experienced a 293% increase in legacy gift revenue over nonprofits with part-time staff."

- The State of Planned Giving in Fundraising, CCS, 2023

ENTRUSTED BY DONORS (ASSET CHOICE & POST GIFT MANAGEMENT)

Complex Assets

Using the right assets to make a charitable contribution may be more tax-efficient for the donor and maximize the impact of their gift.

Complex assets are generally defined as beyond cash/cash equivalents and publicly traded stocks. Examples of complex assets include:

- **Bitcoin and other cryptocurrencies**
- **Real Estate**
- **Business Interests** (restricted stock, LLC and partnership interests, private company C- corp stock, private company S-corp stock)
- **Art & Collectibles**

Intermediaries

Accepting complex assets may require more work and coordination amongst the donor's advisors. Sometimes, it may be easier to involve an intermediary like your local community foundation as they may have more experience accepting these assets. They will liquidate the asset and the proceeds can be granted to the nonprofit.

Fidelity Charitable has processed more than \$7.4B in complex assets since inception; reviewing more than 500 opportunities each year.

In 2023, 56% of contributions to Schwab Charitable were in the form of non-cash assets.

Bequest Admin & Mgmt

In 2022, giving by bequest totaled an estimated \$45.60B per GivingUSA.

"Many charities struggle with organizing spreadsheets, paper files, and/or unsuitable programs to keep track of their numerous charitable bequests." Sandra Price, TrueBQuest

IRA Custodians

43% of organizations stated they experienced difficulty in collecting beneficiary proceeds from one or more IRA administrators.

Johni Hays leads the RIFT project, a database of materials to help them file and timely received IRA beneficiary distributions.

EVOLVE & LEARN

Planned Giving Training Programs

A combination of technical and soft skills is required to be a successful planned giving professional. These are developed through specialized professional development offerings and on-the-job training. Variations of planned giving courses and certificate programs are available for those new to the field or at the master-level.

Conferences & Symposiums

Skills-building and networking opportunities are available through conferences and events. Many planned giving councils organize gatherings for their members. In some areas, regional conferences bring a more diverse group of professionals together. Attending affiliated professional advisor events helps with learning, relationship building, and referral opportunities.

Local Planned Giving Councils

Local planned giving councils offer education and networking opportunities. They are usually the go-to membership group for many planned giving professionals. The National Association of Charitable Gift Planners (CGP) has a [list of local councils](#) organized by state.

National Professional Advisor Networks

We work within the intersection of several disciplines to engage and steward our donors. Understanding how advisors are compensated, their language, their process for achieving client goals, and their approach to the philanthropic conversation allows us to be more effective in our work.

Affiliated Philanthropy & Fundraising Groups

We are part of a larger ecosystem of professionals who serve the donor/client: diverse membership groups and networks in the broader philanthropic space support referrals, collaborative learning, and field-building.

Media & Publications

Staying on top of planned giving news and general giving trends helps us better engage our donors. Print, podcasts, books, and other media are available for planned giving professionals.

**Representative vendors in the gift planning marketplace.
Suggestions? Send to learn@daylightadvisors.com.**





Daylight Advisors

is a global professional development platform where advisors can find the knowledge, ideas, and community to support their passion for growth, service, and philanthropic outcomes. By lighting the way for new approaches, we accelerate and democratize who acts for social impact, how, and with whom.

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