Planned Giving Toolkit

California COMMUNITY Foundation

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WHY PLANNED GIVING MATTERS

Planned giving represents one of the most significant opportunities for nonprofits to secure their long-term sustainability. Planned gifts often represent the largest donations many supporters will ever make. As traditional funding sources become less reliable, planned giving provides a critical counterbalance by creating unrestricted, sustainable revenue that allows organizations to respond to emerging needs and maintain core programs without external constraints.

Unrestricted funding flexibility

_Many planned gifts come without donor restrictions, allowing organizations to allocate funds where they are needed most or can be used to provide ongoing support via an endowment

Reduced reliance on institutional funding

Diversify beyond government grants and foundation support to build greater financial stability

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Transformational gift potential

Enable donors of modest means to make significant impact through their estates. On average charitable bequests are 2.74 times larger than donors' lifetime charitable giving

Deepened donor relationships

Strengthen connections with loyal supporters through meaningful legacy conversations

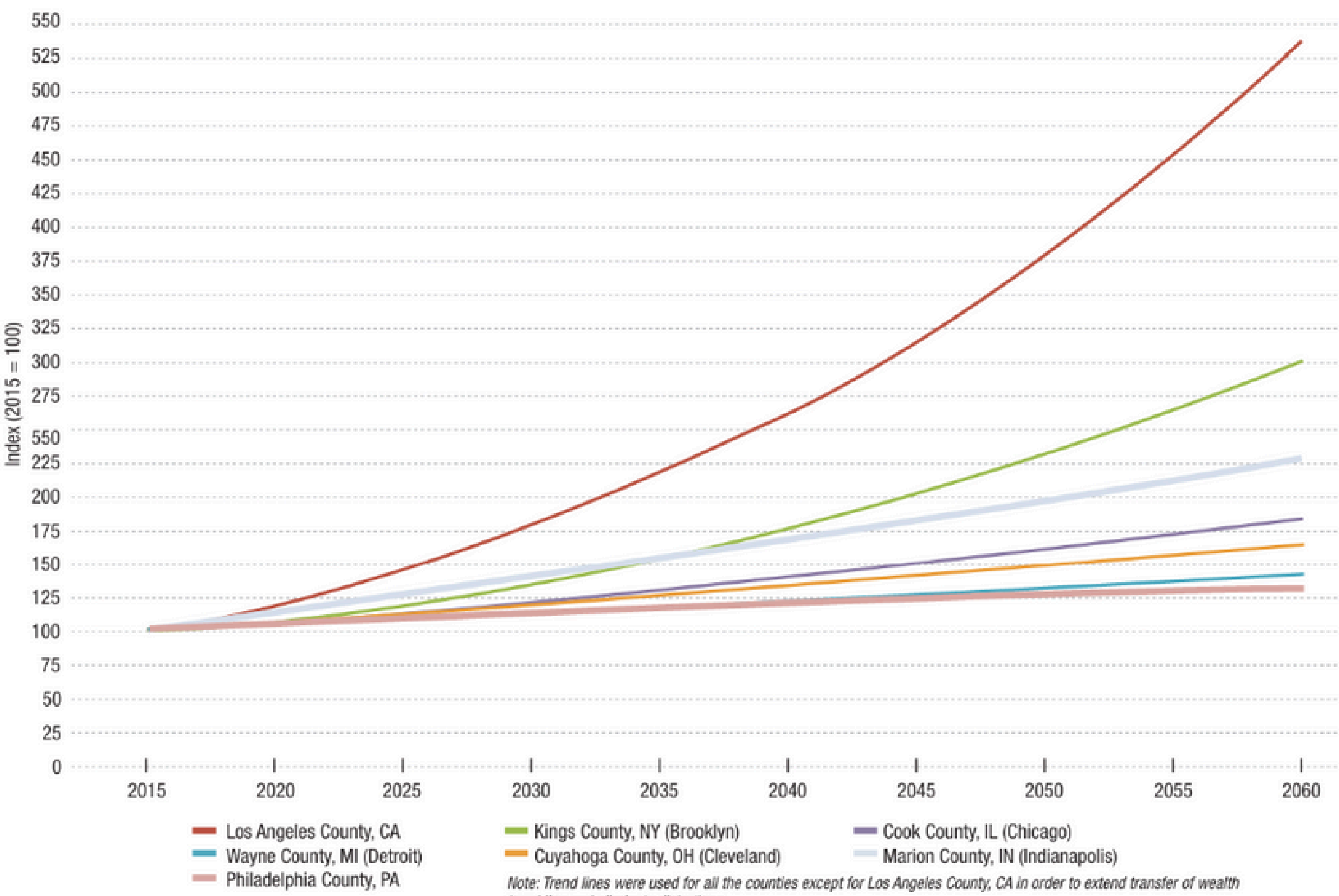
THE OPPORTUNITY

Figure 1 – Summary Findings for Los Angeles County

Finding	Total Estimated Value
2010 Current Net Worth	$1.284 Trillion
2010-2020 TOW Opportunity	$113.53 Billion
2010-2060 TOW Opportunity	$1.384 Trillion

Current demographic trends create an unprecedented opportunity for planned giving growth. According to wealth transfer studies, an estimated $1.4 trillion will transfer between generations over the next 50 years in major metropolitan areas. High net worth households (those with assets exceeding $1 million) represent a substantial and growing segment of potential donors. Importantly, planned giving is not limited to the wealthy. Research shows that 65.5% of U.S. households give to charities, with donors across all income levels including charitable provisions in their estates. Many donors who give modestly during their lifetimes become major benefactors through bequests and other planned gifts.

