



Beyond the Annual Appeal: Planned Giving and Non-Cash Gifts

This presentation is provided by Bernstein. This presentation booklet has been provided to you for use in a private and confidential meeting to discuss a potential or existing investment-advisory relationship. This presentation is not an advertisement and is not intended for public use or distribution beyond our private meeting. Bernstein does not provide tax, legal, or accounting advice. In considering this material, you should discuss your individual circumstances with professionals in those areas before making any decisions.



Marisa Swystun

*As **Director, Social Sector Specialist**, Marisa brings 25 years of philanthropic and social sector experience to clients' investment strategies. Her work includes a family foundation in Detroit, The Art Institute of Chicago, co-founding a maternity clinic in Cote d'Ivoire, and serving as the Chief Development Officer for the Center for Nonprofit Management in Nashville. She joined the Nashville Bernstein office in 2022.*



Maya Weil

Maya Weil started out as an investment banker in London, England but transitioned to a 2nd career in planned giving in 2005 when she discovered she could combine her experience as an investment banker with her love of the performing arts. After almost 12 years at the John F. Kennedy Center for the Performing Arts, Washington National Opera, and National Symphony Orchestra, where she managed the gift planning programs, she started her consulting practice, "Easy Planned Giving." She is currently the Gift Planning Specialist at Arena Stage for the Performing Arts.

A background image showing four people in a meeting. A man and a woman are on the left, and a man and a woman are on the right. They are all looking towards the center, suggesting a collaborative discussion. The image is slightly faded to allow the text to be the primary focus.

Session Agenda

1. Current Philanthropic Landscape
2. Donor-Centric Noncash Strategies
3. Tactics for Growth
4. Strategic and Actionable Resources

With all the uncertainty, what's next?

Stabilizing Your Organization Now for Future Success



Define the Gaps and Opportunities



Strategize a Game Plan



Control the Controllables



Diversify Revenue Streams

Reserves Analysis Tool: Support for Scenario Planning

Revenue Risk

More Uncertainty or Potential for Disruption = More Reserves



Spending Risk

Fixed Commitments or Potential for Spike = More Reserves



Timing Differences

Variability, Seasonality, or Timing Mismatch = More Reserves



Borrowing Risk

Access to Margin or Loan from Affiliate Org. or Donor = Less Reserves



- Less Reserves Required
- Some Reserves Required
- More Reserves Required

BERNSTEIN

Foundation and Institutional Advisory

Cash: Too Much of a Good Thing?

A Guide to Sizing and Investing Reserves

Is your organization holding cash reserves that exceed your needs? Are you grappling with how much to reserve? Main cushion is prudent, but it comes at a cost. Side funds lose power—and can drag on portfolio performance. Yet nonprofit associations often struggle with sizing and investing funds somewhere between operating cash and long horizon/endowment investment pools. In response, Bernstein has built a proper designed to answer key questions:

- How much **true** cash do we really need?
- Should we reserve more or less than other organizations?
- How should we invest both short- and intermediate-term?

Could Your Organization Come Up Short?

Right-sizing cash may sound simple, but it's more complex practice. Most organizations tend to rely on general rules of thumb when what they really need is a custom analysis that weighs the of their specific situation. Bernstein's detailed framework with you through the conversation, helping pinpoint your organization's sensitivity to shortfall risk.

Reserves should be sized based on the organization's risk of shortfall

- **Revenue Risk:** Uncertainty or potential disruption in revenues
- **Spending Risk:** Fixed commitments or potential for spike in expenses
- **Timing Differences:** Seasonality or mismatch in timing of receipts and disbursements
- **Ability to Borrow:** Access to line of credit, margin, or loan from donor or affiliate

In today's environment, let Bernstein help you explore the. Contact your Bernstein Advisory analysis of.

This information should not be construed as sales or marketing material generated by AllianceBernstein or its affiliates. Bernstein does not sell Bernstein funds. SCS is a member of FINRA and an affiliate of Alliance. The (A/B) logo is a registered service mark of AllianceBernstein, and All the names AllianceBernstein, U.S. 300 Commerce Street, New York, NY.

