

What Do You Want From Me?

Developing Working Relationships Between Nonprofit Gift Planners and Professional Advisors

Saturday, October 1, 2005

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I. Introduction

With the much heralded transfer of wealth from one generation to another expected to occur over the next 40 to 50 years, the nonprofit sector is aware of the \$6 trillion, estimated by John Havens and Paul Shervish in their acclaimed report on the subject, to be passed to charitable organizations. In addition, many organizations and their development professionals are aware of the technical nature of the tools and techniques that will be used to bring about this transfer, and they realize that the role of professional advisors in facilitating this process is an important one. Professional advisors realize that nonprofit organizations and the gift officers in their employ can be a useful resource to assist clients in carrying out their charitable intentions. In addition, some professional advisors realize that non-profit organizations and activities can also be a powerful conduit to the prosperous and affluent – certainly a group they would like to include in their client base. Added to this interplay is the role of the consultant, who will often overlap on both sides of the process, and who can help guide the outcome of the quest for a charitable gift.

Can these different professionals work happily and successfully together? As the nonprofit gift planner, the professional advisor and the consultant each contemplates this question, another arises:

“What do you want from me?”

And indeed, it should. Sometimes the question comes to mind because of skepticism of the other party; sometimes it arises simply due to lack of knowledge of, or information about, the other party; and sometimes it is actually verbalized with a sincere desire to join others in activities that encourage philanthropy and processes that bring about well-structured charitable planned gifts that meet the needs and goals of both the donor and the nonprofit organization.

This presentation addresses what the nonprofit professional, the professional advisor and the consultant may want from and can (or cannot) give to the other. It includes a discussion of the goals, motivations, and appropriate roles for each professional group. In addition, it includes a practical discussion of how a positive relationship can be achieved; best practices for meaningful collaboration; and solutions to potential problems.

A. The many professionals who may be involved in creating a planned gift

Who are the parties, other than the donor, who might work together in creating planned gifts? In general, there are three:

(1) The Nonprofit Gift Planner

The nonprofit gift planner is a gift officer who works directly for the nonprofit, in various positions, who becomes involved in the process of developing the gift planning opportunity. In the past, the person typically involved in securing charitable planned gifts for a larger organization was the planned gift officer; today, however, we are seeing in many organizations the melding of roles and responsibilities of the planned gift and major gift officers, as well as a trend toward the title of “gift planner.” In a smaller organization, one or more development officers with varying titles, or the executive director, may be responsible for securing all charitable gifts, including planned gifts. The primary (if not exclusive) focus of the nonprofit planner is to do what will help promote the activities of the charitable organization for which they work.

(2) The Professional Advisor

The professional advisor is often referred to as the “allied professional.” There is a variety of professionals in this general group, the most common being accountants, financial planners (fee based or product driven), investment advisors or financial counselors, trust officers, stock brokers, attorneys (tax, estate planning, business planning, general practice), insurance advisors/agents, business consultants and real estate brokers. Each brings somewhat different skills, experience and resources to the process of charitable gift planning. However, the one factor they all have in common is that they

generally work for the individual (not the charitable entity), and are focused on earning a living from the advice and/or product provided to the client.

(3) The Gift-Planning Consultant

The consultant technically is engaged in “for profit” activities which bring income to him or her through the company for which he or she is employed, whether his or her own company or a much larger consulting firm. In this manner, the consultant has many of the same motivations as those in the category of professional advisors. However, these activities almost always involve working directly with the charitable organizations, and in some situations the consultant is employed to be an “in-house” representative of the charity (particularly during a campaign, and therefore may temporarily take on the role of a gift officer). In these settings, the consultant virtually takes on a role similar to that of a nonprofit gift planner. There are some situations, although not as common, when the consultant can be working primarily with potential donors (and their other advisors) to determine the best approach to achieve an intended gift. In these situations, the consultant can once again have more of the characteristics of a professional advisor.

B. The importance of working together

Experience has shown that effective partnerships between the various parties can result in significant benefits and rewarding experiences for all involved: the donor/client, the nonprofit organization, the gift officer, the professional advisor, and the consultant. Working together, the professionals can develop a climate that encourages the discussion of planned gifts with donors. In addition, because planned gifts can be highly technical and the laws surrounding such gifts are complex and may be open to interpretation, a team approach helps ensure that the most appropriate gift will be determined and that gift will be properly structured. Input from various sources can also help a donor better understand a potential gift and proceed with making that gift a reality.