Figure 2 – Transfer of Wealth: 2010-2060, L.A. vs. Other Cities



Note: Trend lines were used for all the counties except for Los Angeles County, CA in order to extend transfer of wealth trend line and eliminate distortions.

Legacy Gifts

Gift Type	Description	How It Works	Value
Bequest	Gift through will or trust	Donor includes charity in estate plan with specific amount, percentage, remainder after other gifts, or as contingent beneficiary	Most common planned gift; revocable; no lifetime cost
Beneficiary Designation - Retirement Accounts	Charity named as beneficiary of IRA, 401(k), 403(b), or other qualified plan	Donor completes beneficiary form with plan administrator	Avoids income tax for heirs; simple beneficiary form. Best for: Donors 70+ with substantial IRAs/401(k)s
Beneficiary Designation - Life Insurance	Charity named as owner and/or beneficiary of life insurance policy	Donor transfers policy ownership or names charity as beneficiary on policy	Leverages premiums into future gifts. Best for: Donors with unneeded or paid-up policies
Beneficiary Designation - Accounts	Charity named as Transfer on Death (TOD) or Payable on Death (POD) beneficiary	Simple beneficiary designation on bank accounts, brokerage accounts, CDs	Simplest; takes 5 minutes. Best for: Any donor wanting easy, no-cost planned gift
Charitable Remainder Annuity Trust (CRAT)	Irrevocable trust paying fixed dollar amount annually	Donor funds trust with cash or assets, receives guaranteed fixed payment for life or term of years, remainder goes to charity	Guaranteed fixed income regardless of markets. Best for: Risk-averse donors 60+ wanting reliable income; donor with highly appreciated asset
Charitable Remainder Unitrust (CRUT)	Irrevocable trust paying fixed percentage of trust value annually (revalued each year)	Donor funds trust, receives percentage of annually-revalued trust value for life or term, remainder to charity	Income potential grows with investment performance. Best for: Donors wanting income that may increase over time; hedge against inflation

Legacy Gifts (cont.)

Gift Type	Description	How It Works	Value
Charitable Lead Trust (CLT)	Trust pays charity for term of years, then remainder passes to heirs	Charity receives payments (fixed or percentage) for specified years, then remaining assets transfer to family members or other heirs	Reduces gift/estate tax on wealth transfer to heirs. Best for: High net worth families wanting to pass appreciating assets to heirs while supporting charity
Charitable Gift Annuity (CGA)	Simple contract where charity pays fixed income for life in exchange for gift	Donor gives cash or securities to charity, charity pays fixed percentage for life based on age (can be deferred)	Guaranteed income; immediate charitable deduction; Best for: Donors 60+ wanting stability
Retained Life Estate	Deed home or farm to charity while retaining right to live there for life	Donor transfers property deed to charity but keeps legal right to occupy and use property for lifetime	Immediate deduction while continuing to live in home; removes property from taxable estate. Best for: Older homeowners with substantial home equity; no heirs wanting the property
Bargain Sale	Sell asset to charity for less than fair market value, difference is charitable gift	Donor sells property, business interest, or other asset to charity below market price; below-market amount qualifies as tax-deductible gift	Good compromise between outright gift and full sale. Best for: Donors needing some liquidity from appreciated assets while wanting charitable impact; partial exit from business or property

Non Cash Gifts

Gift Type	Description	How It Works	Value
Securities	Publicly traded stocks, bonds, mutual funds, stock options, restricted stock	Donor transfers shares or units directly to charity's brokerage account (not sold first)	Avoid capital gains tax on appreciated security held over 1 year. Best for: Anyone with appreciated stocks, mutual funds, or options; especially valuable for highly appreciated positions
Qualified Charitable Distribution (QCD)	Direct transfer from IRA to charity	IRA owner age 70½+ directs up to $105,000 annually from IRA directly to qualified charity	Satisfies Required Minimum Distribution; excludes distribution from AGI Best for: Donors who don't need their RMD income; those in higher tax brackets
Real Estate	Residential, commercial, rental property, or undeveloped land	Donor deeds property directly to charity with qualified appraisal and title transfer	Avoid capital gains, eliminate ongoing maintenance; charity handles sale. Best for: Appreciated property, vacation homes no longer used; inherited property; downsizing
Business Interests	Ownership in S Corp, C Corp, LLC, partnership, or sole proprietorship assets	Transfer ownership interest or business assets with qualified appraisal and legal documentation	Avoid capital gains on appreciated value; business succession and exit planning tool; Best for: Business owners planning exit

Non Cash Gifts (cont.)

