

Just Ask



BY LORI CLONINGER SWEENEY

“Oh, I’ve already done that.”

As a parent, I can think of several scenarios where I definitely would not want to hear this, but as a fundraiser, I am delighted to hear these magic words: “I’ve already put [your organization] in my will.”

But should I be surprised? As fundraisers, shouldn’t we be knowledgeable enough about our donors to know that our organization is among their charitable priorities and could be included in their estate plans? Why are we lax in inquiring, especially when it is a question that we could ask early in the relationship?

Mature institutions with established, loyal donor bases should be asking for estate gifts earlier in relationships and recognizing these gifts for the major-gift decisions they are. And, in the process of being bolder earlier, we can more easily establish the depth of the relationship our donors have with our organizations, robustly steward these all-important bequests and appropriately shepherd our donor relationships for growth and multiple annual gifts.

So, why not just ask?

Prepare for the bequest ask.

Of course, every good ask is prefaced by a thoughtful, persistent and consistent marketing program in all facets of your communications. No, I mean it. Every facet—not just the gift-planning newsletter where you list names.

Tell your bequest stories in newsletters and e-communications (not just “Have you done it?” but “Here’s a story about someone who made this powerful choice”). Weave the impact of a recent bequest into your president’s club presentation. Repeat a good story at your faculty research event about the impact a realized bequest enabled. Train your development officers to have three to four bequest stories in their tool kit when they meet with donors. Help them learn how to make these stories colorful and impactful to your donor prospects.

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And for heaven's sake (no pun intended), absolutely be sure to put a checkbox on e-giving and reply envelopes, preferably an option where a donor prospect can ask for a personal call (which should be made tout de suite, as it's all about responsiveness).

We become more comfortable with topics the more they are talked about, the more they are part of our vernacular, the more they are represented as a powerful choice. Scientists call this "warming up the brand," and

it is common practice to get people to see organizations as they do other people, with emotion and loyalty. Asking for a bequest for your organization should become part of your brand, as common as "Don't leave home without it."

Ask earlier in the relationship—even on the first visit.

With increased pressure for major-gift officers to make numerous asks and land gifts, querying about a bequest

IRA Is A-OK

With the passage of the Protecting Americans from Tax Hikes Act of 2015, a traditional Individual Retirement Account (IRA) has become an incredible option for donors making philanthropic commitments. Learning more about your donors' IRA accounts, particularly donors who are single or widowed, can chart a path to several gift discussions.

First, the ability to make a direct transfer of funds from a donor's IRA to charity (e.g., an IRA "rollover") is now a permanent part of the tax code. This means that you can market this choice to donors as they approach age 70.5, which is the age at which owners of IRA accounts must begin to take the required minimum distribution. Donors who do not need the income (or the tax consequences!) will want to know that initiating an IRA rollover can be tax-advantageous and simple. Let them know about this option, and develop a tool kit (e.g., a sample transfer request letter that includes your organization's tax ID number and a flowchart of how the gift works) to send to donors who inquire. You might want to suggest this option for multiyear commitments.

Development officers at all levels can discuss IRA rollovers. The gift conversation is a wonderful way to learn more about the assets your donors hold. (For example, when the IRA was established, doctors and lawyers in particular were advised to shelter income in these vehicles and may have large IRA accounts but don't need the income, taxes or estate-planning hassles they can present.) A simple "A gift from your IRA might be a way you can benefit our organization. Do you have one?" opens up a wonderful opportunity to discuss an outright gift.

IRAs are good bequest options too, particularly for charitably minded widowed or single donors who don't want to burden their children with the taxes associated with inheriting an IRA.

I recommend that you encourage the option of a percentage of the account, in case there are other heirs or if the donor has multiple charitable priorities. This can be done simply on the designation form. For instance, "10 percent to XYZ University, tax ID #____" is a thorough and simple way to note this gift. Beneficiary forms can be completed online or via hard copies obtained from the IRA administrator or financial planner. Donors can complete this intention in less than a week (something you should mention!). While consulting a financial adviser is wise, this option typically does not require an attorney, a plus for some donors who believe estate planning to be cumbersome and expensive.

