

Blended Gifts

How to Secure a Transformational Gift
from a Major and Annual Gift Donor

Dr. Eddie Thompson, CEO and Founder
Thompson & Associates



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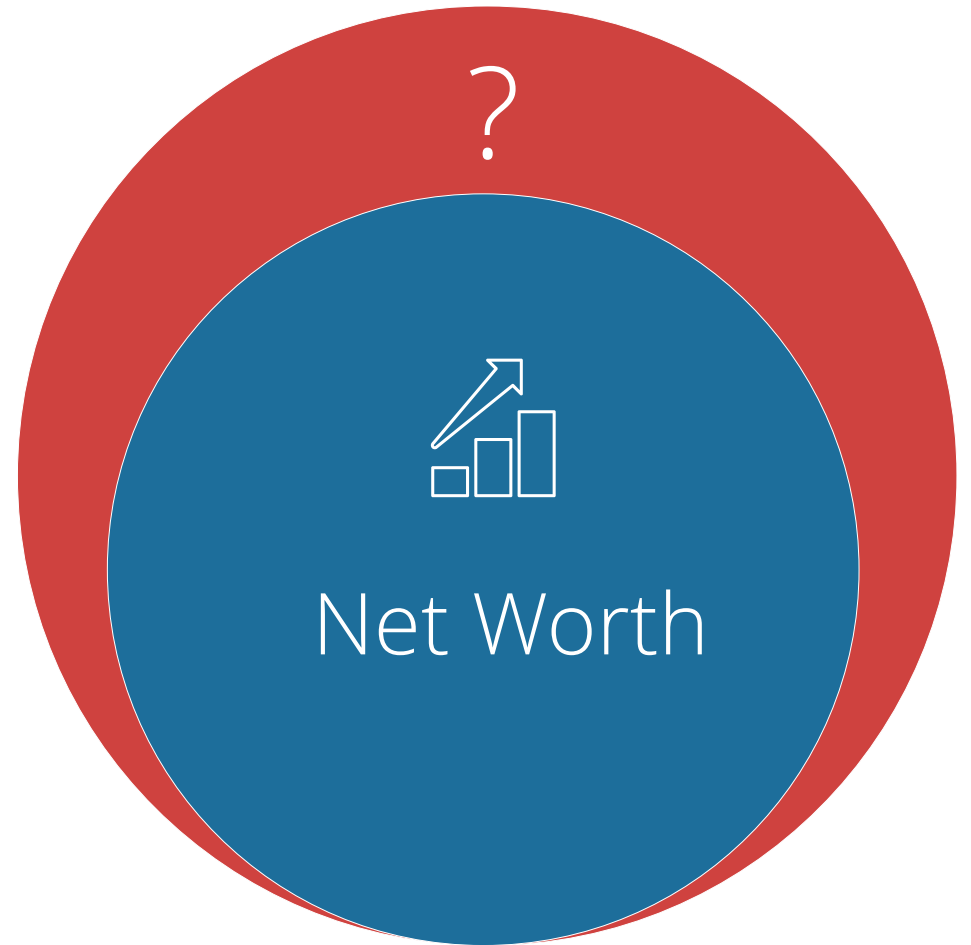
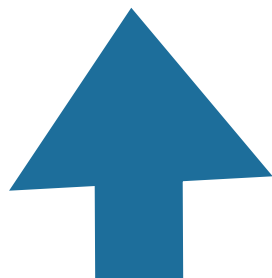
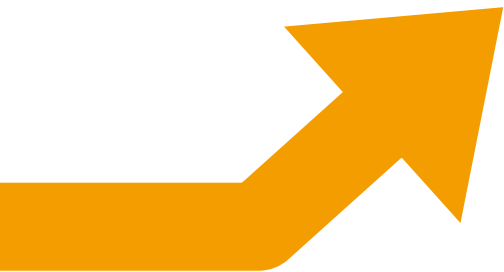
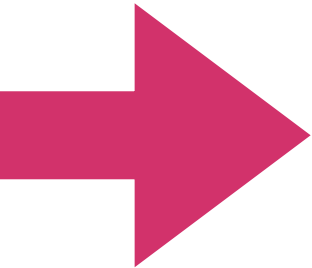
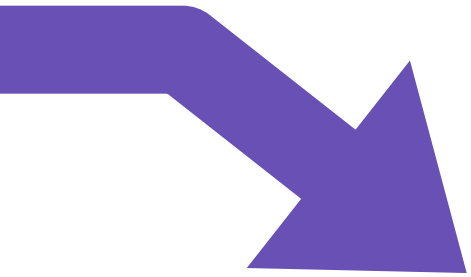
Fundamental Concepts



Where are nonprofits looking for gifts?