Gift Type	Description	How It Works	Value
Intellectual Property	Patents, copyrights, trademarks, royalty interests	Transfer IP rights with qualified appraisal	Charity receives ongoing royalty income. Best for: Inventors with income-producing patents; authors, composers, artists with royalty streams
Tangible Personal Property	Art, collectibles, jewelry, vehicles, equipment, books, wine, furnishings	Transfer physical items with appraisal (required over $5,000)	Deduct fair market value if "related use" to charity's mission; charity handles sale/use. Best for: Collectors; inherited items; estates liquidating possessions
Digital Assets	Cryptocurrency (Bitcoin, Ethereum, etc.) and NFTs	Transfer crypto wallet-to-wallet directly to charity; transfer NFT with documentation	Simple transfer process; increasingly common. Best for: Crypto investors with substantial gains, younger tech-savvy donors

Tax Basics for Planned Giving

Note: This document provides general information only and should not be considered legal or tax advice. Always encourage donors to consult with their tax and legal advisors for personalized guidance.

Income Tax Deductions: Donors itemizing deductions reduce their taxable income through charitable contributions, lowering current-year tax liability.

Capital Gains Tax: Tax on profits from selling appreciated assets (stocks, real estate). Avoiding this tax is a key benefit of donating appreciated property. If a donor has held an asset for longer than a year, they could avoid paying capital gains tax (15-20% federal plus state taxes) by donating the asset to charity.

Estate Tax: Federal tax on asset transfer at death (2025 exemption: $15M per individual). Charitable bequests reduce the taxable estate dollar-for-dollar.

Charitable Deduction Limits

Cash Contributions: Up to 60% of adjusted gross income (AGI)
Appreciated Securities & Property: Up to 30% of AGI
Carryforward Rule: Excess deductions can be carried forward for up to five additional years.

⚠ CRITICAL 2026 CHANGES FROM OBBB

0.5% AGI Floor for Itemizers: Starting in 2026, itemized charitable deductions only count for amounts exceeding 0.5% of AGI.
New Deduction for Non-Itemizers: Starting in 2026, donors taking the standard deduction can deduct up to $1,000 (single) or $2,000 (married) for charitable gifts to public charities (excludes DAFs and private foundations).

Tax Basics for Planned Giving (cont.)

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Revocable vs. Irrevocable Gifts: The Control Requirement

The Fundamental Principle: To receive an immediate income tax deduction, donors must irrevocably give up control of the asset. Retaining the ability to change beneficiaries or reclaim assets disqualifies the gift for current tax benefits.

Irrevocable Gifts (Immediate Tax Benefits):

- Outright gifts: Full immediate deduction
- Charitable remainder trusts: Partial immediate deduction
- Charitable gift annuities: Partial immediate deduction
- Donor-advised funds: Immediate full deduction

Revocable Arrangements (No Current Tax Deduction):

- Bequest in will: Estate tax deduction only
- Revocable living trust with charitable beneficiary: Estate tax deduction only
- Beneficiary designations (IRA, life insurance): Estate tax deduction only

Help donors understand that estate gifts provide legacy planning but don't offer current income tax savings. If immediate tax benefits are important, irrevocable lifetime gifts are necessary.

"Related Use" Rule for Tangible Personal Property

Full FMV Deduction: Available when tangible personal property (artwork, collectibles, equipment) is used by the charity in a manner related to its tax-exempt purpose.
Examples:

- Artwork to museums for display
- Medical equipment to hospitals
- Books to libraries

Unrelated Use (Limited Deduction): If property is sold or used for unrelated purposes, deduction is limited to cost basis (not FMV).

Appraisals: Generally required for non-cash gifts valued over $5,000. Donors must obtain a qualified appraisal from an independent appraiser.

Tax Basics for Planned Giving (cont.)

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Case Study: Retirement Account Gifts as an Estate Planning Tool

Retirement accounts (IRAs, 401(k)s) are often the most tax-efficient assets to give to charity, making them ideal for estate planning.

The Tax Problem for Non-Charitable Heirs:
When non-spouse beneficiaries inherit retirement accounts, they face significant tax burdens. All distributions from inherited traditional IRAs are taxed as ordinary income (not capital gains), potentially at rates up to 37% federal plus state taxes.

Further, most non-spouse beneficiaries must withdraw the entire account balance within 10 years of the original owner's death. This compressed timeline can push heirs into higher tax brackets, especially if they inherit during their peak earning years.

Unlike other assets that receive a step-up in basis at death, retirement accounts retain their full taxable value.

The Charitable Solution (Leaving a Retirement Account to Charity)

- No Income Tax for the heir
- Estate Tax Deduction: The charitable gift reduces the taxable estate (for estates exceeding exemption levels).
- Maximum Impact: 100% of the account value goes to charity vs. potentially 50-60% after taxes for individual heirs.

Encourage donors to consider leaving retirement accounts to charity while leaving other assets (like appreciated stock or real estate with step-up in basis) to individual heirs. This maximizes both the charitable gift and the after-tax inheritance for family members.

Qualified Charitable Distributions (QCDs):
For donors age 70½ or older, QCDs allow direct transfers from IRAs to charity (up to $105,000 annually in 2024, adjusted for inflation). QCDs satisfy required minimum distributions, avoid income taxation, and don't count toward AGI—making them especially valuable under the 2026 deduction floor.

