Community FOUNDATION for Northeast Georgia

Connecting People who Care with Causes that Matter

Columns Fundraising

Today's Facilitators

- **Christy Norris**, Education Consultant, Community Foundation for NE Ga.

- **Martha Moore**, Director of Advancement, *Swift School*, Roswell

- **Scott Sikes**, Principal & Partner, *Columns Fundraising*, Atlanta

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Welcome & "Housekeeping"

- Welcome!
- Thanks to the Community Foundation for Northeast Georgia for sponsoring this session.
- Barking dogs? Screaming kids?—no problem—you're muted already!
- Type a question or comment into the Chat feature at any time.
- We've got a lot of information to share. If we don't get through it all, **don't worry**. We'll record this session, we'll send you the slides, and we'll email you a 1-page CHECKLIST of these year-end duties!

Overview (1 of 2)

- In less than an hour, we'll talk about what to do in the last 60 days of the calendar/tax year—the nonprofit leader's busiest time of the year
- *Time permitting*, we'll also talk about what must be done in January
- After the session, we'll email you the slides & a one-page CHECKLIST
- Our overarching theme today will be a focus on individuals' giving
- Within the category of individuals, focus on donors of your larg*er* past gifts
- Get you ready to solicit and accept *stock* gifts
- Ditto with *IRA Rollover* gifts

Overview, continued

- Legacy Gifts: wills, trusts, and more. Use the "*Leave A Legacy!*" message
- Family, Independent & Private Foundations
- Your Website: become an organization that's *easy to give to*
- Postal Mail
- "Giving Tuesday:" *this year on:* December 1, 2020
- Email
- Text-to-Give

Individuals

- Individuals account for the vast majority of gifts to charity
- Individuals 69% of all gifts in 2019 (data from GivingUSA)
- *Family* Foundations 8% of all gifts in 2019
- Bequests 10% of all gifts in 2019
- Majority of gifts in *number of gifts* and *dollar size of gifts* come from individuals over 50:
  - 45% of all donors to all charities are age 65 or older
  - 72% of all donors to all charities are age 55 or older

Individuals, continued

- Divide/assign the top 20% of your donors (or just the top 20 families of donors) to your Board members and Staff members to CALL, THANK & SOLICIT. "Call" means a visit, a videoconference, or an audio call.

- Don't assign more than 5 donors to each person.

- Provide brief training for the board members and/or staff members.

- Check in with each volunteer solicitor once each Friday to see if they've completed their assignment.

- Don't let this project go on for more than 3 weeks.

Individuals, continued

- Remember the rare, 100% of Adjusted Gross Income (AGI) charitable deduction limit in calendar 2020 for individuals giving *cash*.

- What is Adjusted Gross Income (AGI)?

- What does *cash* mean?

- Normally, this is limited to 50% of AGI (we don't want to give tax advice)

- Most gifts come from *itemizers*, but the CARES Act provides a $300 "above-the-line" charitable deduction for *non-itemizers this year.*

Stock Gifts

- Most major gifts come in the form of appreciated, marketable securities—common stocks traded on the major exchanges

- Stock gift charitable deductions are limited to 30% of Adjusted Gross Income (AGI) in the year of the gift with the ability to carry over the unused deduction, if any, into future years (up to 5 years)

- Have you accepted a stock gift before?

- Do you know how to accept stock gifts? Learn what your DTC# is.

- Are you prepared to accept stock gifts in the last days of the year?

IRA Rollovers

- Required minimum distributions must begin by April 1 in the year after someone turns 70 ½ (while recent tax reform changed this to 72), but . . .

- One still may give up to $100,000 from their IRA to charity by making a direct transfer from the IRA to the charity at age 70 1/2.

- This allows them to avoid the income taxes on a withdrawal, but they don't get a charitable deduction.

- Main purpose is to avoid income, gift, or estate taxes on their IRA monies when they die. In general, to minimize income, gift, or estate taxes, it's best to give IRA monies to charity and to give other estate assets to heirs.

Legacy Gifts

- There is a large growth in "elder orphans" in our population. These are people with deceased parents and who never had children.