Annual

Planned

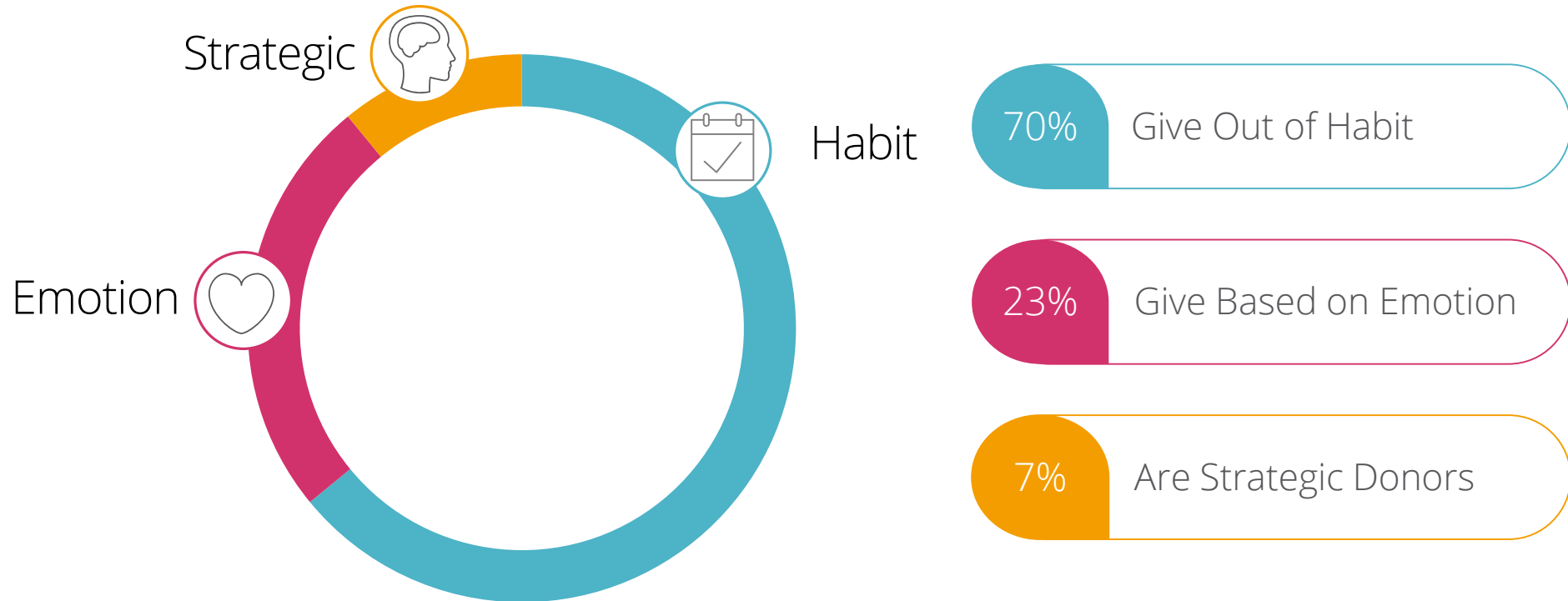


Where are nonprofits looking for gifts?

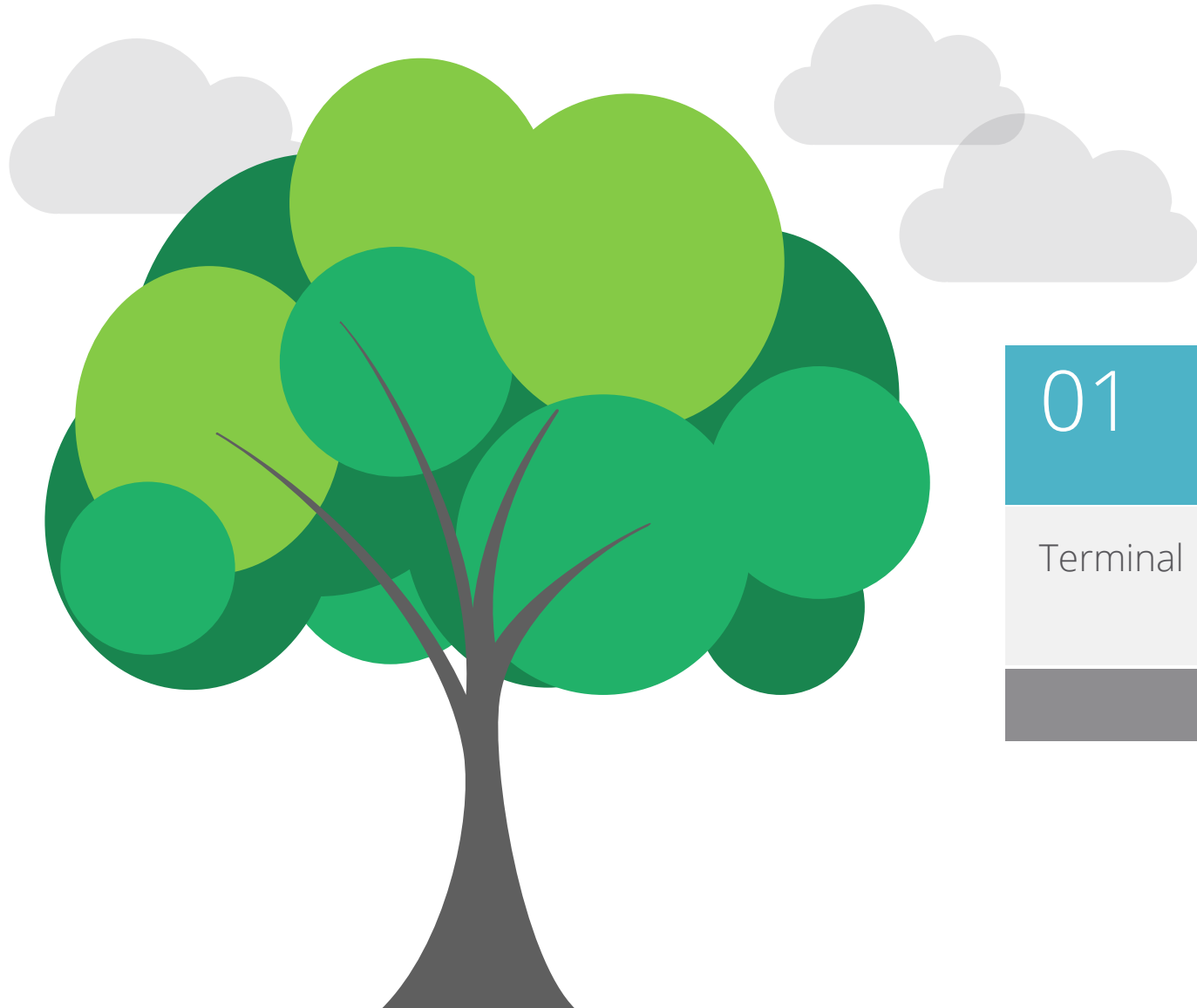
What if a donor could choose both?