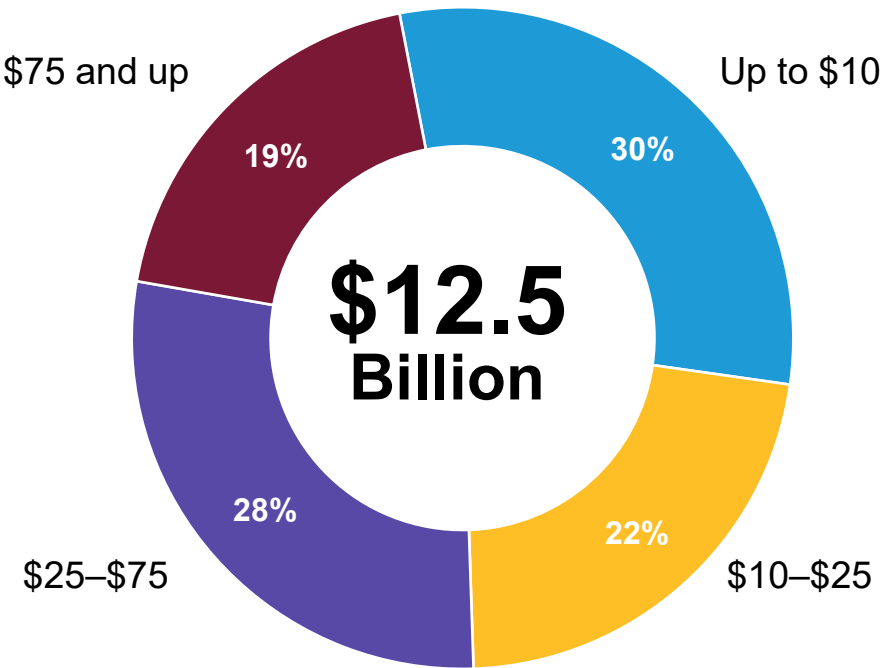
BERNSTEIN

Foundation & Institutional Advisory

Hypothetical client profiles presented. Historical analysis is not necessarily indicative of future results. There is no guarantee that any estimates or forecasts will be realized. Source: Bernstein analysis

Insights for Today's Session Gathered from 1,200+ National Tax-exempt Clients

AUM (USD Millions)*



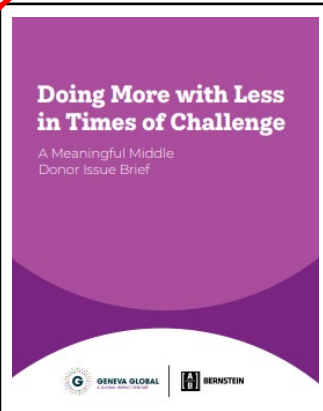
Sample Clients



Bernstein serves as a fiduciary partner for organizations of your size and scope to successfully grow their portfolio as well as their impact.

As of December 2024
*AB Institutional managed \$2.5B of the \$12.1 B AUM.
Clients on this list have not been selected based on portfolio performance. Inclusion on this list does not constitute an endorsement of Bernstein Private Wealth Management by any of these clients. It is firm policy that we treat all clients in a confidential manner. Please do not release this information to any other party and refrain from reaching out to the institutions on our representative client list until we obtain the agreement of our clients to be contacted. We would be happy to provide specific client contact information upon request.

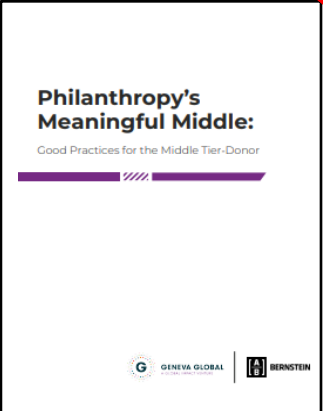
Tailored Thought Leadership to Meet the Moment



Doing More with Less in Times of Challenge
A Meaningful Middle Donor Issue Brief

GENEVA GLOBAL | BERNSTEIN

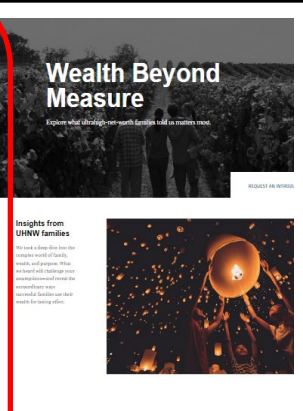
Click Here



Philanthropy's Meaningful Middle:
Good Practices for the Middle Tier-Donor

GENEVA GLOBAL | BERNSTEIN

Click Here

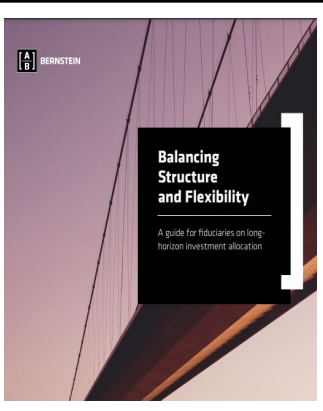


Wealth Beyond Measure
Expansive and thoughtful wealth families call on creative ideas

INSIGHTS FROM UHNW FAMILIES

BERNSTEIN

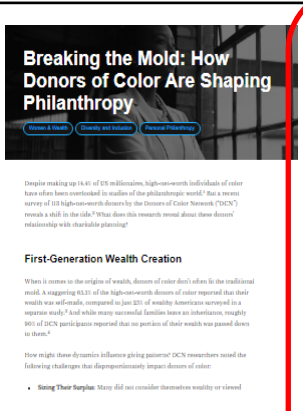
Click Here



Balancing Structure and Flexibility
A guide for fiduciaries on long-horizon investment allocation

BERNSTEIN

Click Here




Breaking the Mold: How Donors of Color Are Shaping Philanthropy

First-Generation Wealth Creation

Click Here

Click Here




WEBINAR REPLAY
Meeting the Moment
Strategies for Funders, Donors, and Nonprofits Through Challenging Times

With

- Chris Clarkson, National Director, Planning, Bernstein Private Wealth Management
- Nathaniel Heller, Executive Vice President, Global Impact Ventures
- Holly Welch Stubbing, President and Chief Executive Officer, National Philanthropic Trust
- Clare Golia, CFP®, National Managing Director, Philanthropic Services, Bernstein Private Wealth Management

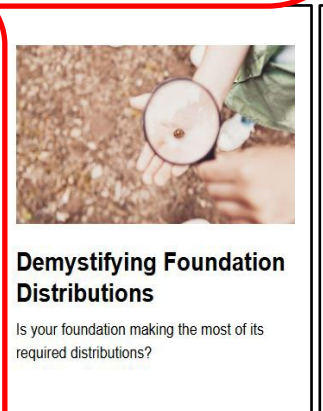
Click on the link above for the replay.

