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CHARITABLE TRUST



Essentials of
Development
A MURDOCK TRUST PROGRAM

Essentials of Development

Estate Gift Seminar

Material Provided by The FOCUS Group

What's the Difference?

- › Planned – Given during lifetime/event related
 - › Do you live on much less than you earn?
 - › Do you plan to sell your business?
 - › Are you selling an appreciated asset?
- › Estate – Gifted after 1 or 2 deaths



Basic Facts

- › Only 35% have a current will or estate plan
- › Fewer than 10% have charitable intent
- › Religious organizations receive the largest percentage of estate gifts – 45%
- › Urgency with Boomers
- › \$80+ trillion wealth transfer
- › Shorter capacity timeline
- › 80% of gifts simple will/trust designations



Boomer Urgency

- › 10,000 turn 65 everyday
- › Most make their initial estate gift inclusions between ages 45-58
- › Importance of IRA/Retirement fund giving – fastest growing
- › Gift list shortens with revisions
- › Gift flow begins in 2028



Why Legacy Donors Give

1. Have a relationship with the organization
2. Organization has long-term track record
3. See the organization is “making a difference”
4. See legacy gifts adding value, gift not spent for annual operations
5. They were personally asked



Why Legacy Donors Don't Give

1. Absence of a credible plan and vision for the future
2. Lack of confidence in the board and/or executive leadership
3. Information deficit about the organization's effectiveness
4. Absence of gift, grant, and investment policies
5. **Failure to ask**
6. Failure to include spouse in the cultivation and solicitation process
7. Lack of on-going engagement after the gift



Responding to Important Donor Questions

1. My family is my top priority, is it possible to make a gift that will not affect them negatively?
2. My documents are already completed, how difficult is it to add a gift?
3. Can I designate my gift to a particular initiative?
4. Who is managing the funds and what is the policy regarding distributions?



How Life Impacts Gifts, Or, What to Listen For When Engaging Your Donors

1. Important changes in family circumstances, weddings, births, deaths
2. Sale of a family business
3. A corporate buy-out
4. Family inheritance
5. Reference to forming a type of giving vehicle like a family foundation, family trust, donor advised fund



The Asking Process

1. The Invitation – phone or email
 2. Preparation – Learn about their relationship
 3. The “Ask” – in person; share the case
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- *Key question: “Have you already or would you consider including a gift in your estate?”*
 - Follow up – always a next step; key to success



Estate Planning Myth #1

- › Estate planning is really only an important issue for those that are older.
- › Estate planning is essential at all age levels and life stages.



Estate Planning Myth #2

- › If donors make an estate gift their current support will go down.
- › In fact, the opposite is true. A deeper investment with an estate gift strengthens the long-term relationship.



Estate Planning Myth #3

- › Donors shouldn't include any charitable interests if they've decided everything is going to family.
- › Life experience tells us things don't always go according to plan. Charitable designations can be included without shortchanging spouse or other family.



Estate Planning Myth #4

- It is complicated for donors to make a specific designation for their gift.
- An increasing number of gifts are designated. In many cases this can be done outside of their documents.



Estate Planning Myth #5

- › If someone passes without completing any documents, their family still gets to decide how things are distributed.
- › Possibly, but in most states the court will decide who is in charge of the estate and will want to sign off on all distributions, adding months/years to settling an estate.



Getting Started

- › Confirm top 5-10 prospects
- › Review or establish policies
- › Role play visits



Documenting a Declaration

1. Copy of instrument (will/trust)
2. Initialed charitable beneficiary page
3. Letter from legal counsel
4. Signed declaration form
5. Donor letter or email
6. Beneficiary document (IRA, retirement fund, life insurance, etc.)





Thank you

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