Three Types of Donors



Two Types of Wealth Accumulators



01

Terminal

02

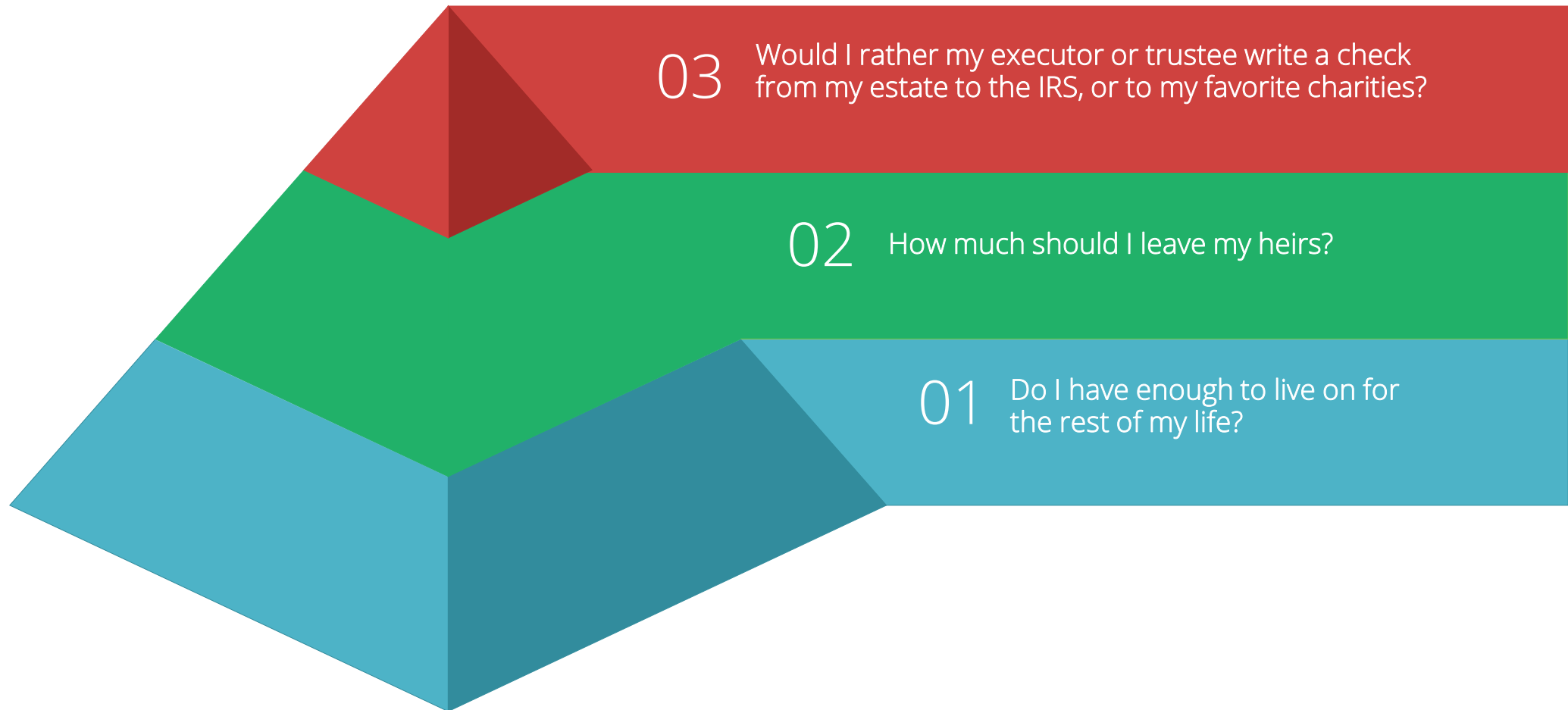
Instrumental

Three Questions...

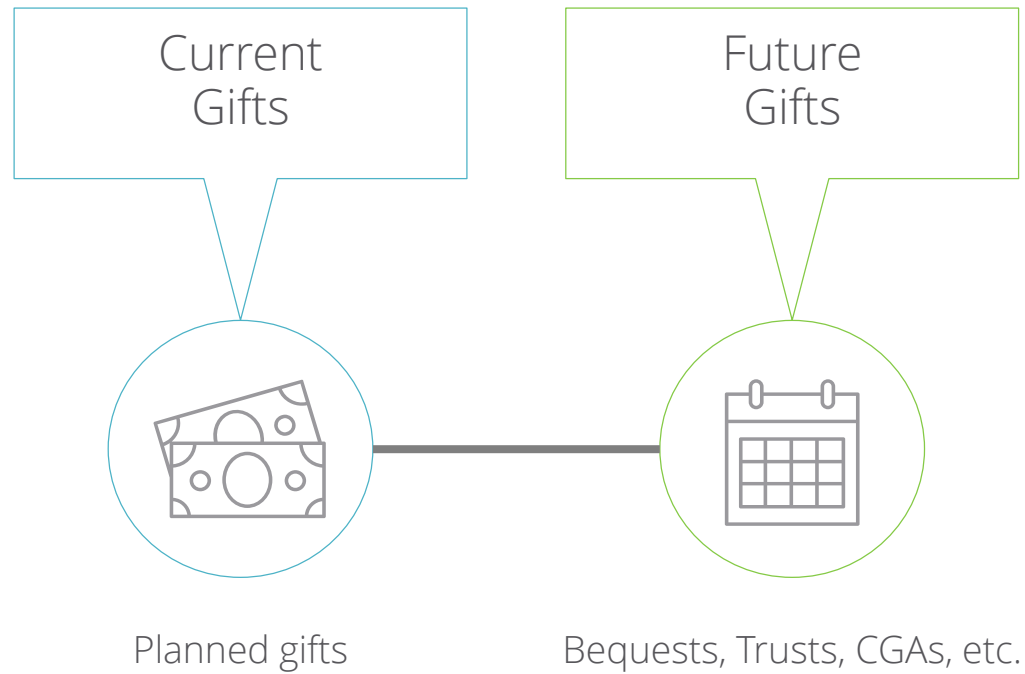
... that must be answered
for, and by, clients who
are strategic donors!!!