Integrating Planned Giving into Your Existing Development Program

Start with Your Current Donors

Begin by identifying prospects from your existing donor base. Look for these indicators:

- Donors 60+ years old with 5+ years of giving history
- Childless couples or individuals
- Long-term volunteers and board members
- Those who've increased giving over time
- Professional advisors (attorneys, CPAs, financial planners) who could be valuable partners in creating your planned giving strategy

Potential Stewardship Integration Points

Regular Appeals
Include simple bequest language in direct mail and email campaigns.
Add checkbox: "I have included [Organization] in my estate plans."

Donor Visits
Naturally mention planned giving options during relationship conversations. Ask: "Have you considered how your values will be reflected in your estate plans?"

Donor Recognition
Share stories of legacy donors and the impact of their forward-thinking generosity at donor events. Feature planned giving spotlights, donor stories, and simple educational content about giving options in donor newsletters.

Key Messaging:
Frame planned giving as a way to extend a donor's values and continue their support beyond their lifetime, not as asking them to think about death.

5 Quick Wins

1

Make It Easy To Say Yes

Remove barriers by providing simple tools:

- Sample bequest language donors can give to their attorney
- Letter of intent form to document their planned gift (non-binding)
- Beneficiary designation information with your organization's legal name and tax ID
- Online planned giving calculator for exploring gift scenarios
- Clear contact information for the person who handles planned giving inquiries

2

Add Planned Giving Language to Existing Communications

Include brief planned giving mentions in materials donors already receive:

- Annual fund appeals: Add one sentence: "Consider including us in your estate plans to create a lasting legacy."
- Donor Communications: Include a PS: "Did you know you can support our mission through your will or retirement account?"
- Newsletters: Feature one legacy donor story per issue
- Email signatures: Add a line about your Legacy Society
- Website footer: Link to planned giving information or an email donors can contact with questions about planned gifts

3

Host Low-Pressure Educational Events

Educational events reduce the intimidation factor and position you as a resource, not a solicitor:

- "Planning for the Future" seminars with guest estate planning attorneys
- Lunch-and-learns on topics like "Charitable Giving and Tax Planning"
- Legacy Society gatherings that celebrate current legacy donors
- One-on-one consultations with no obligation

Make these events informational, not promotional. Donors should leave feeling educated, not solicited.

4

Train Staff to Recognize Opportunities

Planned giving prospects often reveal themselves in casual conversation. Train staff, leadership, and board members to listen for these signals:

- "I want to make sure you're taken care of after I'm gone"
- "I'm updating my estate plans"
- "I wish I could do more"
- References to retirement, selling a business, or receiving an inheritance

Action: When staff hear these signals, they should warmly acknowledge the comment and connect the donor with your planned giving contact: "That's wonderful. Would you be interested in speaking with [Name] to learn about ways you can do that?"

5

Leverage Professional Advisor Networks

Build relationships with estate planning professionals in your community:

- Host advisor breakfast briefings on charitable giving strategies
- Provide advisors with sample bequest language and charitable planning resources
- Offer to partner on client seminars about philanthropic planning
- Create an advisory council of estate planning professionals

Why Create a Legacy Society

Recognition
Publicly honor donors who have made this significant commitment

Cultivation
Keep legacy donors engaged with your mission

Inspiration
Demonstrate that others have made this choice, encouraging new members

Documentation
Create a record of donors' intentions

Marketing
Provide social proof that planned giving is valued and accessible

Creating A Legacy Society

Name Your Society

Choose a meaningful name connected to your mission, history, or location:
Legacy Society, Heritage Circle, Legacy Guild, Tomorrow's Promise Society
Name it after your founder or a significant figure
Incorporate your founding year (e.g., "1952 Legacy Circle")
Use mission-related imagery (e.g., "Cornerstone Society," "Beacon Circle")

Define Membership Criteria

Clearly establish who qualifies for membership. Most organizations include:

- Donors who have included your organization in their will or trust
- Donors who have named you as beneficiary of retirement accounts or life insurance
- Donors who have established charitable gift annuities or remainder trusts benefiting your organization
- Donors who have made other documented planned gift commitments

Consider whether or not you want to include Donors who have named your organization as a contingent beneficiary

Some organizations create a special membership title for gifts that has been received (memorialize deceased donors)

Design Recognition Materials

- Membership certificate: Suitable for framing, personalized with donor name
- Recognition wall or plaque: Display member names at your facility (with permission)
- Annual report listing: Acknowledge members publicly (with permission)
- Website recognition: Dedicated page listing Legacy Society members
- Welcome kit: Packet with certificate, pin/lapel, and information about member benefits
- Always give donors the option to remain anonymous. Some prefer private giving
- Consider creating a special recognition opportunity for the planned gifts you were aware of before you created the society, you can reference these donors as "founding members" of the legacy society

Establish Member Benefits

- Provide meaningful benefits that deepen connection without significant cost:
- Exclusive annual gathering or special event
- Behind-the-scenes tours or program visits
- Special communications (legacy society newsletter, impact reports)
- Access to leadership where possible
- Invitation to advisory groups or special committees
- Priority registration for popular events
- Special recognition in annual reports (with permission)
- Lapel pins or recognition items

Documentation Process

Implement a simple system to document planned gift intentions:

1. Letter of Intent: Provide a simple one-page form for donors to document their planned gift commitment
2. Upon receiving documentation, send formal acknowledgment welcoming them to the Legacy Society
3. Create a field in your donor database to flag Legacy Society members
4. Maintain updated contact information and gift details
5. Annually, invite members to update their gift information if circumstances have changed

Legacy Society Recognition and Stewardship Best Practices

Upon Notification of Gift

When a donor notifies you of their planned gift, respond immediately with a personal phone call, followed by a handwritten thank you note, and recognition gift (if you have). Within the first month, schedule an in-person visit if possible to share how their future gift will create impact, ask permission to recognize them publicly, and add them to legacy society communications.

