



# Effective Marketing of Gift Annuities in Today's Economy

Event: Saint Louis Planned Giving Council

Date: November 10, 2011

Presenter: Edie Matulka  
Senior Consultant  
PG Calc Incorporated





# Agenda

- What we did
- Marketing factors
- Keys to marketing annuities
- What's working and what's not



# What We Did

- Specific conversations with 15 organizations
  - Health care (3)
  - Educational (2)
  - Religious(4)
  - Arts (1)
  - Environmental (3)
  - Social Service (2)



# What Affects Marketing

- Economy
  - Organization's budget
  - Perception of donor hesitancy
  - Concern about risk
- Staff changes
- Campaign status
- Organizational leadership





# Marketing Keys

- Know your audience
  - Donor demographics
  - Timing
  - Internal vs. external
  - Movement from annual to major donors
- Be consistent



*“Do what you can with what you have where you are.”*

Theodore  
Roosevelt

Depend on solid retirement income -- just as you depended on [redacted] for a solid education.

Supporting [redacted] future--and yours--can be mutually beneficial with a deferred payment charitable gift annuity. Here's how it works:

- You make a gift to [redacted] and, in exchange, receive a lifetime income.
- You also receive an immediate charitable income tax deduction.
- You choose when payments begin, such as a future retirement date.
- The longer you wait to start, the higher your payment will be.
- Income is guaranteed and secured by [redacted] assets.

## Next steps?


[Request a personal illustration](#) of the financial benefits.

[Visit our website](#) for further information or contact a member of the [Gift Planning team](#) .



# Marketing Keys

- Stewardship
- Different messages



**Leverage the Fruits of Your Labor**

*Do you want to make a significant gift to charities you support while meeting your own financial needs?*


**You can do something about it by exploring the benefits of life income gifts.**

Imagine any of your current assets (cash, securities or real estate) as a fruit tree. For years, you've nurtured that tree...tended it, watered it, and used the "fruit" it produced to support your lifestyle and, perhaps, others. You might have wished to help the AARP Foundation or other favorite charities by donating the asset, but you need the fruit to thrive financially.

A life income gift, such as a charitable gift annuity or charitable remainder trust, provides a potential solution: it allows you to donate the tree (asset) now and retain the right to pick the fruit (income) for the rest of your life.

What these charitable gifts share in common is that both allow you to donate an asset today, receive an immediate income tax deduction, and receive income for yourself and loved ones for life.


To learn more about life income gifts, call 1-877-342-2277 and request our Life Income Gifts publication.




Sometimes the best way to manage your money is to do the unthinkable. Give it away.

AARP Foundation life income gifts are a great way to remain in control of your estate while making charitable gifts. By donating now, you can receive income payments for life, some of which may be tax-free. Plus your charitable donation could earn you an immediate federal income tax deduction. There are a variety of simple ways to manage your assets while leaving a legacy that will help your loved ones and others. Giving something away has never given so much back.

Learn more at 1-877-564-6393 or visit [www.aarpgift.org](http://www.aarpgift.org).

**Fixed Income You Can Count On. An Organization You Can Trust.**

Lucy was a bookkeeper for 45 years. Today, at 85, she's reaping the rewards of a wise decision she made years ago—a charitable gift annuity.

Lucy and her husband had always invested conservatively. After he died, Lucy was concerned about her income. She wanted a fixed amount she could count on each year.


Lucy investigated several options, then made her choice—an AARP Foundation Charitable Gift Annuity. She has never regretted it.

Her charitable gift annuity has provided Lucy with a secure lifetime income, and allowed her to donate even more to the charities that have touched her heart. Gifts of cash, stocks, bonds or real estate to AARP Foundation's Charitable Gift Annuity program can provide you with:

- ✓ Fixed lifetime income
- ✓ Annuity rates from 4.8% (age 60) to 9.8% (age 90)
- ✓ Charitable deduction
- ✓ Partially tax-free income

For more information and to get a personalized example, please call 1-800-775-6776 and select Option 2.

\*Minimum gift amount \$10,000



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to manage your money  
is to do the unthinkable.  
Give it away.