Click for Webinar




Recoverable Grants: The Gifts That Keep on Giving
Want to ramp up your giving? Consider deploying more today and recycling for future grantmaking with "recoverable grants."

Click Here



Demystifying Foundation Distributions
Is your foundation making the most of its required distributions?


Click Here



Why Nonprofits Need Financial Wellness Programs
Are workforce shortages holding your organization back? By enhancing your retirement plan to include a robust financial wellness program, nonprofits can compete for top talent without breaking the bank.

May 29, 2024

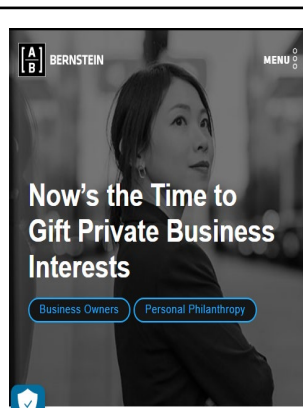
Click Here



How Much Should a Nonprofit Have in Reserves?
While interest rates remain high, they may have peaked—creating a dilemma for nonprofit fiduciaries. It could be time to rethink your organization's reserves.

Jan 29, 2024

Click Here

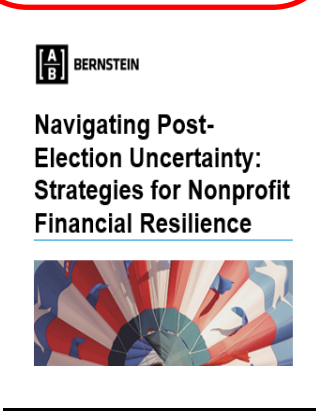


Now's the Time to Gift Private Business Interests

Business Owners | Personal Philanthropy

Click Here

Click Here



BERNSTEIN
Navigating Post-Election Uncertainty: Strategies for Nonprofit Financial Resilience

Click for Webinar

Click for Webinar

In addition, we produce quarterly outlook for fiduciary leaders



Donor-Centric Noncash Strategies



U.S. Charitable Giving

\$557.16 billion total



67%

\$374.40 billion

Giving by Individuals

19%

\$105.53 billion

Giving by Foundations



7%

\$42.68 billion

Giving by Bequest

7%

\$36.55 billion

Giving by Corporations

Increasing Complexity of Giving

Giving was down by **2.1% in 2023**, inflation adjusted. It has not surpassed the all-time high set in 2021.

\$124 Trillion intergenerational wealth transfer is underway. \$18 Trillion expected to pass directly to charitable organizations.

Majority of HNW/UHNW wealth is **non-cash assets**.

68% of global UHNW families work with philanthropic advisors or have family offices to manage giving.