Discussing an IRA rollover is also a way you can surface other charitable priorities. An account can be designated to a number of charitable priorities. It is important to learn about other charitable interests as you chart a path with your donor.

Last, talking about your donor's IRA is a way to explore deeper planned-giving opportunities that may benefit family and children. Donors with children will want to be reminded that inheriting an IRA as a spouse is forthright and simple; as a child, it is not and can be a notable tax burden for the children. The IRA owner could consider establishing a charitable remainder unitrust (CRT), which is funded by the donor's IRA upon his or her death. The CRT provides income to the donor's children or others for a period of time before distributing the trust's remainder to charity.

Using an IRA for philanthropy is a topic for donors to discuss more thoroughly with a tax/financial adviser, but they will appreciate the information and suggestions you make as a fundraiser.



is more common now than five years ago. However, asking everyone and their mother for a bequest is not the way to plump metrics.

Thoughtfully asking about the bequest intentions of loyal donors and donors who give in your organization's "midrange" helps to determine where your institution falls among your donors' charitable priorities and quickly establishes the path of your relationship with those donors.

It's a pivotal question: Do your loyal donors at any level give because of habit or because they view your organization as a charitable priority?

One way to tease out a donor's priorities is simply to ask, "Would you consider designating [my organization] in your estate plans?" Often, "I've never thought of that" is the response. It doesn't mean they are not warm to the idea. It doesn't mean they don't want to talk about their own passing. It doesn't mean you are treading on private burial grounds.

It just means they haven't thought about it until you asked.

Follow up thoughtfully with gentle probing, bring out your trusty legacy brochure, tell another's bequest story. Share pearls of fundraiser wisdom. Here's one: Naming your organization as a percentage beneficiary in your donor's IRA is simple, tax-advantageous and meaningful (see sidebar).

Leave the brochure, ask about the best way to follow up (email or a phone call?) and set the table for your follow-up actions in three, six and nine months. You've made an ask, and you need to continue the conversation to close the bequest gift.

And realize that you've just identified a major-gift donor prospect.

This. Is. A. Major. Gift.

A ballpark average for large-institution-realized bequests is \$150,000. Treat your bequest donors like the major donors they are. Think about it: Designated bequests are likely to be the biggest gifts most donors make in their lives. Of course they want to be graciously stewarded while they are alive—and not just because they can change their minds.

Organizations need to have a plan in place to consistently thank, recognize and remember these bequest gift commitments. Every few years (yes, it may be decades for some of these gifts to be realized!), remember your donors individually and memorably and refer to these key stewardship moves, such as a special leadership visit, a photograph at a legacy event or a special conversation with a renowned scholar to give the donor a sense of the impact his or her gift will make.

Our more modest donors have to make careful choices with the philanthropic dollars they accumulate during their lifetimes. Show that you remember, honor and appreciate them for the major-gift decision they've made.

Steward the whole family.

One of the greatest benefits of a bequest is that it becomes a family gift, part of the individual's or couple's legacy to your institution. And you should include the whole family in stewardship. Invite the family—and perhaps treasured friends—to recognition events. If grandchildren are important, include them meaningfully in a tour. (They can push the button on the 3D printer!) You can develop good relationships with adult children by thoughtfully stewarding their parents' bequests and voila! You've identified new donor prospects! The children learn about their family philanthropy and are key to the ongoing support of the funds established.

Including children early on is wise and gracious and helps family members understand why the gift was made. And, the gift has a much greater chance of staying intact as envisioned.

A word from the trenches: From the beginning, include the spouse or partner. Always, always invite him or her. This is one area where you should not make assumptions. Somehow, we readily excuse women from gift discussions because we have this old-fashioned idea that men handle the "business" in a family. Ding-ding! Women drive family philanthropy, often manage the money and typically live seven years longer than men. When it comes to bequests, women are crucial to the conversation. They will be making final decisions and can change plans.

