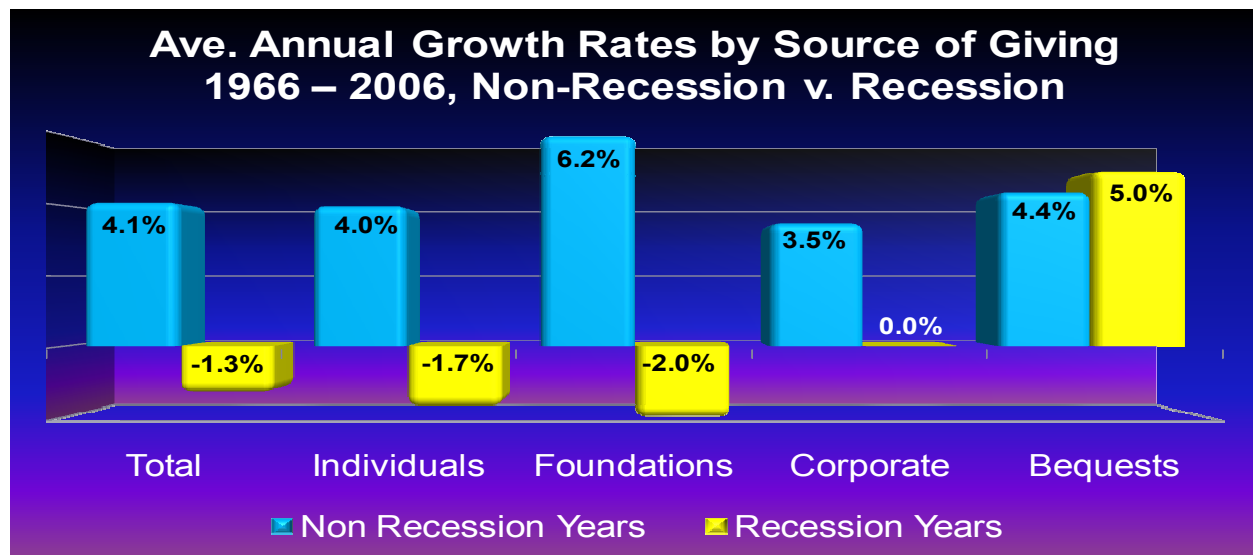




Can This Be The Right Time to Invest in Planned Giving?

An analysis of giving patterns since 1966, compiled by the Giving USA Foundation, reveals that during recessionary periods, planned giving takes on greater importance than ever. Because operating budgets are under greater pressure and endowments are shrinking, the temptation may be to limit investment in the long-term revenue stream that can come from a successful planned giving program. However, savvy nonprofit organizations recognize that now is the ideal time to enhance their planned giving efforts.

The graph below illustrates that while every other source of philanthropy either remains static or declines, planned giving has actually averaged an increase during recession years.



“During times of economic stress, individuals may be reticent to make a charitable contribution in cash, particularly for a significant amount. On the other hand planned giving allows donors to realize their philanthropic aspirations without having to make the cash sacrifice today. This may explain, in part, why planned giving remains popular during economic downturns,” asserted Michael J. Rosen, CFRE, President of the Planned Giving Council of Greater Philadelphia.

As President Barack Obama cautioned in his inaugural address, our current recession and economic-infrastructure challenges will not be resolved quickly. Therefore, nonprofit organizations should reevaluate their development plans and consider the benefits of investing more in planned giving at this time.

The key for nonprofit organizations is to remember that if they want contributions, they have to ask. If they want more contributions, they have to ask more people for more gifts while making a compelling case for support. Nonprofit organizations will best weather the current economic storm if they return to basics. These are not easy times. However, with good effort, strong fundraising results remain possible.