With all parties working together, there is opportunity to maximize planned gifts and the associated benefit to both the donor and the nonprofit. But there are clearly practical barriers to this kind of effective partnership. Being aware of the factors that can create these barriers may make it easier for the parties to overcome the barriers and accomplish the kind of partnership that will be most rewarding for all.

II. Understanding the Motivations of Each Professional

A. The Nonprofit Gift Planner

Why does the nonprofit gift planner want to engage any of these professional advisors or a consultant? What is his motivation, what are his goals, what are his needs?

(1) Importance of the charitable mission

First and foremost, the nonprofit gift planner is charged with promoting the charitable mission of the organization by whom he is employed. In all of his professional actions and activities, he is “wearing the hat” of his organization and wants to further its cause, and he wants to engage those who can help him achieve this: donors and prospective donors, volunteers, and other professionals from whose experience he can benefit.

(2) Focus on raising funds for much needed purposes

In order to help carry out the mission of the organization, the nonprofit gift planner must secure philanthropic gifts, current and deferred, to support the many needs of the organization. Very simply, that is why his position exists. Those needs vary from operational, to program, to capital needs – as well as endowment needs to ensure the future of the organization.

(3) Specific focus on planned giving

Many nonprofits, particularly in the field of education, early on saw the potential of planned gifts (mostly deferred) to enhance their financial strength and security, and wisely supported a gift officer's focusing time on securing such gifts. With efforts such as NCPG's LEAVE A LEGACY®, more leaders of charitable organizations and their gift officers understand that a planned giving component in the development program can be enormously beneficial in obtaining greater philanthropic support. There is a greater number of nonprofit gift planners, therefore, who are seeking planned gifts and who realize that such endeavors differ from other fundraising activities and require different knowledge and skills. Effective planned gifts tend to require more coordination with a donor's overall estate and financial plan, which motivates the nonprofit gift planner to establish even better relationships with the donor's other advisors.

(4) Pressures from above

As government support has shrunk over time, and as political agendas threaten further cuts to nonprofits, the need for philanthropic support grows larger. Coupled with this is the fact that the economy has been on the up-swing since 2003, and, as reported in Giving USA 2005, charitable giving in 2004 was up for the first time in five years. The pressure from the CEO and the board for the nonprofit gift planner to perform at greater levels may be magnified as a result. This may be the case especially in a campaign environment where there is a focus on every opportunity to count dollars and demonstrate success.

(5) Long-term relationship with the donors

Finally, the nonprofit gift planner values the long-term relationship between the donor and the charity, and between the donor and those who represent the organization, including herself. She also understands that the best prospect is a current donor, and it is easier and requires less resources to keep a donor than to acquire a new one. She further understands and embraces the importance of helping the donor express his or her values, fulfill a philanthropic goal or have a specific impact through a charitable gift to the nonprofit organization which the gift planner represents.

Knowing these goals and motivations, the professional advisor and consultant may ask of the nonprofit gift planner, "What do you want from me?" The nonprofit gift planner's honest response might include one or more of the following:

- Ask the charitable question. Don't promote your own charitable cause, but certainly address charitable giving – and remember my organization whenever you have a chance.
- Be knowledgeable about my organization, its mission, its services.
- Be an advocate for my organization.
- Become involved with my organization.
- Be willing to advise my donor.
- Be willing to advise me.
- Know your stuff – know that the technical expertise with charitable estate planning is different from traditional estate planning. Stay informed of the latest legal issues and their ramifications.
- Involve me in the process. Keep me informed about a donor or the process.
- Tell me what you know about my donor who is your client.
- Understand that values-planning is as important as tax planning.
- Be willing to refer me or my donor to someone else if you do not have the experience called for; be willing to contact your colleague down the hall – or down the street.
- Don't "kill" the planned gift opportunity I present to you; understand philanthropy as a driving force that is equal to tax savings.
- Inform your client of the advantages of informing me/my organization about their planned gift.