Blended Giving

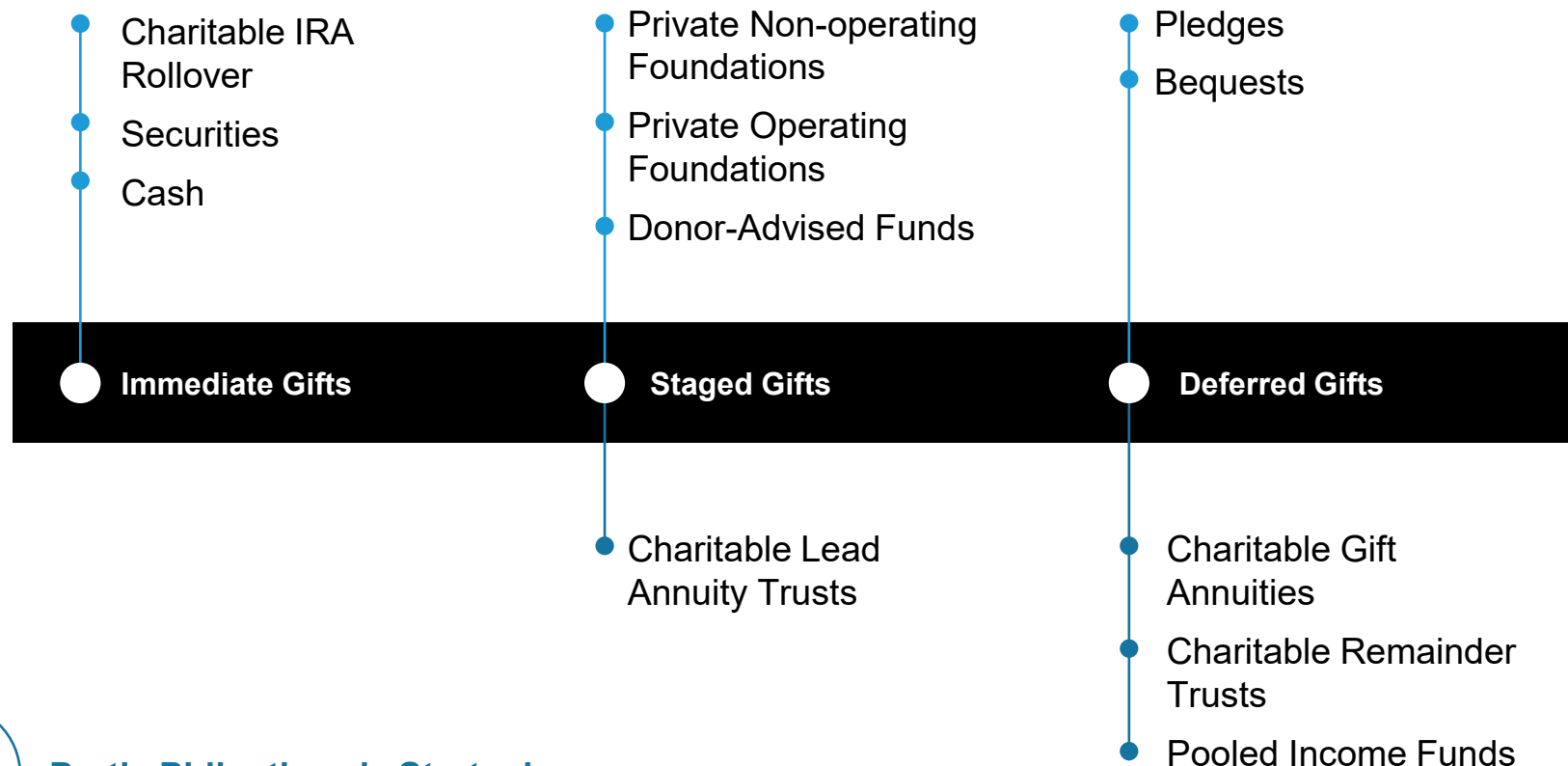
- Combine the enjoyment of a current gift with the satisfaction of a lasting charitable legacy.
- Invites donors to consider major gifts and planned gifts, together, that fit within their charitable/estate plans.



As Wealth Transfers, Diversification Focuses Beyond Cash



Purely Philanthropic Strategies



Partly Philanthropic Strategies

Source: [Philanthropy: Rooted in Your Values](#)

Planned Giving | Outstanding ROI

Recent economic, demographic, and philanthropic trends point to continuing importance of blended giving to nonprofits

Worth the Investment

8% of Americans include a charitable bequest in their will or estate plan BUT **1/3 say would consider doing so** if asked

\$124 trillion in wealth will transfer in US from elder generations to beneficiaries by 2048. *“If we don’t ask, other nonprofits will...”*

69% of donors change their wills but only **25% change the gift beneficiaries** in their wills

Worth the Wait

Average planned gift is **\$46,000+ - on average, 200–300 times the size** of a donor’s largest annual fund gift

Average time from when gift is made to **maturity is 7–10 years**

44 is the average age of donors when they first executed a will or living trust was. Start early

Sources: Planned Giving Myths, Facts, Stats, Ruminations and More, PlannedGiving.com; GivingUSA's Leaving a Legacy: A New Look at Planned Giving Donors; Cerulli Anticipates \$124 Trillion in Wealth Will Transfer Through 2048. December 5, 2024; Are Your Donors Waiting To Be Asked About Their Legacies? The Council on Nonprofits; National Committee on Planned Giving; The Benefits of Planned Giving for Nonprofits and Donors, FreeWill; Legacy Giving and What You Need to Know, NMBL Strategies; Who Are Your Planned Giving Donor?, Sharpe Group



Planning for Unknowns

90% of gifts will be made through wills/trusts

1. Donor may not have donated previously.
2. In a period of economic uncertainty, there are two main areas of philanthropic growth.
3. A donor doesn't need to be "wealthy" to make a significant planned gift.
4. Who educates donors about planned giving?
5. Everyone has an estate plan. It may not be the one they want.

Take Action

Don't be afraid to ask – it can be a positive conversation about legacy

1. Keep it simple – just reach out.
2. The best ROI are the easiest gifts to get.
3. Include messaging across a range of materials.
4. Fewer people today have wills.
5. Explore a range of beneficiary designations (DAFs, IRAs, POD (payable on death); TOD (transferable on death) arrangements, etc.



