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<http://www.ala.org/advocacy/advleg/frontlinefundraising/basicplannedgivingprogram>

Implementing a Basic Planned Giving Program

Once you've decided to implement a planned giving program for your library, here are eight ways to promote it:

1. Clearly articulate your mission, main functions of your organization, and identify ways large and small gifts could impact your work.
2. Educate your board and staff about planned giving opportunities and the importance to the Library.
3. Develop or purchase informational materials for mailings to prospective donors.
4. Let supporters know about planned giving opportunities through your newsletter.
5. Create a web page for planned giving opportunities.
6. Promote the concept of planned giving by using brochures, bookmarks, advertisements, articles and programs.
7. Prepare a response card.
8. Attend seminars, workshops or classes sponsored by other institutions to learn more about planned giving.

Types of Planned Gifts

Planned gifts can come in many forms. Some require little work on the part of the Library other than letting the donor of the options of planned gifts and how to phrase the bequest in their will or to designate the Library as the beneficiary.

1. Outright Gifts

Charitable bequests are gifts of any property (real or cash) made by naming our library as a beneficiary in a person's will. This is a simple method and the number one way of making a planned gift by donors. The donor can also bequeath a particular asset or a percentage of their estate rather than a dollar amount. This is the easiest way for libraries to work with planned gifts.

Each year thousands of individuals exercise the privilege of determining the final distribution of their estates. Bequests can take various forms: a general bequest, a residuary bequest, a percentage bequest, or a restricted bequest.

- **A general bequest** is one of the most popular ways to make a charitable gift by will. The donor simply leaves a specific dollar amount to the library.

- **A residuary bequest** is given to the library after all (or a portion) of an estate owner's property after all debts, taxes, expenses and other bequests have been paid.
- **A percentage bequest** is expressed as a percentage of the estate or of the residuary estate.
- **A restricted bequest** restricts the bequest for a specific purpose. This can include setting up an endowment. This type of bequest should be made in the broadest terms possible consistent with the donor's wishes. This guards against the possibility of the purpose of the gift becoming obsolete (such as the elimination of a specific collection, program, department, etc.).

Donors will work with their attorney and/or financial advisor to determine the amount to leave your library in their will. Your job is to work with the donor to explain your areas of need so the donor's desires are met. It is helpful to advise the donor to be as broad as possible in making his or her bequest.

Be honest and let your donor know that the library's world is one of changing technology, emerging customer needs, and ever-expanding formats. It's hard to predict what your library will be like years from now when you receive the bequest. For example, if you have a donor that is interested in supporting your music collection, advise the donor to word the bequest "for the purchase of music materials and resources," versus a specific format.

In many cases, we don't know that someone has left a bequest to the library in their will. We find out after they have passed away. Libraries need to identify donors, customers, and patrons who have the capacity and inclination to leave a bequest - and to work with them while they are alive.

You will need to provide the correct wording to your donor or their attorney as to where to leave the gift; name of a specific program, etc. For example, do you receive gifts in the name of your library? Its board? Your library Foundation? Your Friends group? Or do you have another charitable organization? You will also need to provide your federal tax I.D. number.

2. Life Insurance

Life insurance gifts can include whole life, universal, and other forms of life insurance policies. Donors can contribute all or part of a policy to your library when you are named as a beneficiary. The donor retains ownership of the policy and has access to the policy's cash value. Since the donor retains ownership, no charitable income tax deduction is allowed upon making the library the beneficiary. Once the donor passes away and the proceeds are paid to the library, the donor's estate will be allowed a charitable estate-tax deduction. Donors need to work with their insurance provider to designate your library as the beneficiary.

3. Retirement Plans

Retirement plans are another easy way for the donor to make a gift to your library. Retirement plan benefits represent a major portion of the average person's estate. Through the retirement plan provider, a donor can designate your library as a full or partial beneficiary. Again, the donor can name a specific amount or percentage. This gift can be designated when the fund is

first established or changed at a later date. The plan administrator will provide a change of beneficiary form upon request. Giving in this way can help maximize tax savings.

Making the Ask

What's the number one reason why people donate to charity? ***Because they were asked!*** (Remember the quote from Millard Fuller at the beginning of this *Frontline Fundraising Toolkit*?)