- Know I am on your side and want you to look good in front of my donor (help me look good too).
- Be straightforward with me on how you are paid – fee based? Commission? Hourly? Products?
- Maintain the highest ethical standards of your profession and also adhere to the NCPG Model Standards of Practice for Gift Planners.

B. The Professional Advisor

Professional advisors also have reasons to develop relationships with nonprofit gift officers, but the motivations driving them are somewhat different.

(1) Serving the client's needs

First and foremost, the professional advisor seeks to meet the needs and interests of his client and provide the technical expertise required to bring about satisfactory results. The client's needs should be the primary (and sometimes exclusive) focus of the professional advisor. This is true even in situations where the client may not understand what is or is not in his or her best interests.

(2) Staying profitable

Like the nonprofit gift planner, the professional advisor is in his position to earn a living; it is his career. Unlike the nonprofit gift planner, however, the professional advisor's income is directly related to the amount of time and effort spent with a donor/client and the resulting outcome. Examples include billable hours an attorney spends discussing and drafting a business succession; the commission received for an insurance policy included in an estate plan; the trust established which is to be administered by the bank or trust company; fees generated as a result of establishing an estate plan; or the income earned as a percentage of managing a client's portfolio. The professional advisor must promote his own services or products in an effort to build his client base and business, and he must be judicious in his use of time and choice of connections.

(3) Maintain professional reputation and status

As the professional advisor builds and maintains her clientele or practice, concern for individual professional reputation must serve as a motivating force that can enhance her career and increase her income. Involvement with or connection to high profile charitable organizations may be seen as an enhancement to one's professional reputation. However, being perceived as a promoter of a specific charitable cause or organization may sometimes be viewed as something less than "professional" when it appears the advisor is going too far with her suggestions.

(4) Protect/honor confidentiality

Adhering to the highest ethical standards is critical to an advisor maintaining his professional reputation. Nothing can be more important in this regard than protecting and honoring the confidentiality of the client's information. The benefits and goodwill that might result from sharing good news and positive information never merit breaching the confidence of the client.

(5) Avoid liability

In a society that has become increasingly litigious, professional advisors must be ever cautious of errors and "stepping over the line" to avoid liability and threats of malpractice. The advisor has a professional responsibility to make sure that the benefits of a gift vehicle are accurately represented to her client, and that any charitable planned gift is correctly executed. The professional advisor is also aware that the claims of inappropriate or incomplete behavior can come both from the client and from the client's family members (even after the death of the client).

(6) Avoid looking like an “idiot”

Aside from the concept of reputation in general, it is important to remember that many professional advisors (especially attorneys) have personal egos that can sometimes govern how they operate. For a professional advisor that may not have a sufficient level of experience or training, the field of charitable gift planning may present a difficulty. Sometimes, in order to avoid having to admit to a lack of ability, the professional advisor will simply convince the client that this is not something that is consistent with the client’s goals. In a similar manner, the professional advisor may not welcome a closer relationship with the nonprofit gift planner or the consultant for fear that the continued discussion would further demonstrate a lack of ability or knowledge in this area.

Knowing these goals and motivations, the nonprofit gift planner and consultant may ask of the professional advisor, “What do you want from me?” The professional advisor’s honest response might include one or more of the following:

- Allow me to demonstrate how my services and expertise may help you achieve your goals.
- Don’t misrepresent your expertise regarding gift planning.
- Be a resource to me with respect to the knowledge I have (or don’t have) about the gift planning process and available tools.
- Contact me when you have exhausted your level of expertise and need advice.
- Refer donors and prospects to me.
- When working with a donor who you know is my client, involve me early on in the discussion
- Don’t misrepresent your organization or its needs.
- Keep me informed about your organization, its mission, programs, successes and needs – and how it serves the community and the interests of my clients.
- Involve me in your organization.
- Don’t waste my time.
- Have a passion for the organization you serve, but realize that not everyone has the same passion.
- Don’t expect me to refer my clients to you.
- Don’t ask me to reveal information about my client who is your prospect.
- Make me look good in front of my client.
- Don’t expect me to promote your specific charity or mission.
- Help me to enhance my professional reputation with existing and potential clients.
- Allow me an opportunity to provide financial services to your donors.