When the Gift is Realized

When their gift matures, send a sympathy card to the donor's family expressing condolences and gratitude for their loved one's generosity. Honor the donor according to their wishes and consider naming opportunities for significant gifts. Make public announcements only if the donor or their family has approved. If the family indicates they would like to stay connected, provide ongoing impact reports showing how the gift is being used and continue to steward the relationship by keeping them updated on the donor's legacy.

Sample Engagement Calendar

January: Send annual impact report highlighting how legacy gifts are used
March: Host spring Legacy Society event or luncheon
May: Send personalized note or card acknowledging their commitment
August: Mail Legacy Society newsletter with member spotlights
October: Invite to exclusive program tour or behind-the-scenes experience
November / December: Send holiday card from executive leadership
Ongoing: Send personal birthday cards

Planned gift donors require different stewardship than annual fund donors. Because their gifts may not be realized for years or even decades, maintaining long-term relationships is essential. These donors need consistent reassurance that their future gift will be used as intended and that their legacy will be honored.

Research shows planned gift donors most value assurance their gift will be used as intended, knowledge that your organization will endure, personal relationships with staff and leadership, and appropriate recognition that is meaningful to them. These donors have made their largest gift to you and chosen to support your mission beyond their lifetime. Honor that trust with exceptional stewardship that ensures they feel valued while living.

Template Materials

The following templates can be customized for your organization's planned giving program.

Sample Legacy Society Membership Form

Thank you for your intention to fulfill your charitable legacy in partnership with [Name of Organization]. This form will also allow us to honor you as a member of our Legacy Society.

This document does not bind you or your estate. By signing this form, you are simply acknowledging your current plans to benefit [Name of Organization] in the future and giving us guidance as to your wishes.
We recognize that gift plans may change over time, and we hope you will consider notifying us of any relevant changes in your plans. We very much appreciate your expression of support for [Name of Organization] and its important mission.

NAME(S):
ADDRESS:
CITY:
STATE:
ZIP:
PHONE:
EMAIL:

Please describe the nature of your gift:
□ Will
□ Revocable "Living" Trust
□ IRA or Other Retirement Account
□ Charitable Remainder Trust
□ Life Insurance Policy
□ Other: _______________

Please provide an estimate of the current value of your deferred gift. The estimated value of the gift will remain confidential and will not be published or listed.
□ Minimum $10,000
□ $10,000 to $100,000
□ $100,000 - $500,000
□ $500,000 - $1 million
□ $1 million - $5 million
□ $5 million - $10 million
□ $10 million and above
□ Other: _______________

Listing
We recognize that estate planning is a highly personal matter. Only those donors who give permission will have their names recognized, such as in the Annual Report, Publications, Website and listed on the donor wall as members of the Legacy Society.
□ I/We would like others to be encouraged by my/our example, I/we hereby give permission for my/our name(s) to be recognized as follows: _______________
□ I/We also would be interested in sharing my/our story with the Los Angeles community on the CCF Website or publications.
□ I/We would like to remain anonymous and prefer that my/our name(s) not be published.

SIGNATURE:___________________________ DATE: _______________
SIGNATURE:___________________________ DATE: _______________

Sample Bequest Language

The following language can be shared with donors to provide to their attorney when creating or updating their will or trust:

"....to [Legal Organization Name], a nonprofit organization located at [Address], Tax ID [Number] to be used in such manner as the Board of Directors of said organization shall, in its sole discretion, determine."

Important Information for Donors to provide for their Attorney:

- Legal Name: [Full Legal Organization Name]
- Address: [Full Address]
- Federal Tax ID: [XX-XXXXXXX]

Sample Legacy Society Welcome Letter

[Date]
[Donor Name]
[Address]

Dear [Donor Name],

Welcome to the [Legacy Society Name]! On behalf of [Organization], I am honored to recognize you as a member of this distinguished group of visionary donors who have included [Organization] in their estate plans.

Your decision to make a legacy gift is a profound expression of trust and commitment to our mission. Your gift will help ensure that [describe impact - e.g., "future generations can experience the transformative programs that have meant so much to you"]. While we hope to steward your generous support for many years to come, please know that when your gift is realized, it will be used thoughtfully and in alignment with your wishes.