Three Questions...

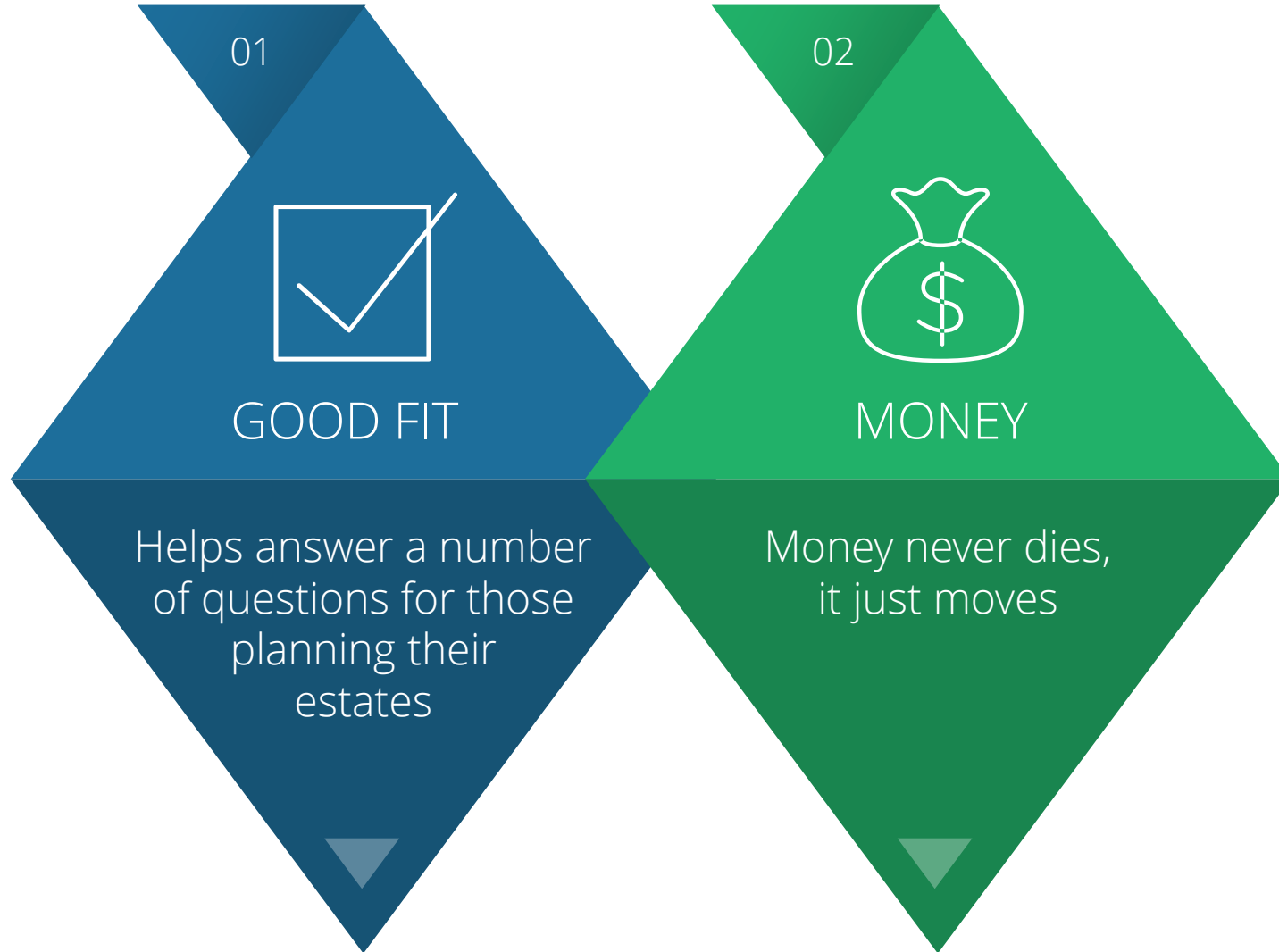


What is a Blended Gift?