Identify Prospects

Mine your base for appropriate donors to steward:

- Long-time donors
- Regular event attendees
- Volunteers
- People who engage/follow on social media
- Donors across a range of income levels
- Childfree donors
- Non-traditional couples
- Donors at retirement homes
- People who give stock gifts



Strategic & Actionable Resources



Non-Bernstein Planned Giving Webinar



CCS Fundraising:

Building Your Planned Giving Program in 1-3 Hours Per Week

[Click Here for Webinar](#)

[Click Here for Slides](#)

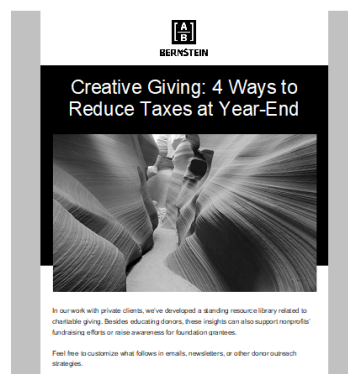
Source: CCS Fundraising

Fundraising Samples Materials and Templates

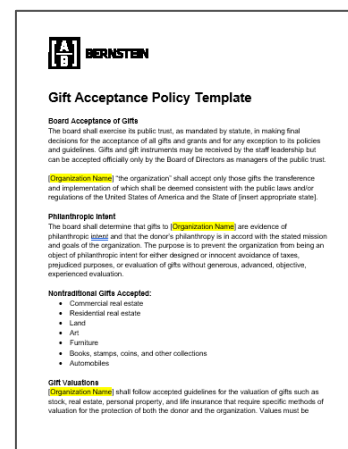
Case for Support Samples



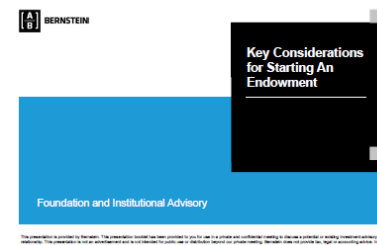
Noncash Fundraising Messaging



Gift Acceptance Policy Statement



Key Insights for Endowment Planning



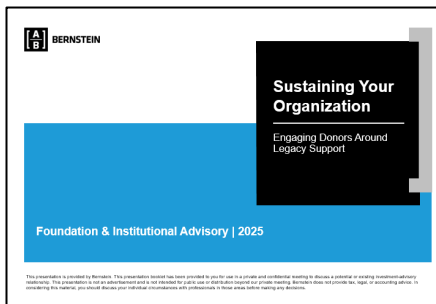
To discuss or request resources, please reach out to your Bernstein advisor or to FIA@Bernstein.com

Source: Bernstein.com

Additional Fundraising Sessions

Donor engagement workshops, research, and template resources for staff and board leaders

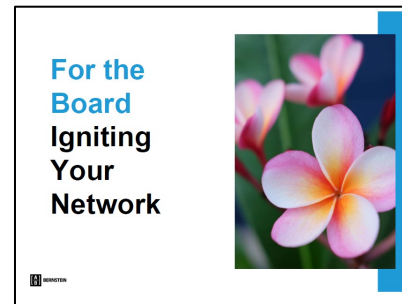
Sustaining your Organization through Planned Giving