Planned gifts do not happen overnight. The average time from inception to maturity for a planned gift is 7 to 10 years. At the very minimum, you should start talking to library supporters about leaving a bequest because, if you don't, another organization most likely will! Start with bequests because they are the simplest kind of planned gift. As you have more time to develop the relationship with your potential planned giver, you can talk about more sophisticated planned giving vehicles.

Here are some conversation starters:

- Your annual gifts make such a difference to the library, have you considered leaving a planned gift to the library?
- Would you consider including the library in your estate plans?
- After you've taken care of your family, would you consider leaving the library in your will?
- Are we already in your estate plans?

Once you have started the conversation, you can follow up with a one-on-one meeting to discuss specifics and donor desires. Be sure to remind listeners that they will need to consult with their attorney or financial advisor to determine the best kind of planned gift. Direct them to your library's website for more details.

Elevator Pitches

An "elevator pitch" is a conversation starter, not an entire sales pitch. It is concise, compelling and told in terms that anyone should understand. (It's called an elevator pitch because it only takes as long as an elevator ride.) The language is informal and to-the-point. You need to have an elevator pitch ready when it comes to your planned giving program. Here are a few examples:

- Bequests:
"Your support of the library could be as easy as a simple designation in your will. It won't affect your cash flow during your lifetime and can be revoked or amended if your situation changes."
- Life Insurance policies:
"Did you realize that you can make a gift to the library by assigning the library as a beneficiary to your policy?"
- Retirement Plans:
"Retirement funds can be heavily taxed if passed on to your heirs. They're tax free if given to the library."

Marketing Your Planned Giving Program

“If a tree falls in the forest, and no one is there to hear it...” You know the rest. The most important thing about marketing your planned giving program is to be consistent and diligent about getting the word out.

You should plan to include something about planned giving in your library’s marketing materials. It could be an article or notice in each of your library or Friends newsletters, a link for information on your library’s website, a brochure, a program series within the library, etc. Start out simple by promoting bequests to the Library.

1. Newsletter Articles and Notices

Begin an awareness campaign about planned giving in your library’s newsletter. A small ad, a brief article or a boxed notice are ways to communicate about the options of charitable bequests with supporters in your newsletter or in other communications. These communication methods are easy ways to bring this opportunity to the attention of potential donors on a regular basis. Articles don’t have to be long or detailed; just plant the seed to open up further discussion.

Begin your article or notice with a tag line, a title that is intended to catch a reader’s eye and attention. Here are a few examples:

- Have you considered leaving a gift to the library in your will?
- Leave a legacy at the library.
- Use the present to invest in the library’s future.

Here are several sample articles/notices:

- *“Tomorrow’s results are created by today’s dreamers. Many people dream of a way to help the library grow in the future. Some find that a good way to accomplish that is to designate [name of library or other receiving organization] as the beneficiary of all or part of your retirement plan or life insurance policy. Learning more about this support option happens when you call [fill in the contact person’s name and phone number].”*
- *“In recent years, donors have informed us of their intention to include a gift to [name of library or other receiving organization] in their wills. These gifts provide an estate tax deduction and have a tremendous impact on our ability to [state purpose]. If you would like information on how to include [name of library or other receiving organization] in your will or estate plan, please contact us. [name, address, phone]”*
- *“Libraries matter! While an overwhelming number of people believe library services should be a top priority, many are unaware of the financial difficulties facing American libraries. An easy way for anyone to provide support is through a gift provision included in a will. The wording of “to the [name of library or other receiving organization]” will provide such a gift. Directing your support to any of the library’s highest priorities --- (1) XXXXX, (2) XXXXX, or (3) XXXXXX -- would be appreciated. To learn more about the smart choices you can make, call [fill in the contact person’s name and phone number].”*

- *“There is yet another way for you to express your commitment to the goals of [name of library] through a planned gift to [name of library or other receiving organization]. Once you have provided for loved ones in your will, you may want to include a gift of money, stock or property to the library. Your gift will be a lasting tribute to your concern for the [mission], while guaranteeing the library’s long-term future. For further information on how to include [name of library or other receiving organization] in your charitable giving plans, please contact [name,address, phone].”*

2. Web site

Create a simple web page (or pages) outlining the type of gifts you accept, how to give and who to contact. Link this web page to your library’s website. Include donor stories and testimonials, if possible, and talk about the impact planned gifts have made – and can continue to make – to the library. You’ll want the web page(s) to motivate your prospects to make a planned gift, or at least learn more about planned giving.