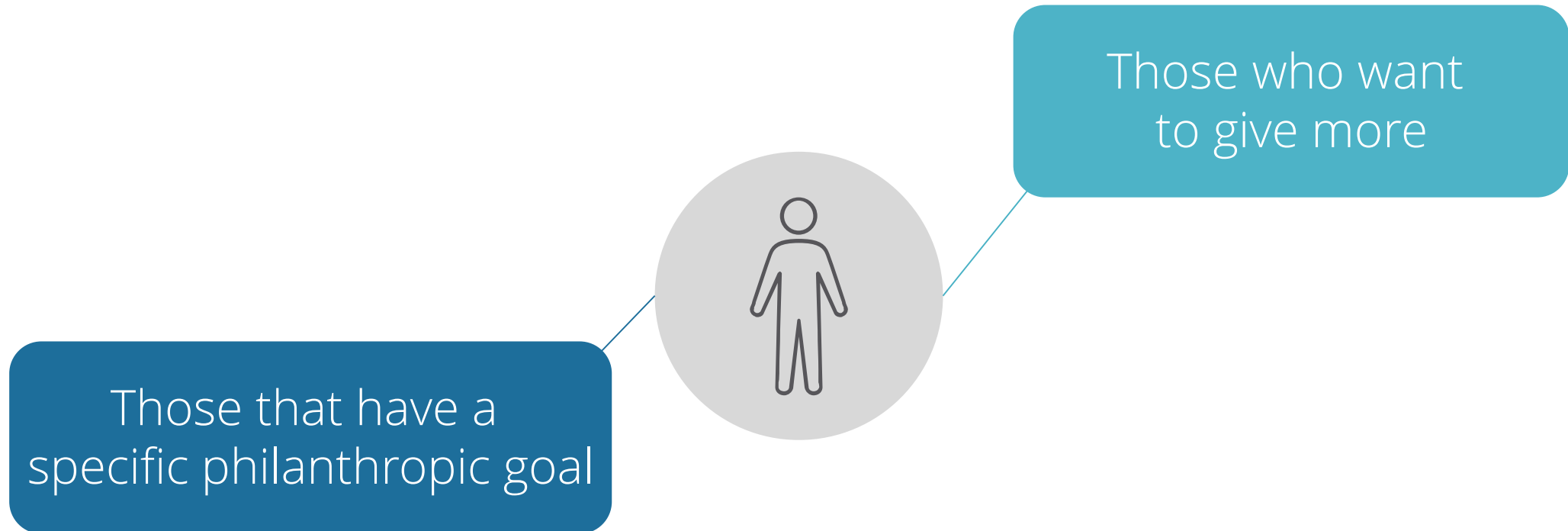


Combines the two giving approaches with greater results.

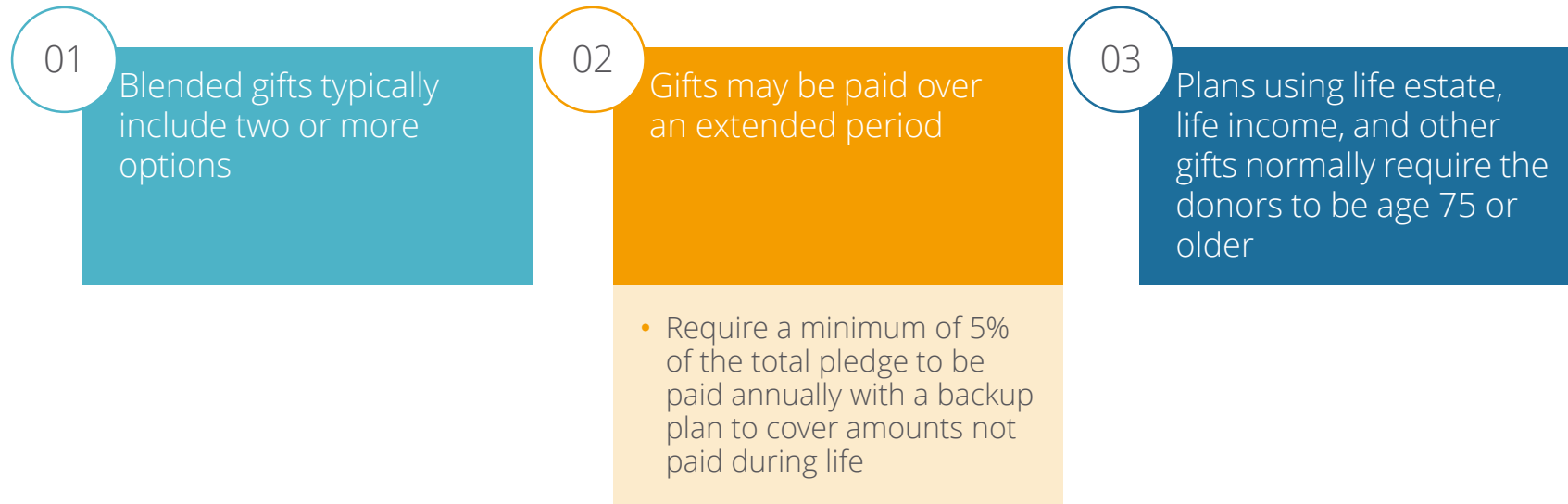
Why are we hearing more about blended gifts?



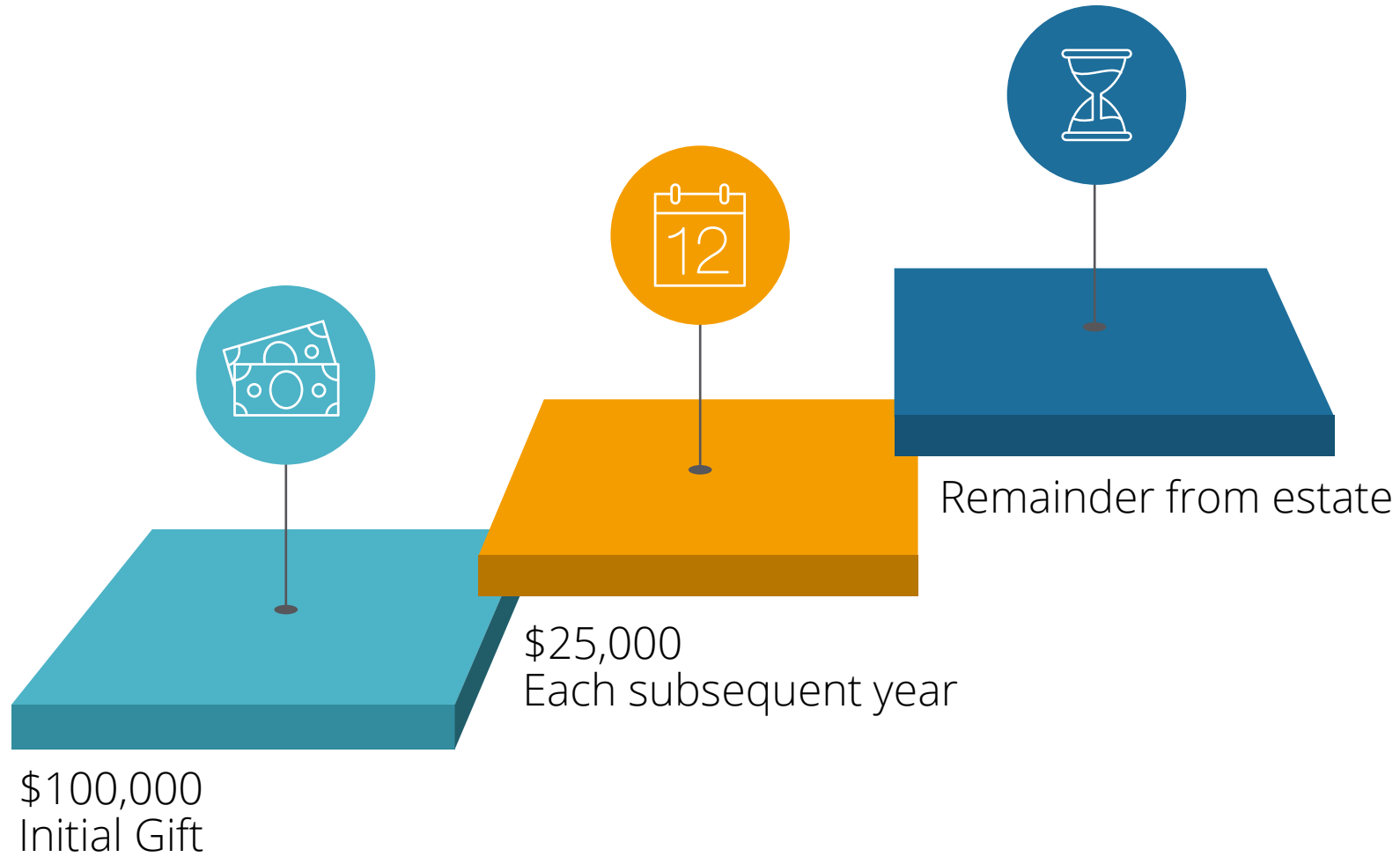
Who would consider a blended gift?