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**AARP**<sup>®</sup>  
FOUNDATION



## Leverage the Fruits of Your Labor

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**AARP**<sup>®</sup>  
FOUNDATION



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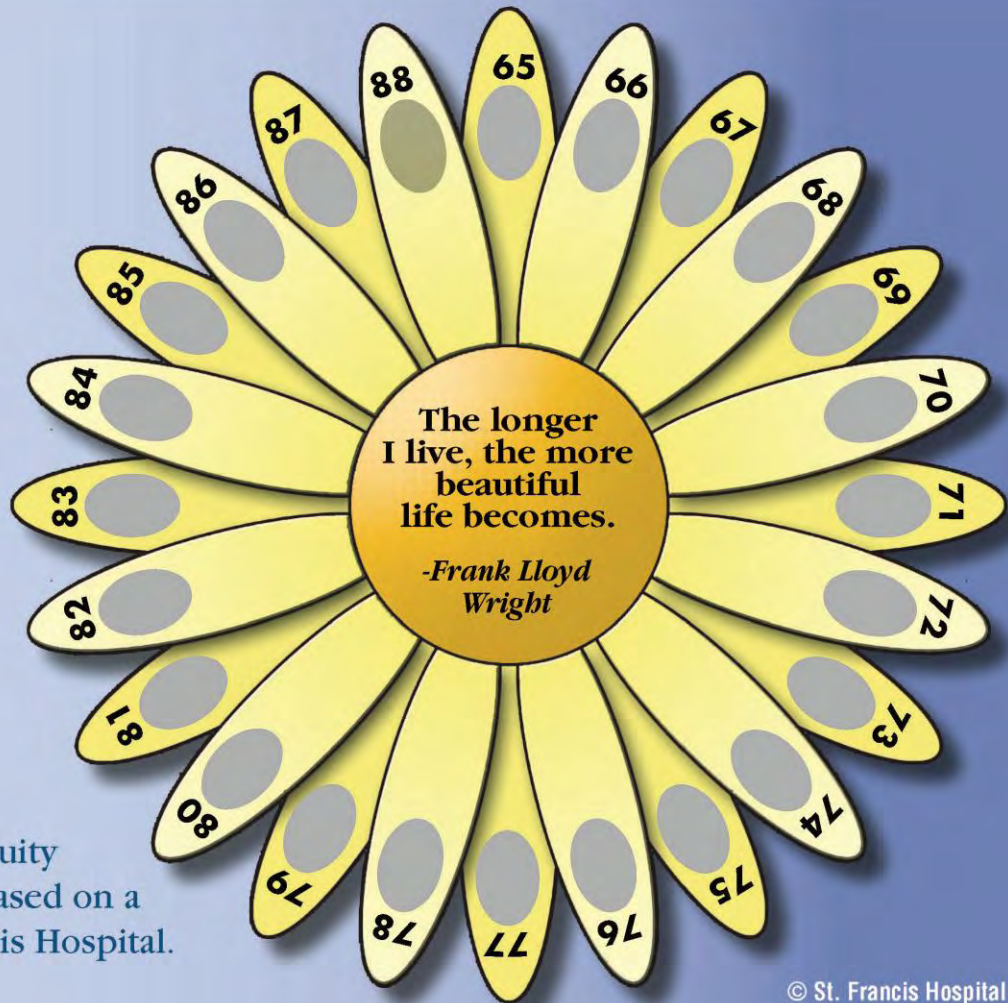
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Scratch off the petal  
with your age & reveal  
how much more  
beautiful life can be!

Dollar amount reflects **yearly** annuity  
payment for your lifetime and is based on a  
\$10,000 gift annuity with St. Francis Hospital.



© St. Francis Hospital

From NCPP Presentation by Meryl Cosentino and Mary Lou Murphy, St. Francis Hospital, Roslyn, NY. Used w/ permission.



# Marketing Keys

- Communication strategy based on fundamental principles



# A TRADITION OF GIVING

Newsletter of Gift Planning | SPRING 2011

## A PLAN FOR GIVING

### An Artful Solution to IRA Distribution:

### Jutta Scott Creates an MFA Charitable Gift Annuity

Jutta Scott used the required minimum distribution from her IRA to establish an MFA Charitable Gift Annuity, enhancing her finances while also providing generous support for the Museum.

*"I strongly believe in private giving and in giving back to an institution that has enriched my life. The MFA Charitable Gift Annuity is a good way for me to support the Museum while building financial security."*



Jutta Scott

When Jutta Scott moved to the Boston area in 1980, she joined the MFA and began attending free gallery talks to get acquainted with the collections. Since then, Jutta has become familiar with the Museum's galleries and considers many objects to be old friends.

"The MFA has enriched my life in many ways," Jutta observed. "Over the years, I have enjoyed attending special exhibitions and visiting the rich variety of displays. I have an interest in Maya archaeology... there is also special joy in seeing my favorite paintings."

In earlier years, Jutta worked as a librarian at the Massachusetts Institute of Technology and at Dartmouth College, and as a senior program officer at the Association of Research Libraries. Now retired, Jutta volunteers for civic and cultural organizations and stays active as a researcher and author.