- People without children often ponder their legacy at year-end and many begin to prepare new Wills.

- Can someone or their attorney find your organization's bequest language easily on your website?

- Can someone easily find and contact you?

- Are you calling your older donors in January?

Family & Private Foundations

- Family Foundations
- Independent Foundations (family foundations after all family are gone)
- Private Foundations (corporate foundations)
- Corporations
- Have you prepared an end-of-year *stewardship report* for them?
- Did you meet their deadline for filing quarterly reports?
- Foundation staff are people, too! Call and thank them. Handwrite them an end-of-year thank you note.

Your Website

- *Easy to give to!* If we focused on nothing else in this session, this would be our motto.

- Is your Donate or Give button at the top of your organization's home page?

- Is your photo, name, title, email address, and phone number easy to find?

- We are shocked at the number of organizations with no development staff contacts on the website

Postal Mail

- Everything you send can be a thank you. Use the word "you."
- Thanksgiving this year is Thursday, November 26, 2020.
- Many families make gift decisions at Thanksgiving
- Is your year-end mailed appeal timed to arrive before Thanksgiving?
- Do you have a good, old-fashioned Business Reply Envelope (BRE) enclosed?
- Do you have a perforated, tear-off coupon to return?
- Does the back of the coupon say something like, "yes, I'd like to Leave a Legacy to _____ organization; please let me know how to make a planned gift in my Will"?

Giving Tuesday

- December 1, 2020
- www.givingtuesday.org
- This is important to tout in your social media, printed newsletters, and other channels, BUT . . .
- Do NOT put all your eggs in this basket!
- This is still a small percentage of all giving

Email

- "Blast" emails via Constant Contact, MailChimp, etc.
- Use BRIEF videos with Vimeo, YouTube, etc.
- Brief means 2-3 minutes! Say *thank you for past gifts*!
- If longer than 2-3 minutes, be sure to get to a solicitation message—don't drone on and on . . .
- Have a one-click *Give Now* button
- Don't say things like "support us." Support is vague. Use words like: Donate, Give, Donate Now, Give Now, Make a Gift.

Text-To-Give

- Often used on Giving Tuesday
- Effectively used as a "mop up," last-minute way to pickup gifts on the last day of the year.
- Why? Making your organization *easy to give to*
- Usually for $5, $10, and under $100 gifts

Questions Thus Far?

Remember to type questions into the Chat feature.

We'll send you the slides and a CHECKLIST handout by email.

Now, on to January "must do" tasks . . .

January

Janus: Roman god with two faces on his *head*, one face looked backwards and one face looked forwards

Your job in January is to do just that:

      review last year ,and

      prepare for the year a*head* (pun intended)

On the next three slides we'll talk about:

- Reporting
- Internal Evaluation
- Metrics

January, continued

Reporting:

- Receipts must be mailed to donors by January 31, 2021
- IRS Forms 990—when is yours due?
- Financials and Annual Audit
- What's your estimated *burn rate* for 2021?
- Board meetings' *Minutes*, particularly The Annual Meeting
- State Agency reporting, like the Secretary of State's Office

January, continued

Internal Evaluation of 2 groups:

- Board members—done by Nominating & Directorship (or Trusteeship) Committee
- Staff members—done by Executive Director

- Board Members evaluated on: meeting attendance, making a gift, soliciting a gift, making a planned gift, nominating new potential board members
- Staff Members evaluated on: proactivity (calls/appointments) , current dollars raised, and expectancies raised.

January, continued

Metrics

1. Total Net Fundraising = Gifts – Fundraising Expenses

2. Cost of Fundraising = Fundraising Expenses / Total Net Fundraising

3. Measure *Efficiency*: Cost to Raise a Dollar (CTRD) = Expenses/Revenue

4. Measure *Effectiveness*: Return on Investment (ROI) = Revenue/Expenses

5. Dependency Quotient:

Sum of Contributions from 5 Largest Donors / Total Expenses

Many organizations are TOO dependent on only a handful of donors and the organizations' leaders don't realize it until a top donor is gone.

Some of our ATL-based team: others live in other cities & states!