Blended Gift Options



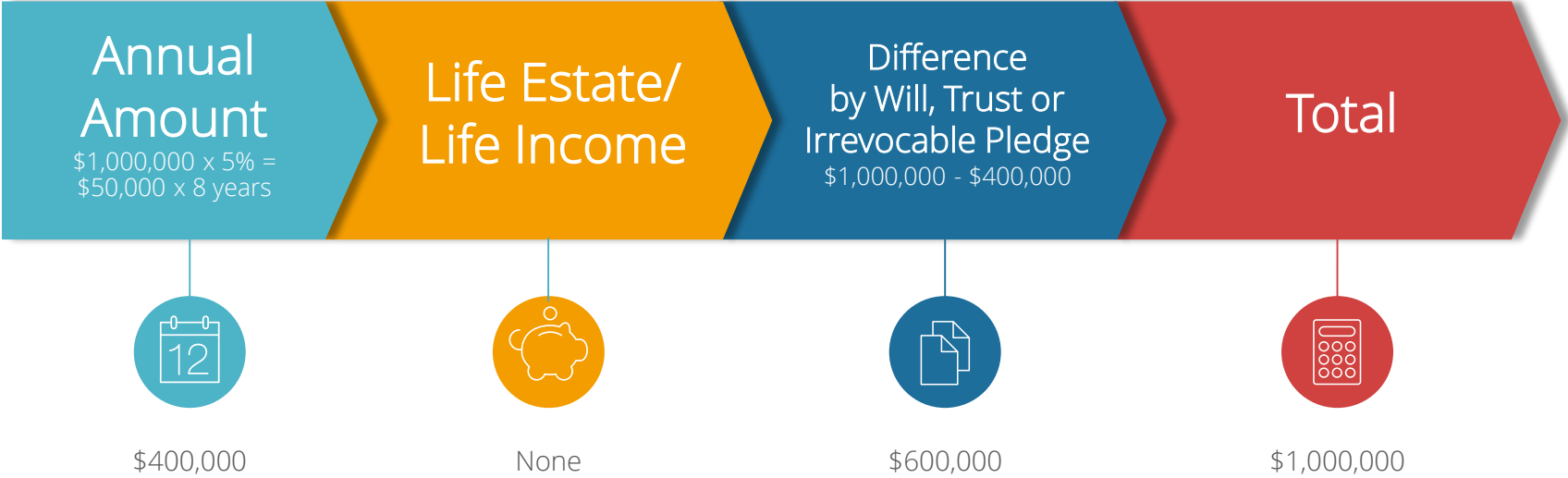
Blended Gifts \$1,000,000



Blended Gifts

Naming Rights at \$1,000,000

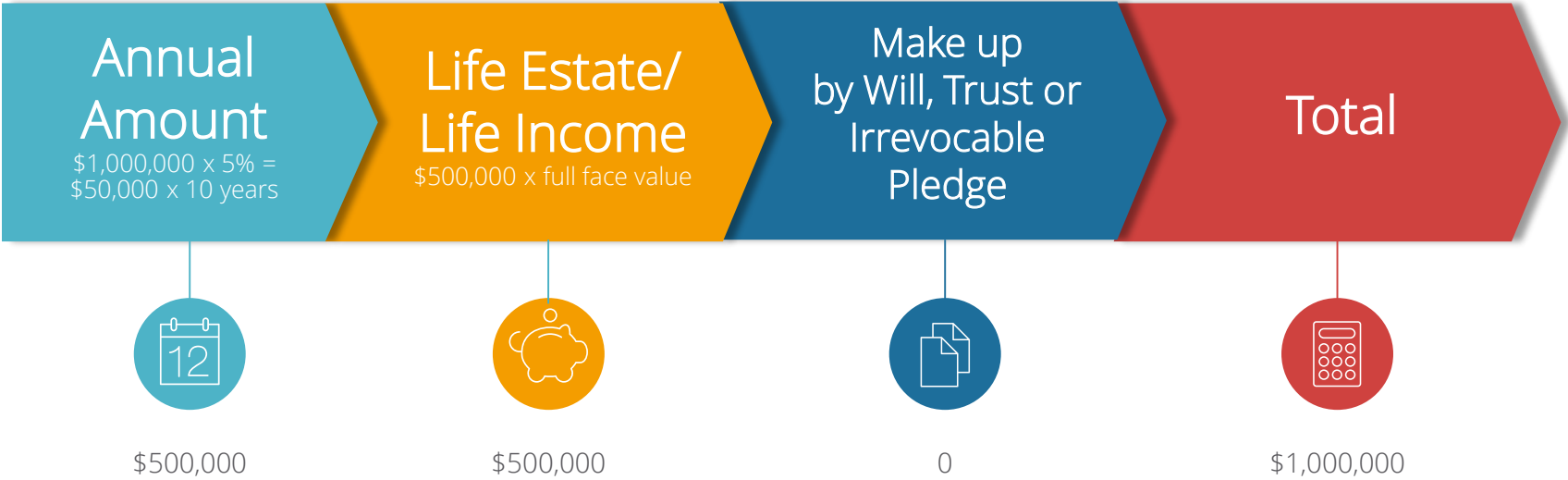
#1 Example, \$1,000,000 Pledge



Blended Gifts

Naming Rights at \$1,000,000

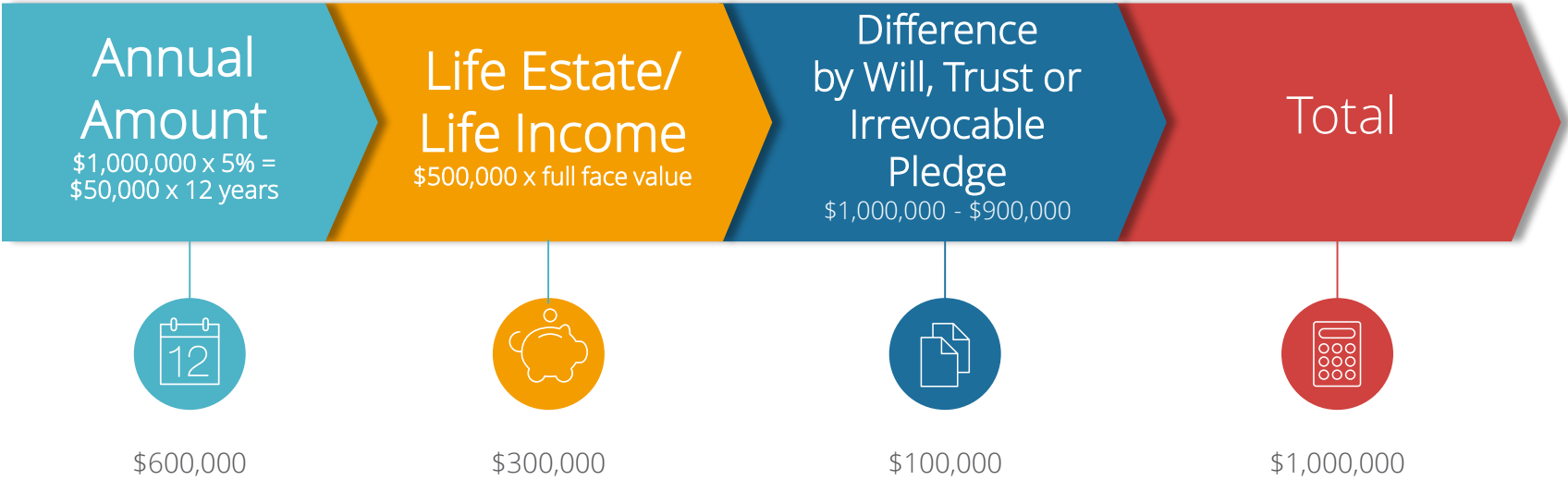
#2 Example, \$1,000,000 Pledge



Blended Gifts

Naming Rights at \$1,000,000

#3 Example, \$1,000,000 Pledge



Irrevocable Pledge or Bequest

1. Written irrevocable pledge should be understood and signed by all parties
2. Make sure their Will/RLT indicates their commitment to the Irrevocable Pledge
3. The organization should remember that this is a major gift from a donor and should be recognized as any other major gift