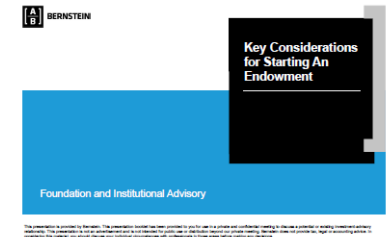
Navigating Donor Advised Funds*



Igniting Your Network: Enhancing Board Engagement



Key Insights for Endowment Planning



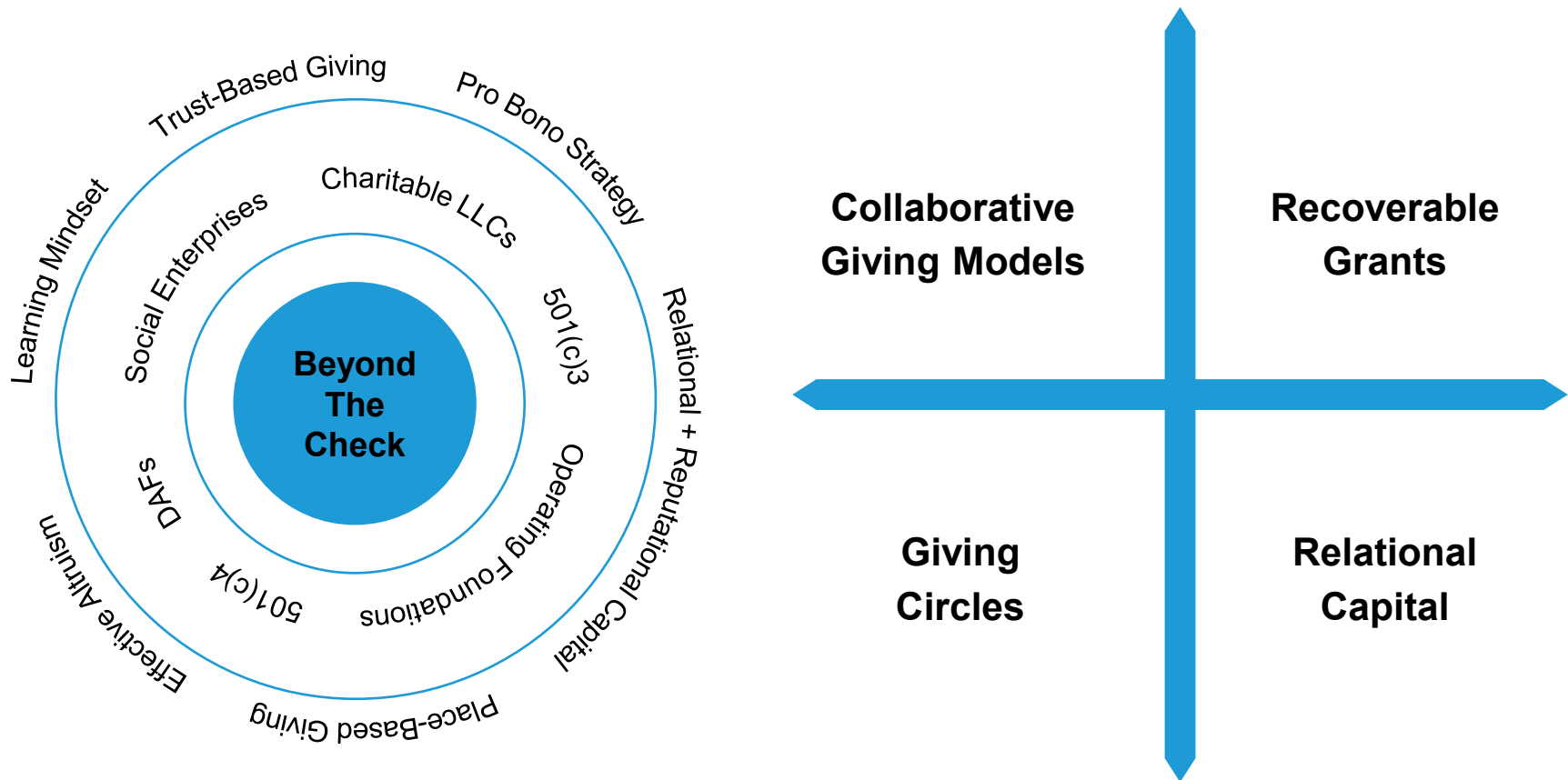
*National Philanthropic Trust

To discuss or request resources, please reach out to your Bernstein advisor or to FIA@Bernstein.com

Source: Bernstein.com; National Philanthropic Trust

Further Diversify Engagement Strategies

Development teams and boards are seeking education to open the door for new and beneficial giving models



Source: Philanthropy's Meaningful Middle: Best Practices for Middle Tier Donors

Meet the Donor Where They're At | The "Philanthropic Curve"

Phase & Focus	What it Might Look Like	Common Questions & Concerns
1 Become a Donor	<ul style="list-style-type: none"> • Many experiences & values motivate you to give • Demands increase, you're on many lists • Gifts may be distributed across many orgs 	<ul style="list-style-type: none"> • Philanthropy honeymoon • Choosing vehicle • Am I making a difference?
2 Decide to get Organized	<ul style="list-style-type: none"> • Control the process instead of process controlling you • Review giving history: what's most satisfying? • Prioritize, say no, develop criteria (less reactive) 	<ul style="list-style-type: none"> • What's our mission? • How are others doing it? • Governance & decisions?
3 Become a Learner	<ul style="list-style-type: none"> • Start researching issues that most interest you • Talk with experts, other donors, make visits • Possibly hire support, clarify focus • Distinguish reactive gifts vs your 'real philanthropy' 	<ul style="list-style-type: none"> • Board memberships? • Who are the key players? • Increase effectiveness?
4 Become Issue & Results Oriented	<ul style="list-style-type: none"> • Maximize giving, increase odds of making a difference • Effective application of your resources • Focus on capacity building, talented leadership • Proactively seek out best leaders, causes, orgs 	<ul style="list-style-type: none"> • Increase effectiveness? • Apply skills/experience from other industries/life areas
5 Leverage your Philanthropy	<ul style="list-style-type: none"> • Collaborate w/ & seek out other donors across industries, public-private partnerships • Create & fund models to be more broadly adapted • Become the 'go-to' on issues you support 	<ul style="list-style-type: none"> • Transformative thinking • Systems change • Next generation
6 Alignment of Vision & Interests	<ul style="list-style-type: none"> • Philanthropy is most exciting & satisfying • Values, passions, interests, actions = aligned • Satisfaction of an 'integrated life' 	<ul style="list-style-type: none"> • What it all means?

Noncash Vehicles are Not a One Size Fits All



DONOR ADVISED FUNDS

- Payout rate was 24% in 2023
- Contributions to DAFs dropped significantly, -21.7%. The most precipitous one-year drop on record. Drop follows recent/sharpest one-year *increase* (2020-2021).
- Contributions seem to be returning to historical growth patterns.

Next Step:

Add a DAF button to your website, making it easy for donors to find you



CRYPTO-PHILANTHROPY

- \$2B in crypto has been donated to nonprofits since 2018
- 56% of Forbes Top 100 Charities now accept cryptocurrency donations.
- Reach out for more information on our partnership with Giving Block

Next Step:

Crypto is back in conversation but it's not for every donor nor grantee. Listen to our podcast episode with Giving Block on [Demystifying Crypto Donations](#)



PASSION ASSETS

- Families often pass down real estate, fine jewelry, automobiles, and other collectibles
- Becoming a strong additional revenue source for nonprofits

Next Step:

The Fine Art Group's advice: Start the conversation with jewelry, which is often sitting in a safety deposit box

Review your gift acceptance policy to consider all the above, strategically. For a template, reach out to FIA@Bernstein.com

Religion Unplugged. "Crypto Is Coming: Are Nonprofits Ready For It?" Religion Unplugged, 22 March 2024, [Link](#); Forbes. "The Largest U.S. Charities For 2021." Forbes, 10 December 2024, [Link](#); The Giving Block. "2024 Annual Report on Crypto Philanthropy." The Giving Block, 2024, [Link](#); Bernstein. "Demystifying Crypto Donations." Inspired Investing, 2022, [Link](#); National Philanthropic Trust. "Donor-Advised Fund Report." National Philanthropic Trust, 2024, [Link](#); ; Bernstein. "Artful Giving: Donating Collectibles for Good." Bernstein Insights, 2024, [Link](#).