Your planned giving web page(s) should be designed for maximum ease of navigation. If it’s not clear and easy, your prospective planned giver may give up.

3. Simple Mail Campaign to Invite Planned Gifts

One way to get the ball rolling with planned giving is to initiate a direct mail campaign that invites prospects (primarily current library supporters) to consider a planned gift. Put together a simple planned giving mailing. Consider including:

- **Personalized letter**

Send a personalized one-page letter telling prospects about the library’s bequest program. Let them know the important role bequests have played in your library’s history and encourage them to visit your planned giving website (if you have one) or contact a specific person (provide name and contact information) to learn more. (See “Tips for Creating Effective Solicitation Letters” in [The Annual Fund: The Cornerstone of All Fundraising](#) in this toolkit.)

- **Response card and return envelope**

Include a postcard-sized response card and a self-addressed envelope (no stamp) that can be mailed back to the library. Provide space for the respondent’s name, address, phone, e-mail and other contact information. Be sure to address the return envelope to the attention of a designated individual to ensure confidentiality.

Sample response card and wording:

- I/we have included the [name of library or other receiving organization] in our will or trust.
- I/we am(are) interested in including the [name of library or other receiving organization] in our will or trust.
- Please send me/us information on leaving a gift in my/our will or trust to [name of library or other receiving organization].

- **Follow-up**

Two or three weeks later, follow up with either:

Follow-up letter, postcard or phone call from

“If you have already included the library in your estate plan, please let us know. If you haven’t, it isn’t too late.” is clear, simple language. Sadly, too often we learn about a gift after the generous donor has passed away and it’s too late to say ‘thank you.’”

Follow-up letter from someone who has already created a bequest

People give to people. When asking a prospect to consider a gift, including a letter from a person who has already made a gift sets a strong example. This letter might say something like, “*I didn’t think about a bequest either, until someone asked me to consider it. Now I feel so good about helping the library this way.*” If the person signing this letter is well-known to the recipients, that can strengthen persuasion.

Documentation when someone says “yes”

When a donor decides to include your library in his or her estate plan, it’s a cause for celebration! They’ve just made a decision to give a meaningful and long-lasting gift of support.

Regardless of the kind of planned gift an individual wishes to make, it is important to have the donor’s wishes documented in writing. The best way to document the gift is by sending the donor a letter. See the ***Planned Giving Documentation Letter Template*** ([PDF](#) or [word document](#)).

In the case of a bequest, try to get a copy of the will for your files. With other planned gifts get a copy of the retirement plans, beneficiary forms, etc. The document can be placed in the file for future reference. You want to make sure that you have as many details as possible to execute the gift properly once it is received.

Then, smile. You can feel good knowing that you’ve helped provide for your library’s future in this important and meaningful way.

Conclusion & Resources

Like all other areas of development, success in planned giving requires the ability to develop meaningful relationships with your library’s users and current donors. Understanding your donors’ motivations and objectives, which is accomplished primarily through personal contacts and steady relationship building, is far more important than understanding the technical nuances of planned giving. Begin to develop relationships with your top prospects, learn the gift planning basics, and recognize that most planned gifts require the efforts of a team of individuals who understand their roles and those of the other parties involved. Success will follow.

Resources:

- ALA's development office: development@ala.org
- ALA Library Fact Sheet #24- [Library Fund Raising: A Selected Annotated Bibliography](#)
- To find out about including ALA in your estate plans: <http://www.ala.org/ala/aboutala/offices/dev/plannedgiving/index.cfm>
- <http://www.plannedgiving.com>
- National Committee in Planned Giving: <http://www.pppnet.org/>
- American Council on Gift Annuities: <http://www.acga-web.org/whoare.html>
- The Planned Giving Design Center: <http://www.pgdc.com/host/planned-giving-design-center-llc/overview>
- Association of Fundraising Professionals: <http://www.afpnet.org/>
- To view some planned giving websites: <http://www.virtualgiving.com/sites>
- Various state Planned Giving Roundtables
- Check out the development web pages of your local university or college
- Sources for marketing materials:
 - Pentera <http://www.pentera.com/>
 - Stelter <http://www.stelter.com/site/index.jsp>
 - Sinclair, Townes & Co. <http://sinclairownes.com/>