A year or so ago, a mega-donor recalled that we had sent a special handmade scarf (with scientific images on it) to his partner, one she wore all the time and loved. She didn't influence the business decisions of his philanthropy, but our kindness to her influenced him. And they weren't married.

Remember: A bequest is a family gift no matter how "family" is defined.

Build a multifaceted giving relationship.

In thoughtfully stewarding and reporting impact, we are in a perfect position to outline current and future giving opportunities. It is a cultivator's dream—a chance to hear from leadership, see impact, learn of new opportunities—all appropriately cloaked in a spirit of gratitude. Giving opportunities can be outlined at legacy events or in communications, so bequest donors know the options available.

Longitudinal research of 9,439 donors by Russell James of Texas Tech University in 2014 shows ample evidence that gaining a bequest helps you gain a lot more. Donors are more apt to increase their annual giving once a bequest is confirmed and stewarded (the average post-bequest jump in giving is \$3,171), and they are more inclined to increase their giving over time (the average annual gift post-bequest is \$7,381). Bequest confirmation and thoughtful stewardship will lead to annual gifts and campaign commitments, sometimes prompted by special match opportunities or to “test the waters” (a scholarship donor might readily consider making a cash gift for the endowed scholarship fund her bequest sets up).

For example, a donor I visited some 10 years ago made a bequest and then realized, as life (and her chronic illness) marched on, that she had the means to make a gift now. Because we had thoughtfully and individually stewarded her and she knew how her bequest would make an impact for research, she moved forward with a gift of \$250,000 over two tax years. Today, she’s a “regular” major donor, impacting research with her gifts now instead of through her estate.

Honor and engage those who say no.

I regularly have bequest discussions early in my conversations with donors. When a donor declines interest or simply does not respond, I thoughtfully check in periodically, often when annual gifts are received. A quick phone call or note of thanks is a chance to include the latest bequest donor story or simply resend your business card.

People’s lives shift. Their attitudes and situations change, and they can invoke past conversations to influence their philanthropic decisions. You and your organization should be at the ready to respond and ask, “Does a bequest hold more interest at this time?” Persistence in fundraising, especially confirming bequest intentions, is paramount.

Reunions, the death of a spouse or a new health diagnosis are all reasons to revisit a bequest discussion. Look for and reference these tipping points. But, most of all, be consistent in regular engagement so the prospect feels stewarded no matter what his or her decisions and appreciated for whatever level of giving she or he chooses.

In other words, don’t forget about them. Donors will establish bequests if you have a meaningful relationship with them.


A bequest discussion helps you chart a path.

If you learn early on in a donor relationship that a donor is interested in making a bequest, your relationship with that donor takes on a major-gift tone. Bequest donors make other gifts of significance. You surface family and friends in the relationship-building process who become donor prospects. Realized bequests are major-gift size and sometimes supersized. Hold these donors close to you.

And if a donor chooses not to make a bequest, your organization should be thoughtful enough about the donor pipeline to be reporting impact and recognizing loyal donors for the gifts they give every year. Be sure you are consistently thanking loyal donors for whatever gift they make. (A thank-you call every few years makes a wallop of a difference in loyalty and you know it. Just ask your grandmother about your treasured thank-you notes for birthday gifts!)

Most importantly, qualifying a major donor prospect by using a bequest ask determines if your organization is a charitable priority. Let me say this again: Asking for a bequest is a fruitful, thought-provoking, efficient way to qualify donors. It is a soft-enough conversation for a first visit and one you can revisit. It yields much more information than a lukewarm initial visit, where the highlights are the program update and “Can you come to homecoming?” You learn more about the donor’s charitable priorities, and that is vital to the path you facilitate for your donor.

Don’t be afraid to boldly inquire where your institution fits in your donors’ estate plans. It will lead to major gifts of all shapes and sizes from donors. It will increase your annual gifts over time. It will be the best way to qualify your donors during initial visits. It will provide a sustainable pipeline of gifts for your institution’s future.

Just ask. 



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