Bernstein Foundation and Institutional Advisory Sample Topics and Training

Research and Educational Topics for Fiduciaries



Finance and Investments

- Investing Basics for Fiduciaries
- Reserves Analysis & Scenario Planning
- Economic & Capital Markets Updates
- ESG & Responsible Investing
- Alternatives Investing
- Nonprofit & Foundation Financial Statements



Policy and Governance

- Fiduciary Duty & Committee Best Practices
- Investment & Spending Policy Drafting & Review
- Growing and Diversifying Board Skillsets
- Mission, Vision & Values Statements
- Compensation & Retirement Benefits Support



Development & Donor Engagement

- Philanthropic Trends & Opportunities
- Blended Giving | Planned Giving and other Noncash Strategies
- Key Considerations for Building an Endowment
- Strong Board Ambassadorship: Building a Culture of Philanthropy

It Starts With Leadership

Should the DNA of our board shift or evolve amid to address current challenges?

“

How can we diversify fundraising to further our mission?

How can our investment policy meet the needs of rising costs?


What role does board governance plan in the success of our mission?

”

Source: Bernstein

Make use of Bernstein Resources

Board Skills Needs Assessment

 BERNSTEIN

Building or Evaluating Your Board

- How Many Board Members?
 - Consider at least 5 and up to 7 Board members at inception
- Who Should Be on the Board?
 - Leaders of the Organization – CEO/Exec
 - Professional Partners – Audit/Tax, Grant
 - Key Strategic Advisors – leaders who are
- How Will they Support the Organization?
 - Think about which prospective Board members will enhance continuity in the organization, in Grant Approval, HR, Governance
- What is their Personal Style and Background?
 - Think about how each individual would work with the team
 - Also consider their age, background, and board members with more seasoned leadership backgrounds will enhance continuity in the organization thought along the way
- How Long Will They Serve For?
 - A timebound ask is easier to accept while ensuring continuity

Board Matrix Worksheet

Board Needs Assessment & Recruitment Tool

	Board Member #1	Board Member #2
	Name	Name
SME / Industry		
Investments		
Similar Foundation/Grantmaking Leader		
Financial Leader (CFO, etc.)		
Attorney		
HR/Governance		
CPA/Audit		
Mission-related Expertise (e.g. Cardiovascular Research)		
Mission-related Expertise (e.g. Jewish Philanthropy)		
Personal Style		
Consensus Builder		
Strong Communicator		
Strategist		
Visionary		
Age		
18 – 34		
35 – 50		
51 – 65		
65-75		
75+		
Gender		
Male		
Female		
Other Demographics		

Board Workshops:

- Strong Board Ambassadorship: Building a Culture of Philanthropy
- Fiduciary Duty and Investment Committee Best Practices
- Key Governance Policies and Practices
- Sustaining your Organization through Planned Giving

IRA Qualified Charitable Distribution (QCD)

Best for:

IRA owners at least 70½ years of age who have exceeded the annual limit of charitable deductions; donors who cannot itemize deductions

**When Charity
Receives Gift:****Tax Impact:**

Counts toward RMD but excluded from AGI, so no charitable income-tax deduction; avoids tax on income from IRA distribution

**Distributions
to Donor:**


Up to \$108,000 from IRA can be granted directly to public charity; donor can transfer from IRA to charity first, and then receive any remaining RMD

**Limitations/
Drawbacks:**

Same effective tax impact as giving cash, if itemizing deductions; rules are complex

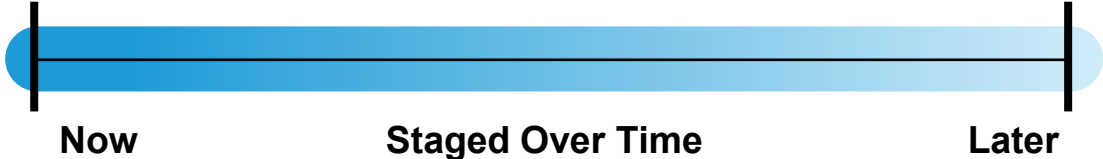
For illustrative purposes only. Bernstein does not provide tax, legal, or accounting advice. In considering this material, you should discuss your individual circumstances with professionals in those areas before making any decisions.

