NFP fundraising – where there's a will there's a way

By Perpetual Private Insights

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NFPs without charitable bequest strategies could be missing out on significant fundraising opportunities. In this article, Perpetual's estate planning team shares tips on how to make it easy for donors to include your organisation in their wills.

In the *2016 Giving Australia* survey, only 7.4 per cent of respondents with a will included a gift to charity. This highlights the size of the significant and largely untapped opportunity that NFPs have to increase their charitable bequest income.

Taking an active approach

The notion that people have charitable intent but don't necessarily act is also supported by *Include A Charity*, a social change campaign created by Fundraising Institute Australia.

Include a Charity found that almost a third of Australians would consider including a bequest to a favourite cause or charity in their will.

Yet, reality shows that only a small percentage do.

Through working closely with individuals and families as both a wealth manager and executor of estates, Perpetual advisers know that having active discussions around charitable bequests can have a positive influence on giving.

Helping people fulfil their charitable ambitions should be the goal for both trusted advisers and NFPs. This can only be achieved by being active and ensuring that you ask your supporters to consider a gift in their will. While many Australians have the intention, the gap between intention and action needs to be closed and this can only be achieved if an NFP's supporters know that legacy gifts are welcome, can be managed and play a critical role in the long term impact of an organisation.

Encouraging more bequests

Perpetual's estate planning team works with many clients who are looking to give to charity through their wills. Here they share some ways NFPs can encourage donors to include a charitable bequest in their will.

- **Have a clear purpose.** Clearly showing donors the ways in which bequests can be accepted and used is critical. Consider case studies that demonstrate the long term impact a bequest can have.

  Sometimes well-meaning gifts that don't align with the recipient organisation's mission can be challenging and costly for NFPs to work with. Being clear about your purpose, priorities and mission can help donors understand how their gift can be best used by your organisation.

- **Make it easy.** Many NFPs don't have the necessary information easily available to help donors create a charitable bequest. Have enough information available on your website

for someone who wishes to remain anonymous to include your organisation in their will without needing to approach you directly. List your legal entity name and ABN at a minimum and consider including some standard bequest wording that potential donors can use in their will.

While some donors wish to give anonymously, others may want to talk to someone and have their questions answered, so have these details on your website too.

- **Promote structured giving**. Many philanthropic donors understand and are comfortable with the benefits of giving via a charitable trust structure, so be open to suggesting this option as part of your long-term fundraising strategy. Your organisation may be one of a number of beneficiaries that a donor wishes to leave a gift to. A charitable trust structure would enable them to leave a recurrent income stream for your organisation and others.

Supporting a donor to establish a charitable trust may also allow you to foster long-term relationships with family groups across multiple generations. Perpetuity structures ensure your connection to families over the longer-term.

- **Take a long-term view.** As your existing donors are already engaged with your organisation, don't be afraid to ask them to create an ongoing legacy through their estate. If they're open to discussing their legacy with you, keep the conversation going over time so that they're kept up to date with your organisation's activity and priorities. Steward the relationship and ensure you can point them in the direction of the right organisation or adviser should the donor need independent support.

To complement their own marketing campaigns, NFPs can also become involved in industry campaigns like Include A Charity Week - which encourages people to leave charitable gifts in their wills.

As we enter into a period of significant intergenerational wealth transfer, it will be those NFPs that commit to an active bequest program now that will be better placed to fulfil their mission over the long term.

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