C. The Gift Planning Consultant

The gift planning consultant appears to operate much like a nonprofit gift planner in most situations, but the motivations of this professional can be similar to both the nonprofit gift planner and the professional advisor. However, there are some that are uniquely relevant to the position of consultant.

(1) Work for multiple charities

The gift planning consultant works for many – and often quite different – charitable organizations. At times, he does not advocate for any individual charitable organization; rather, his goal is to assist his clients (nonprofit gift planners) in promoting the organizations they represent and securing the needed philanthropic support to advance the missions of their organizations. As stated earlier, however, the consultant may be hired to assist with the actual fundraising process, including the solicitation and the discussion of planned gifts for a specific charity over an extended period of time.

(2) Maintain reputation – be considered someone who gets positive results

Like the professional advisor, the consultant relies on her professional reputation to maintain her clientele and expand her business. The success of the charitable organization in achieving its fundraising or campaign goals is also the success of the consultant. Surpassing goals is even better.

(3) Promote contacts and develop referrals

In order to have a successful consulting business, the consultant must promote contacts and develop referrals that will result in future clients. Contacts might include not only the gift planner and professional advisors, but also volunteers and donors with whom the consultant has worked in the process of guiding the charitable organization in its fundraising activities.

(4) Protect/honor confidentiality

Similar to a professional advisor, the consultant must be concerned with confidential information. This usually involves making sure the information obtained from one nonprofit client is not used to the benefit of another nonprofit client in an inappropriate manner.

Knowing these goals and motivations, the nonprofit gift planner and professional advisor may ask of the consultant, “What do you want from me?” The consultant’s honest response might include one or more of the following:

- Be straightforward about your organization’s challenges as well as its opportunities.
- Follow my advice.
- Include me in solicitation calls.
- Don’t waste time with professional advisors if I can provide the necessary resources.
- To the extent the consultant is working directly for the nonprofit, the response will include most (if not all) the same responses as provided for the nonprofit gift planner.
- Don’t ask me to reveal information about other organizations for whom I may be providing services.
- Don’t waste my time.

III. Risks of Inappropriate Motivations and/or Unrealistic Expectations

Considering the various goals and motivations listed above and what these parties may want from each other, it is obvious that some motives may be self-serving and inappropriate. Additionally, some professionals may have unrealistic expectations of what the other can offer. The following is an example of the kind of inappropriate (or misplaced) motivations that can interfere with an effective partnership between the parties.

A. Nonprofit Gift Planner

(1) Money in the door at all cost

As stated in the first section, the nonprofit gift planner is hired for the purpose of raising philanthropic support to further the mission of a charitable organization, and in many organizations the pressures are intense. A nonprofit gift planner’s job security, as well as his advancement, is tied to his success in meeting dollar goals – and those goals may be unrealistic. The temptation may exist to “push the envelope” and bring in gifts at all cost. This may include encouraging a donor to make a planned gift that has great reward for the charitable organization and the gift planner, but may not be in the best interest of the donor. Knowingly doing so breaches professional ethics. Not including the professional advisor in the discussion when unsure about a specific gift vehicle, or asking the professional advisor to support the gift vehicle suggested by the gift planner in order to spare embarrassment, is at least inappropriate. This motivation may also encourage the nonprofit gift planner

to avoid the involvement of a professional advisor or consultant for fear that the other party may “kill” the deal and eliminate or reduce the value of the gift.

(2) Taking inappropriate advantage of the professional advisor’s close relationship with clients

One expectation the nonprofit gift planner may have or desire of the professional advisor is that the advisor will encourage clients to support the gift planner’s charitable organization. This may be an innocent or naive expectation, or it may be a deliberate goal. In either case, it is an inappropriate expectation or goal that should be avoided. However, it may be appropriate for the nonprofit gift planner to keep in mind the knowledge that professional advisor may have about her clients and try to use this information in a constructive manner that accomplishes the correct result for both the organization and the donor.