Bequests

Best for:	Donors seeking to contribute a gift to charity upon death; avoids giving money needed during life
When Charity Receives Gift:	 Now Staged Over Time Later
Tax Impact:	No charitable income-tax deduction; estate tax charitable deduction if donor has a taxable estate
Distributions to Donor:	No
Limitations/Drawbacks:	Charity does not receive benefit of gift until donor's death; inflation could erode its value

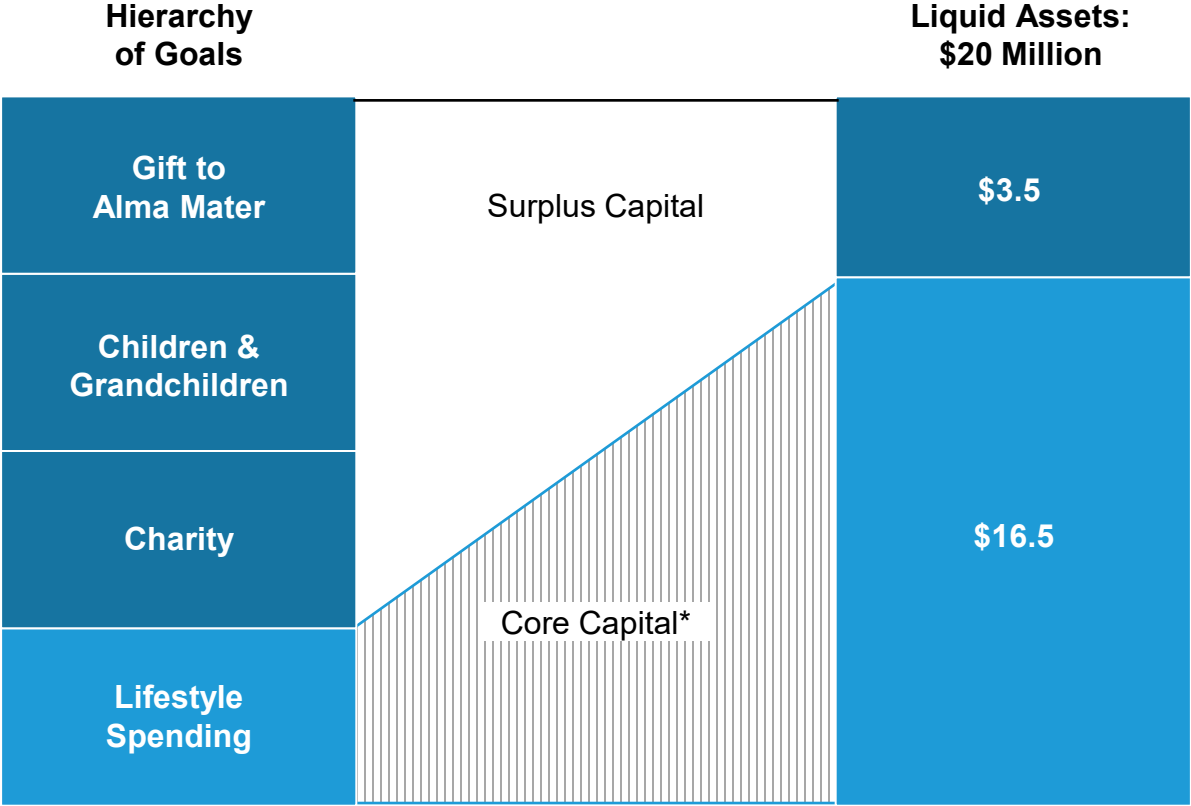
For illustrative purposes only. Bernstein does not provide tax, legal, or accounting advice. In considering this material, you should discuss your individual circumstances with professionals in those areas before making any decisions.

Donor-Advised Funds

Best for:	Donors seeking a low-cost and flexible philanthropic vehicle to contribute to and make grants from; potential family legacy
When Charity Receives Gift:	 <div>Now Staged Over Time Later</div>
Tax Impact:	Receive charitable income-tax deduction in year of gift, up to limits; future growth avoids income taxes
Distributions to Donor:	No
Limitations/ Drawbacks:	Irrevocable gift; subject to AGI limitations on charitable contributions; donor advises on, but doesn't control grantmaking

For illustrative purposes only. Bernstein does not provide tax, legal, or accounting advice. In considering this material, you should discuss your individual circumstances with professionals in those areas before making any decisions.

Determining Core and Surplus Capital for Donors



*Core capital is defined as the amount needed today to support annual spending of \$500,000 after taxes and inflation with a 95% level of confidence for a 55-year-old couple. Portfolio is modeled on 60% global stocks and 40% bonds. Stocks are modeled on 17.8% U.S. value, 17.8% U.S. growth, 13.2% U.S. dividend, 6.8% U.S. small-cap, 10.0% developed foreign markets, 10.0% emerging markets, 10.0% US Low Vol Equity, 4.0% high-risk international. Bonds are modeled on intermediate-term municipal bonds. Based on Bernstein's estimates of the range of returns for the applicable capital markets as of June 30, 2024. Data do not represent past performance and are not a promise of actual future results or a range of future results. See Notes on Bernstein Wealth Forecasting System at the end of this presentation. Source: Bernstein.



The [A/B] logo is a registered service mark of AllianceBernstein and AllianceBernstein® is a registered service mark, used by permission of the owner, AllianceBernstein L.P.
© 2024 AllianceBernstein L.P.