4. Nurture the donor
5. Make sure that state laws are taken into consideration
6. Make sure that seasoned counsel is involved each step of the way

Tools to Fund a Blended Gift

01

Outright Gift

- Cash
- Appreciated stock
- Required Minimum Distributions

02

Bequest

03

Estate Gifts

- Retirement Plan Assets
- Real Estate
- Life Insurance
- Business Interest
- Collectibles
- Gifts of Remainder Interest

04

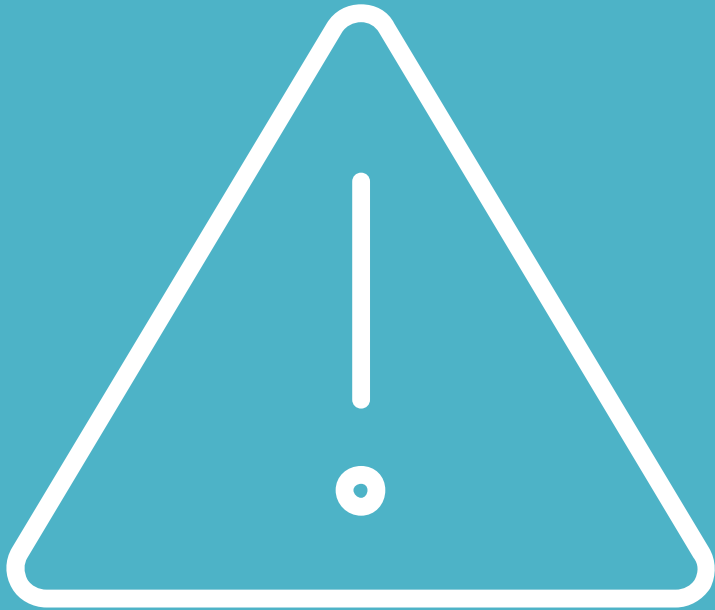
Other Planned Giving Tools

- Charitable Gift Annuity
- Charitable Remainder Trust
- Charitable Lead Trust

What Type of Donor Makes a Blended Gift?