(3) Expecting professional advisors to “donate” too much of their time and expertise

Nonprofit gift planners who understand their limitations and the need for assistance from a professional advisor may run another risk: treating the professional advisor as if he were on retainer. Many professional advisors are very willing to participate in creating a gift for an organization, to give general advice, or to serve on a board or committee. However, because many of these advisors’ incomes are determined by hours billed or products sold, it is unrealistic, as well as inconsiderate, to assume that weekly (or daily) calls for assistance would be welcomed – or that the advisor should be expected to spend large blocks of time assisting the charity with a particular project without some discussion of reasonable compensation for services.

(4) Wanting to “take care of everything” for the donor, to make it easier (even if this means taking on things for which the gift planner is not qualified)

Perhaps the nonprofit gift planner wants to appear to the donor more knowledgeable about specific gift plans than she actually is. This could be because of embarrassment due to not being an expert in the details of technical gift plans, as mentioned above, or because of fear of losing the gift due to taking too much time or involving too many people. In such situations, what the nonprofit gift planner wants from the professional advisor is nothing at all, and this expectation (or lack thereof) can be quite troublesome and dangerous.

B. Professional Advisor

(1) Ignoring the subject to avoid embarrassment

As indicated above, nonprofit gift planners want professional advisors to “ask the charitable question.” Is it unrealistic for nonprofit gift planners to expect this from professional advisors? Or is it unrealistic for professional advisors to expect to do otherwise? It is not uncommon for professional advisors to avoid the charitable subject for several reasons. First, many feel that they would be perceived as “crossing the line” with their clients by bringing up a subject they may think is not really related and one that is too personal. Second, professional advisors may not introduce charitable giving because it would be embarrassing to acknowledge to their clients that this is not in their area of expertise. Instead of exploring the donors’ values and goals and how charitable giving might facilitate achieving those goals, there is no discussion at all. The donor loses, charities lose. The professional advisor may gain in the short run – by saving face – but usually loses in the long run because of an inability to provide the client with the options they need to make the right choices.

(2) Wanting to be everything for the client – not looking to others for assistance when needed

Additionally, a professional advisor may not raise the subject of charitable planned giving when it is not in their technical arsenal of tools. They do not want to involve their colleagues in the process, either because they don’t want to admit they do not have the expertise, or because they want to handle all aspects of the work themselves and not “share” the client and fees. Worse than not broaching the

subject of charitable planned giving with a client when engaged in the estate planning process is doing so without the needed expertise. Attempting to advise the client and craft the plan without the necessary competence and experience can lead to questions of professional credibility – or malpractice.

(3) Suggesting actions because they will permit the advisor to sell a product or provide additional services in the future – rather than because it is what is best for the client (and charity)

When asked for advice from the donor or the nonprofit gift planner, the professional advisor may encourage a strategy from which she will benefit in some way: selling a product from which she may earn a commission, establishing a trust for which she or her firm/company will act as trustee, NOT making a large gift from the portfolio she manages in order not to lose the business, or suggesting a procedure that will require significant legal documents where a less complicated alternative may have worked just as well. If such strategies best meet the needs and goals of the donor and support the mission and priorities of the charitable organization, this is appropriate action. If other strategies less beneficial to the advisor would better serve the needs of the donor and better suit the organization, it is inappropriate for the advisor to stick with the alternative that provides more benefit to the advisor.

(4) Taking advantage of the close relationship developed with donors

In the fundraising profession, one often hears that “people give to people,” emphasizing the importance of the relationship between the donor and the fundraiser. It is not unusual for professional advisors to woo nonprofit gift planners in an attempt to connect with the charity’s affluent and influential donors and volunteers. Is this unethical? Not necessarily. Is it inappropriate? Sometimes. Is it unrealistic? Yes, if the advisor is promoting the relationship with the charity solely for the purpose of getting easy access to donors, volunteers, or information about them. If, however, the professional advisor is willing to develop a working relationship with the nonprofit gift planner, invest time and have a genuine interest in the charity, it would not be unusual or inappropriate for the nonprofit gift planner to refer a donor or prospective donor, based on the merit of the advisor’s skill and reputation. This interplay between the assistance that can be provided by the professional advisor and the potential benefits in the form of future client referrals is a natural and expected result of the relationship.