As a member of the [Legacy Society Name], you receive:

- Recognition, if you so choose, in our annual report, publications, website, and at special donor recognition events
- Invitations for you and your family to exclusive [Legacy Society Name] gatherings where you can meet fellow members and hear directly from our leadership about the exciting future you are helping to create
- [Add 2-3 additional specific benefits such as: behind-the-scenes program tours, quarterly impact newsletters, birthday cards from leadership, etc.]
- The satisfaction of belonging to a group of forward-thinking individuals who are using their resources to support the causes and organizations for which they have the most passion
- The knowledge that you are making a lasting impact for generations to come

Next Steps:
Enclosed you will find a Confidential Legacy Society Membership Form. We ask that you please complete and return the form so that we can better serve you and ensure we honor your wishes appropriately. [Remove sentence if form already completed]

Thank you for your extraordinary generosity and for the confidence you have placed in [Organization]. Your legacy will live on through the countless lives you will touch and the lasting change you are creating for a better world.

If you have any questions or would like to be in touch for any reason, please contact me at [email address] or [phone number].

With deepest gratitude,
[Signature]
[Name] [Title]

Sample Annual Legacy Society Stewardship Letter

[Date]
[Donor Name]
[Address]

Dear [Donor Name],

As we close another year at [Organization], I wanted to reach out personally to thank you for your continued commitment as a valued member of our [Legacy Society Name].

This year has been remarkable for our organization. [Include 2-3 specific impact highlights that demonstrate mission fulfillment - use metrics, stories, or significant achievements]. None of this would be possible without dedicated supporters like you who are investing not only in our present work but in our future sustainability.

Your legacy gift represents [reference their specific designation if known, or speak generally about how planned gifts are used]. Knowing that we have your future support allows us to plan strategically and invest in long-term initiatives that will serve our community for decades to come.

As we look toward [next year], we are excited about [mention 1-2 forward-looking initiatives or goals]. Your legacy commitment gives us the confidence to pursue these ambitious goals knowing that we will have the resources to sustain them.

If your circumstances have changed or you would like to update us on any details of your planned gift, please don't hesitate to contact me directly at [phone] or [email]. We are always here to support you.

Thank you for the extraordinary legacy you are creating. We are honored to be entrusted with your vision for the future.

Warm regards,
[Signature]
[Name] [Title]

Building Capacity to Accept Legacy and Non Cash Gifts

Legal and Compliance Infrastructure

The ability to accept non cash gifts relies heavily on team members with legal expertise that can identify and assess risks associated with potential gifts. This legal support does not necessarily need to be internal. Many organizations successfully rely on external counsel for planned giving legal review. Identify and establish relationships with attorneys experienced in estate planning, tax law, and real estate transactions before you need them. Developing a comprehensive gift acceptance policy should be a priority if your organization lacks one, as this policy serves as your primary risk management tool. Training your development staff to identify potential risks in proposed gifts is equally critical. Staff should recognize red flags and know when to escalate gift discussions to legal counsel for professional review.

Financial and Administrative Systems

Your finance team needs capacity to handle the unique characteristics of planned gifts. Estate gifts often arrive in pieces over time as assets are liquidated, requiring your finance staff to track multiple payments associated with a single gift commitment. Certain types of planned gifts may need different tax reporting treatment, particularly those generating unrelated business taxable income or providing lifetime income to donors. When accepting real property or other assets requiring holding periods before sale, you need capacity to manage these assets including insurance, property taxes, and maintenance coordination.

Human Resources and Expertise

The central staffing question for organizations launching planned giving programs is whether to invest in training existing development staff to handle planned gifts or whether donor interest and organizational capacity justify hiring a dedicated planned giving specialist. This decision depends on the size and sophistication of your donor base, the volume of planned giving inquiries you receive, and your overall development budget. Organizations with mature major gift programs and donors asking about estate planning options may be ready for dedicated staff, while smaller organizations might start by training existing officers to recognize opportunities. Take inventory of board member expertise. Attorneys, CPAs, financial advisors, and trust officers can potentially provide valuable technical guidance through gift acceptance procedures when needed.

Technology and Data Management

Your donor database must have the capability to track planned giving commitments differently than outright gifts. Estate gifts may take years or decades to materialize, requiring systems that can record bequest intentions and maintain this information over extended periods without counting expectancies toward current fundraising goals. Evaluate whether your current CRM can accommodate this specialized tracking or whether enhancements are needed. Access to gift illustration software like PG Calc or similar tools can significantly enhance your ability to provide professional proposals to donors and their advisors. While not essential for program launch, this software becomes increasingly valuable as you engage sophisticated donors expecting detailed financial projections for charitable gift annuities, charitable remainder trusts, and other life income gifts.

Gift Acceptance Policies

Gift acceptance policies (GAPs) should serve five critical functions for your organization:

- First, they establish parameters protecting the organization from gifts that could create financial, legal, reputational, or mission-related liabilities
- Second, they clarify decision-making authority and approval hierarchy for different gift types and value thresholds.
- Third, they provide guidance about what the organization can and cannot accept
- Fourth, they communicate institutional standards on the process required for accepting types of gifts
- Finally, they demonstrate overall organizational due diligence and good governance practices to the IRS, state regulators, and other oversight bodies

Begin your gift acceptance policy with a clear statement of organizational philosophy regarding charitable contributions. A well-crafted opening might read: "[Organization Name] encourages and accepts gifts that support its mission [state mission]. The organization solicits and accepts gifts for purposes that advance its strategic objectives. All gifts are accepted and administered in accordance with applicable federal and state laws, IRS regulations, and ethical standards."

