

The Impact of Planned Giving on the Annual Fund**By Raymond E. Moore, CLU, ChFC, MSFS, AEP, CAP, Guest Contributor**

Thanksgiving and Christmas, the time many of us give thanks and remember those less fortunate. This is the time of the year to remind our donors just how important they are to our/their cause.

CEO's, Development Officers, Board Members and our many selfless Volunteers spend countless hours developing relationships with the many donors who make our work possible. Those efforts are often rewarded with many large and small annual gifts that fund our programs and services. It gives us great pleasure as we watch donors become more and more vested in our cause and watch their annual gifts grow over the years. We invest countless hours developing these relationships and often find we have become not only dependent on their annual gift, but also addicted to them. They make our jobs easier.

Easier, until the day they slip these earthly bonds. We often will miss their wise counsel, and the time spent with them, but surely we will miss their annual gift, the life blood of our mission.

Development Offices and CEO's are so focused on funding the mission Today or This Year, they often cannot – or will not – find the time to address the long term. Perhaps it is out of fear of asking or perhaps it is out of fear of the unknown. Few charitable organizations outside of the College/University realm have professional Development Officers dedicated to Planned Giving. For most organizations it would be impossible if not impractical to attempt to fund such a position. But that does not exempt them from the need for planned giving discussions with their most faithful donors.

The easiest approach is a simple approach. “Mr. or Mrs. Donor, your annual gift of \$1,000 (+) over the past 5 years has meant we could provide _____ services/programs that would not have been possible without your gift. I believe and hope you will find it in your heart to continue to make this annual gift for many years, but our organization really needs your gift to continue in perpetuity. Would you consider endowing your annual gift at your death? A one-time gift of \$20,000 (20X annual gift) would allow us to create an endowment fund that will continue to provide us with your annual gift forever.”

Perhaps because most CEO's and few Development Officers have a firm grasp of how planned giving can benefit many estate planning choices for their donors, and few understand how to advise donors on the best assets to use they are reluctant to have these conversations. Simply asking if they would consider such a gift followed up by a recommendation they discuss the best planning technique – or best asset to leave – with their financial advisor or attorney.

Some organizations develop relationships with high quality estate planning attorneys and financial advisors with specialized education and training in Philanthropy who they refer their donors to ensuring they get the best advice possible. A word of caution – seek out advisors to refer donors to who have the right education, a great reputation and come with great references from other charitable organizations. Those that seek you out might have motives other than the best interest of your donor.

Raymond E. Moore, CLU, ChFC. MSFS, AEP, CAP
Moore Financial Services
567 B Southlake Blvd.
North Chesterfield, VA 23236
(804) 379-3212
RMoore@MooreFinancialServices.com
www. MooreFinancialServices.com