(5) Undue influence to support a specific charity – or to support a charity for the wrong reasons

When the “charitable question” is raised, how is it done? Is it asked in the context of the longtime philanthropic interests or personal values of the client as opposed to tax savings? When it is in the client’s best interest, from a financial or tax perspective, to have “charitable intent,” the professional advisor should not simply use this as an opportunity to “promote” the charity of his own preference. This should be seen as an opportunity to explore with his client what her values are, how she wants to make a difference and where she wants to leave her legacy. It should be the client’s charitable goals, not the professional advisor’s, that are the focus of the charitable planned gift.

C. Gift Planning Consultant

(1) Success at the expense of appropriate policies

All consultants want their clients to meet their goals. It helps ensure that clients will retain them for the next campaign; it enhances their professional image and makes their results look good to prospective clients. How are those goals met? By counting what and in what way? Counting of planned gifts can be complex; also counting of planned gifts can be arbitrary from one organization to another. This may be a good opportunity to utilize NCPG’s recently announced counting guidelines. However, the consultant may not embrace these kinds of standards if larger totals can be achieved by different counting methods.

(2) You can't succeed without me

In an attempt to justify her involvement, the consultant may convince the nonprofit organization or the donors that the consultant's services are the only means to achieve the desired goals. In reality, there may be situations where the existing capabilities of the nonprofit organization and/or the existing advisors may be more than sufficient to handle the situation.

(3) Potential for many of the same difficulties associated with the other two categories

[See above discussions under nonprofit gift planner and professional advisor]

(4) Tendency to revert to focus of prior activities/career as either a nonprofit gift planner or professional advisor

A consultant who was once a professional advisor will sometimes expect to be treated as such and to carry out all the roles and responsibilities of the professional advisor. This may be especially inappropriate in situations where it has been many years since the consultant was a practicing professional. The consultant who was once an employee of nonprofit may expect to be treated in the same manner as an employee of the nonprofit. Although this may sometimes be appropriate, the consultant should be aware that she is now in a different position with different means of being compensated – which will often result in her being perceived in a different manner than in her prior career.

IV. Playing to the Positive Skills and Resources of the Parties

The section above addresses potential unrealistic and inappropriate behavior and expectations on the part of the three categories of advisors in the gift planning process. The most positive outcome for all involved, however, will be arrived at by playing to the positive skills and resources of each advisor, rather than seeking personal and professional gain from the others, or being wary of the others' potentially negative motivations. What follows is a listing of the positive characteristics that each of the parties brings to the gift planning process.

A. Nonprofit Gift Planner

(1) Significant, direct contact with the donor/client

The nonprofit planner may have various opportunities to develop a close relationship with the donors, and is not burdened with the same concerns about "billable hours" or the need to make an immediate sale.

(2) Knowledge of charity mission and alternatives for directing donor's funds to the appropriate purposes

Many times when working with a client on a charitable planned gift, the advisor learns that the client not only wants to support a specific charity, she also wants to support a specific cause or program – or the client specifically does not want to support a certain area. The gift planning officer will have much greater knowledge of the options that will meet the goals of the organization and further its mission and at the same time match the donor's interests and desires.

(3) Often have significant skills and experience

The more experienced nonprofit gift planner will have an opportunity for specific, advanced training in the area of charitable gift planning, and may have expertise and experience beyond that of a professional advisor who must keep abreast of many substantive topics outside the area of charitable giving.

B. Professional Advisor

(1) Knowledge of applicable tax laws

Tax law is a highly technical expertise which most nonprofit gift planners or even consultants do not possess. This knowledge is not necessary to close all planned gifts, but it is important for the gift planner and consultant to know when this expertise is called for and seek the assistance of the appropriate advisor when needed.

(2) Knowledge of available “tools” (both financial and legal) to accomplish the intended purposes

Nonprofit gift planners and some consultants may have a broad knowledge of the many planned giving options, but insufficient grasp of the intricacies of each. In order to know if a particular planned giving tool is the most appropriate to achieve the donor’s goals – and is a gift that ultimately will benefit the organization as well – an appropriate professional advisor should be consulted. Additionally, neither the nonprofit gift planner nor the consultant is currently licensed to practice law, and it is essential that appropriate legal counsel be brought into the process for certain types of gifts.