Continue by explicitly stating the policy's purposes and defining which gifts need Gift Acceptance Committee review, and which rare circumstances warrant full board involvement. For example, your policy might specify that cash gifts are accepted by development staff when unrestricted, restricted gifts over certain thresholds require senior leadership review, publicly traded securities can be approved at the department level, and complex gifts like real estate, closely-held business interests, and life income arrangements require Gift Acceptance Committee approval. This section of your policy should specify which roles serve on your Gift Acceptance Committee. For example, you might include the CFO, so that whoever holds that position automatically serves on the committee.

Your policy should include a section for each major gift type specifying acceptance criteria, minimum values, special approval requirements, and any restrictions. Each organization will determine thresholds and approval levels appropriate to their size and capacity. Consider including sections on:

- Cash and Cash Equivalents - Specify acceptable methods (check, wire transfer, credit card, donor-advised fund grants, IRA qualified charitable distributions) and any restrictions on anonymous cash or foreign currency

- Publicly Traded Securities - Address electronic transfer procedures, valuation methods, and liquidation protocols. Most organizations liquidate immediately upon receipt unless the Gift Acceptance Committee specifically directs retention

- Closely-Held Securities and Business Interests - Establish minimum value thresholds for acceptance, require independent appraisals at donor expense, specify maximum holding periods, and require that your organization will not operate businesses. Address S Corporation considerations and unrelated business taxable income concerns

- Real Property - Organize requirements into initial screening, technical due diligence (including environmental assessments and professional appraisals), and decision framework. Consider separate provisions for residential property, commercial property, vacant land, retained life estates, and bargain sales. Specify environmental risk tolerance and maximum carrying cost periods

Gift Acceptance Policies (cont.)

- Tangible Personal Property - Address the "related use" requirement under IRC Section 170(e)(1)(B)(i) and establish acceptance criteria by category including artwork, vehicles, equipment, and collectibles. Many organizations establish minimum value thresholds and require appraisals for property over $5,000
- Life Insurance - Specify whether you accept paid-up policies with cash surrender value, policies requiring ongoing premiums, or both. Establish minimum cash surrender values and clarify policy management obligations
- Charitable Gift Annuities - If your organization issues gift annuities, establish minimum gift amounts, age requirements, payout rate policies following American Council on Gift Annuities guidelines, and state compliance procedures
- Charitable Remainder Trusts - Distinguish between arrangements where you serve as trustee versus remainder beneficiary only. Specify minimum trust values if serving as trustee and approval requirements
- Cryptocurrency and Digital Assets - Address immediate liquidation requirements, minimum values, and restrictions on types of digital assets accepted
- Intellectual Property - Specify requirements for income-producing intellectual property and unique tax treatment under IRC Section 170(m)

Additionally, many organizations find it helpful to explicitly state categories of gifts that will not be accepted under any circumstances. Common exclusions include property with known environmental contamination, property with uncurable title defects, timeshares and vacation club memberships, boats and recreational vehicles, personal vehicles, property requiring active management or development by the organization, interests in entities engaged in activities inconsistent with mission, and gifts creating potential liability exposure. Being explicit about what you will not accept prevents misunderstandings and protects staff from pressure to accept inappropriate gifts.

Address how your organization evaluates gift restrictions. Define acceptable restriction categories such as support for specific existing programs, scholarships, capital projects, geographic focus, endowment principal protection, and named funds. Identify restriction categories requiring enhanced scrutiny like new program creation commitments or restrictions dictating operational details. Explicitly enumerate unacceptable restrictions including those violating nondiscrimination policies, requiring expenditures exceeding gift value, allowing donor control over investments or spending, or requiring violation of law. For restricted gifts over specified thresholds, require written gift agreements including variance power clauses allowing modification if restrictions become impractical.

Establish clear processes for declining gifts. Development staff should prepare declination recommendations to the Gift Acceptance Committee with rationale. The Committee makes determinations and communicates decisions to donors emphasizing appreciation while explaining institutional constraints. Document all declination decisions thoroughly. Maintain respectful tone in donor communications, focus on policy rather than criticism, and offer alternatives where feasible to preserve relationships.

Gift Acceptance Committees

Building planned giving infrastructure is a long-term process that requires strong policies, systems, and governance. A well-structured Gift Acceptance Committee (GAC) enables organizations to evaluate complex gifts with confidence, balance opportunity and risk, and steward donors responsibly. This structure supports sustainable growth, institutional stability, and mission advancement through legacy giving.

Committee Structure

Organizations accepting planned gifts should establish a GAC to provide technical expertise, evaluate complex gifts, and manage risk. This committee has authority to review and approve gifts in accordance with institutional policy.

The committee should include senior staff with relevant expertise, typically the Chief Financial Officer, General Counsel (or designated legal counsel), Chief Development Officer, and the planned giving officer, with additional participation from finance, risk management, or legal staff as needed. The CFO provides financial and accounting insight, legal counsel ensures compliance and risk management, the Chief Development Officer contributes donor and fundraising context, and the planned giving officer brings technical expertise and serves as liaison to donors and their advisors.