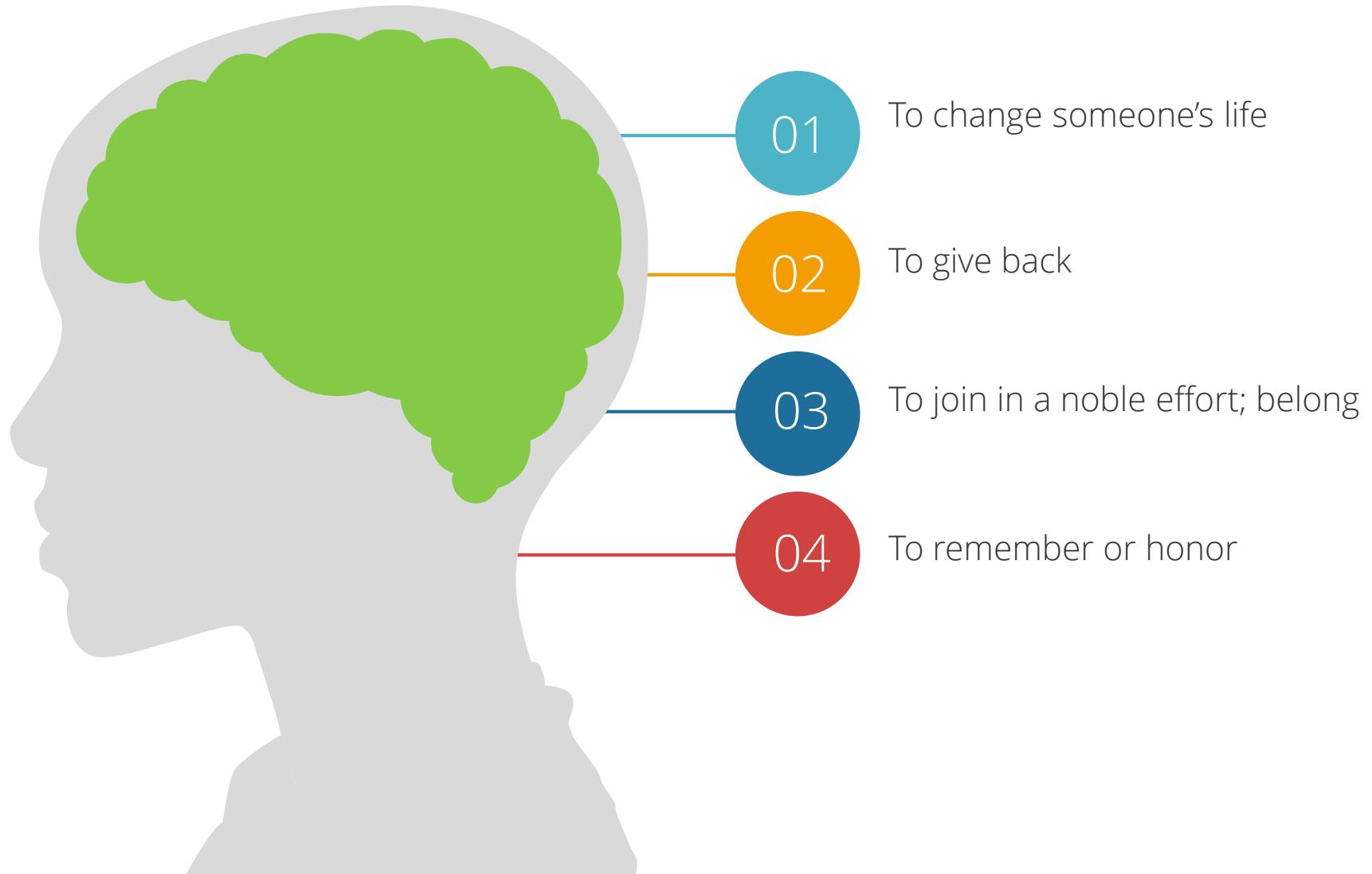


Issues To Consider



1. How will you recognize the gift?
 - a. It is crucial for the organization's leadership to agree on how a Blended Gift will be recognized
2. How will the various components of the gift be valued?
 - a. Present value/Current value
3. What are the naming opportunities with Blended Gifts?
4. Will the potential Blended Gift comply with your organization's Gift Acceptance Policies?

Why would one consider a blended gift?



Where should you start when you get back home?

1. Make sure your gift acceptance policies address the type of gifts used by donors to make a blended gift
2. Establish standards for accounting and counting blended gifts
3. Establish standards for donor recognition
4. Have a strategy meeting with staff to develop a list of good prospects for a blended gift
5. Draft a number of blended gift arrangements and supporting documents to be used to educate and motivate staff, leadership, and donors
6. Visit with professional advisors to educate them on the use and benefits of blended gifts
7. Educate your donors on blended gifts through emails, web site, printed materials and conversations

Summary

- The potential for blended gifts is staggering
- A way for strategic individuals to see a path to a substantial gift, while maintaining their financial security
- We will not secure blended gifts if we do not ask
- Gifts will be larger than many typical annual gifts when donors have set a goal for giving
- Adding the element of time may increase the size of the gift
- We are taking a strategy often used to secure a capital campaign gift and maximizing it
- Helps donors to dream bigger and more exciting dreams



Questions?