(3) Information regarding other aspects of a donor’s overall plan or overall financial situation (and how the charitable piece best fits)

Often a donor has a very special connection to a charitable organization and a very good relationship with the nonprofit gift planner. Regardless of this relationship, however, the nonprofit gift planner or consultant may not know the details of a donor’s overall gift plan, or the details of a donor’s financial situation. A “good” planned gift is one that is in the donor’s best interests, as well as one that has a positive impact on the charity. Without the knowledge of the “big picture,” a nonprofit gift planner may not be able to achieve this result. Including the estate planner, the financial advisor, and any other needed experts in the discussion promises the best outcome for the donor and charity, and a usually rewarding experience for others involved.

(4) Important personal advisor for donor

The nonprofit gift planner and consultant should remember that many donors rely extensively on the advise received from a long-standing relationship they have had with their professional advisors. Therefore, it is likely that significant planned gifts will not be completed without the involvement and support of the donor’s professional advisors.

(5) Potential to guide other clients toward making gifts for charities

The professional advisor may have other clients who would be interested in supporting the charitable activities being promoted by the nonprofit gift planner and/or consultant. By including the professional advisor in the process, there is a significant potential that additional clients may be interested in the same or similar arrangements.

C. Gift Planning Consultant

(1) Potential skills and experience of both of the other parties

The consultant will often have skills of either or both of the other parties to the process. In this regard, some of the same advantages indicated above for the nonprofit gift planner and professional advisor will apply to the consultant.

(2) Ability to be the “glue” that ties things together

With the potential for skills on both sides of the equation, the consultant can often be the key element that brings all the pieces together for a successful planned gift.

(3) Perceived independence can often be a benefit

In situations where the donor/client may perceive that the nonprofit gift planner and the professional advisor have ulterior motives for recommending the planned gift, it may be that the consultant represents an “independent” voice in support of the suggested course of action. The consultant can often be the one party who is focusing exclusively on planned giving – where as both the nonprofit gift planner and the professional advisor may have other things on their minds.

(4) Valuable role for charities that don’t otherwise have an in-house gift planning person

A consultant can provide a service for nonprofits that cannot otherwise afford to have a full-time planned giving expert on staff. The existence of a consultant in this situation can also be a relief for the professional advisor who might otherwise have to deal directly with an inexperienced staff member from the nonprofit entity.

V. Examples of Obstacles and Challenges in the Process

Even when nonprofit gift planners and professional advisors willingly embrace working together and seek the opportunity to do so, other obstacles or challenges present themselves. Here are some examples of these obstacles and ways they might be handled.

A. When the donor does not have a professional advisor and the charity needs to recommend one

- (1) When a nonprofit gift planner wants or needs to recommend a professional advisor and has good working relationships with many, whom does she recommend? Hopefully, the gift planner knows the donor/prospect well enough to be able to pair him well with an advisor. If the gift planner does not know the donor/prospect well, any information that can be tactfully learned, such as age, sex, profession, geographic area, and any personal characteristics, may be helpful in determining several advisors to recommend.
- (2) For example, an older long-time donor with substantial assets who has always managed her own finances and investments no longer feels confident in doing so. She fears something may happen to her physically that will render her incapable of such management, and she is beginning to question her investment decisions – and the only person she trusts is the nonprofit gift planner. The challenge to the gift planner is to introduce the donor to an appropriate advisor – or several, if necessary – in order to achieve a good match where trust is formed.

B. When the donor does not have a professional advisor and does not want one (or does not want to pay for one)

- (1) This can be a “touchy” situation when the nonprofit gift planner wants to please the donor and wants to do what is in the donor’s best interests, as well as adhere to ethical standards of practice.
- (2) When a donor asks for investment advice because “you are going to get everything anyway,” the gift planner must encourage introduction of other professionals.
- (3) When the donor wants the charitable organization to pay fees for professional service, the nonprofit gift planner must explain why that is not appropriate, and in the end, be prepared to decline the gift.

- (4) When a donor wants to avoid paying fees, such as for trust administration, the nonprofit gift planner may be able to offer alternative planning tools – perhaps with the advice of a trusted professional advisor – that will accomplish the same goals.