Board participation is not required for routine decisions; however, the committee should inform senior leadership and consult board members when major or high-risk gifts arise, such as unusually large gifts, real property requiring management, or situations posing reputational concerns.

Meetings and Operations

The committee should plan to meet quarterly to review pending gifts. However, meetings may also be convened as needed when potential gift issues or time-sensitive opportunities arise.

Meetings will typically include review of gifts under consideration, updates on closed or in progress gifts, and discussion of any on going gift acceptance policy questions. Planned Giving staff should come prepared with a memo summarizing each potential gift's description, due diligence results, financial analysis, mission alignment, and recommended action.

The GAC should establish clear submission protocols for staff presenting gifts for review, including required documentation and due diligence steps. The committee may also set expected decision timelines to ensure timely communication and efficient processing. The GAC has authority to approve most complex gifts, including real estate, business interests, life income arrangements, and other non-cash assets, within policy parameters. Members must disclose any conflicts of interest before voting.

Marketing for Planned Gifts

Marketing planned giving effectively begins with education and trust. Most donors are not aware of the different ways they can structure legacy gifts or how these gifts can align with their personal and financial goals. Your goal is to communicate opportunities clearly, reinforce donor values, and demonstrate how legacy giving sustains your organization's mission long term.

Planned giving marketing does not need to start with a large budget. The most effective efforts are consistent, mission-centered, and donor-focused. Your communications should make legacy giving feel like a natural extension of your existing philanthropic conversations rather than a separate or complicated topic.

Messaging Themes

Mission Connection: Emphasize that planned gifts create lasting impact and help secure the organization's future. Use language such as "Your legacy ensures the mission you love continues for generations." Donors are most inspired when they see how their gift becomes part of something enduring and mission driven.

Accessibility: Make clear that legacy giving is for donors of all levels, not only the wealthy. Reinforce that anyone can make a meaningful gift through a will, trust, or beneficiary designation, regardless of size.

Simplicity and Guidance: Emphasize that planned giving does not need to be complicated. Let donors know that staff are available to guide them and that many gifts can be completed with simple updates to existing estate documents or account designations.

Recognition and Community: Highlight that legacy donors belong to a respected and growing group of supporters who share similar values. Featuring real examples of donors through short profiles, photos, or quotes helps others see themselves reflected and think, "People like me are doing this; I can too." This sense of belonging and social proof is one of the most powerful motivators for action.

Marketing "Must Haves"

Planned Giving Overview Materials
- Briefly explain what planned giving is and list gift types
- Include contact info and one short donor story or quote

Newsletter or Email
- Use an inspiring subject line and simple message about lasting impact
- Add a clear call to action linking to more information

Legacy Giving Webpage
- Offer an easy overview, FAQs, and a few donor stories
- Provide a short form for donors to contact staff

Donor Newsletter or Mail Insert
- Feature a recurring Legacy Spotlight story or "Did You Know?" fact

Legacy Society Branding
- Create a distinct name and visual identity

Examples

Sartori Circle

California COMMUNITY Foundation | Sartori Circle

Professional Development

Planned giving is a technical field that spans law, finance, fundraising, and estate planning. Staying current through professional development is essential for maintaining expertise and confidently navigating complex gift opportunities.

Foundational Learning

Take introductory courses on bequests, beneficiary designations, or charitable gift annuities.

Advance to technical topics such as charitable remainder trusts, life income arrangements, and tax or accounting implications. Use case studies to translate concepts into donor-facing conversations.

Courses are available through organizations such as PG Calc, SoCalCGP, and other regional or national providers. Examples: "Fundamentals of Planned Giving," "Life Income Gifts," and "Charitable Remainder Trusts."

Educational Resources

- Southern California Council of Charitable Gift Planners (SoCalCGP): Education, mentorship, networking for gift planners and advisors across LA, Orange, Santa Barbara, and San Diego.
- Association of Fundraising Professionals – Greater Los Angeles Chapter
- PG Calc
- National Association of Charitable Gift Planners (CGP)
- Association of Fundraising Professionals (AFP)
- American Council on Gift Annuities (ACGA)
- Regulatory & Legal Resources
  - Internal Revenue Service (IRS)
  - California Secretary of State
  - State Bar of California

Certifications & Designations

- Certified Specialist in Planned Giving (CSPG)
- Chartered Advisor of Philanthropy (CAP)

Ongoing Growth

Develop a personal learning plan each year: attend one conference, complete a course, or present a case study internally.

Build relationships with attorneys, CPAs, financial planners, trust officers, and wealth advisors.

Use your network to stay informed of best practices, emerging gift types, regulations, and donor trends.

California COMMUNITY Foundation

For questions or feedback, please contact:
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Building a robust planned giving infrastructure is a multi-year journey that requires deliberate development of policies, systems, expertise, and governance structures. Organizations that invest in these foundational elements are better positioned to accept complex gifts with confidence, provide donors and advisors with clear guidance and professional stewardship, strengthen institutional capacity beyond individual staff, and support long-term financial sustainability through diversified revenue streams. The CCF Planned Giving team is available for questions, presentations, and additional support. Please don't hesitate to reach out!