C. When the donor has a professional advisor, but one without sufficient experience or expertise

- (1) This can be an even harder situation than when there is no current advisor. The nonprofit gift planner realizes that there is not an advisor with sufficient ability to effectively manage the planning and believes that additional assistance is warranted.
- (2) In some situations, the nonprofit gift planner and/or consultant may have sufficient experience or expertise to guide the inexperienced professional advisor and donor through the process – but caution is needed to avoid a situation where the nonprofit gift planner and/or consultant do more than they should be doing.
- (3) Sometimes it is clear that another (or supplemental) professional advisor is needed. Perhaps the best approach is to talk first with the existing advisor to see if he will admit to needing assistance. If that doesn't work, then the donor will need to be approached. Even in this latter situation, it is important to include the existing advisor in the process as much as possible – especially if this is a long-time relationship between the advisor and the donor.
- (4) It may be possible for the “expert” to be brought in by the nonprofit organization and to tell the donor that the nonprofit wants to be represented in the transaction (although this can sometimes raise issues for the advisor as to who is really the client and in what capacity).

D. When the client wants to pursue a charitable idea exclusively for the tax benefits and needs to find a suitable “charitable” entity

- (1) Sometimes the client/donor is only interested in the notion of planned giving because of the tax benefits to be realized by the donor and her family. The client and one or more of the client's professional advisors first may develop a plan using a technique that is designed to achieve the desired tax results and then search for a charity to be involved as needed to accomplish the purposes. In these situations, there is really no charitable intent and the client does not even care what charity agrees to participate.
- (2) All advisors need to be aware of these situations and try to avoid setting up charitable plans that are solely motivated by tax benefits.
- (3) This may be difficult for the nonprofit gift planner because it may mean giving up some benefit (even if only nominal) for the nonprofit entity. Similarly, these may be difficult situations for the professional advisor and consultant because they know that this transaction could result in significant income to them.

VI. Practical Suggestions for How to Best Work Together

When working on a planned gift arrangement, it may be easier and less awkward to bring the team of professionals together if some professional relationship already exists among them. If the various parties are familiar with one another, there is likely to be more trust of one another rather than suspicion that one will make another “look bad” or sabotage the charitable gift. There are many ways for these relationships to be developed.

A. Seek opportunities to meet and work with the other parties outside of the gift process

- (1) Join your local planned giving council and NCPG.
- (2) Become involved in LEAVE A LEGACY®.

- (3) Regularly attend the meetings and serve on committees.
- (4) Ask those you know to introduce you to their colleagues.
- (5) Informal gatherings between parties, either individuals or practice groups, involved with the gift planning process.

B. Inform the other parties of mission, services, expertise

- (1) Sponsor educational seminars within the community – about the charity or about the services of the professional advisor.
- (2) Make effective use of e-mails and newsletters. Send newsletters on a regular, but limited basis to the other parties and feature information about your organization and consider including information that will be useful to the intended readers.
- (3) Make personal contacts. When notified of an estate gift, the nonprofit gift planner should send a personal letter to the professional advisor thanking him for his role in making the gift possible. Issue an invitation to visit the organization so the advisor can see first hand the mission of the organization at work. Additionally, host once a year an “appreciation luncheon” for all advisors who assisted with a gift that was realized by the organization in the previous months/year. Include high level administrators and key personnel who share the vision for the future and give tours of the facility.
- (4) Host a program for advisors and highlight a donor and a planned gift created through team effort.

C. Encourage involvement in the nonprofit organization

- (1) Invite/volunteer to serve as a member of an advisory committee or a council. Be aware of the issues associated with the creation of an advisory group without thoroughly considering the purpose of the committee and the expectations of the membership (as discussed recently on Gift-PL).
- (2) Invite/volunteer to write articles for the charity’s newsletters to donors and other advisors.
- (3) Invite/volunteer to make presentations in their area of expertise to groups of donors, the organization’s staff or auxiliaries.
- (4) Offer to host an educational gathering for the nonprofit organization.
- (5) Survey professional advisors to inquire about interests, willingness and availability to be involved.
- (6) Offer to do calculations for various planned gift vehicles.
- (7) Register to be a user of the Planned Giving Design Center.

VII. Open Discussion Session