Describing what prompted her to establish an MFA Charitable Gift Annuity, Jutta said, "I had recently taken a required distribution from my IRA and was thinking about

what to do with the proceeds. The uncertainties of the financial markets limited my options." During this time she also visited the new Art of the Americas Wing and was "amazed and thrilled" by the new galleries. Jutta recalled reading about MFA Charitable Gift Annuities in her recent issue of *A Tradition of Giving*, and contacted the Planned Giving Office to find out how the arrangement might work for her.

The Museum described Jutta's potential income—a portion of which would be tax-free—in addition to her charitable income-tax deduction. After reviewing the information, Jutta decided to create an MFA Charitable Gift Annuity. The straightforward process was accomplished in a matter of days.

Summing up her motivations, Jutta commented, "I strongly believe in private giving and in giving back to an institution that has enriched my life. The MFA Charitable Gift Annuity is a good way for me to support the Museum while building financial security at this stage in my life."

*See page 3 for additional information about IRAs and charitable giving.*

# Seminars and Special Events



## What You Need to Know When Planning for Your Art and Collectibles Fall 2011, Date TBD

The seminar is free of charge or obligation and is open to all MFA members.

The session focuses on issues of importance for those who own art, antiques, or collectibles.

Topics include:

- How your art, antiques, or collectibles may affect your estate planning
- Maximizing tax benefits for gifts of art
- Latest update on laws affecting fractional gifts of art
- What the IRS requires for gifts of art
- Qualified appraisals of art and why you need them
- How a promised gift of art can help you in your planning process

Complimentary parking available to participants.

Due to limited space, attendance is offered on a first-respond, first-registered basis.



## Inspired to give back to the MFA?

If you have found inspiration at the MFA, consider an MFA Charitable Gift Annuity that provides you with personal financial stability along with important long-term support for the Museum.

To learn how an MFA Charitable Gift Annuity can help you meet your financial objectives, visit [mfa.org/sargentsociety](http://mfa.org/sargentsociety) or contact:

**Susan Veroff, Erin McKenna, or Megan Willis**

**Planned Giving Office**

617-369-3193

[sargentsociety@mfa.org](mailto:sargentsociety@mfa.org)

John Singer Sargent, *Corfu, Light and Shadow* (detail, 1908). Transparent and opaque watercolor over graphite pencil on paper. The Hayden Collection—Charles Henry Hayden Fund, 1912.

## CREATE AN MFA CHARITABLE GIFT ANNUITY

Ensure your own financial needs are met as you help the MFA to inspire future generations. Combine philanthropic support with guaranteed fixed payments for life, immediate income tax deduction, and future savings on estate taxes.

Consider deferring the start of payments and increasing the annuity, securing income for retirement or support for yourself or others in the future.

### Sample Deferred Gift Annuity Rates

AGE	AGE PAYMENTS BEGIN	ANNUITY RATE
50	65	9.8%
55	65	8.0
55	70	10.5
60	65	6.5
60	70	8.6
65	70	6.9
65	75	9.5
70	75	7.7
70	80	10.7

### Sample Immediate Gift Annuity Rates

AGE	ANNUITY RATE
50	4.4%
55	4.8
60	5.0
65	5.3
70	5.7
75	6.3
80	7.1
85	8.1
90	9.5

Planned Giving Office

| 617-369-3193

| [sargentsociety@mfa.org](mailto:sargentsociety@mfa.org)



Museum  
of Fine Arts  
Boston

Avenue  
of the Arts

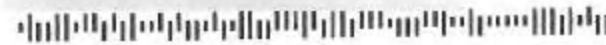
465 Huntington  
Avenue

Boston  
Massachusetts  
02115

[www.mfa.org](http://www.mfa.org)

Non-Profit Organization  
U.S. Postage

**PAID**  
Museum of Fine Arts,  
Boston





# Marketing Keys

- Reach audience in multiple ways
  - Social media
  - Wraps on magazines
  - Telemarketing
  - Quick Response Codes (QR)

**Help retire cancer**  
plan.gs



70.5 or older? Find out if you are qualified to make a gift directly from your IRA to Dana-Farber without incurring tax consequences.

Today more than ever, Americans want reliability, certainty and accountability. For many of us, it means a return to classic values and enduring ideals. One of these values is the charitable gift annuity (CGA) with Heifer Foundation. With a CGA, you can gain more certainty by receiving the following:

- Higher fixed income that you cannot outlive
- Charitable deduction\*
- Possible tax-free income

Contact Will Austin at [will.austin@heiferfoundation.org](mailto:will.austin@heiferfoundation.org) or call 941-587-1286 for more information.

*Simply scan the code on the right with a QR code reader application on your smart phone.*

Or go to [www.heiferfoundation.org/whitfield](http://www.heiferfoundation.org/whitfield) to view the video of donor Nita Whitfield and why she chooses charitable gift annuities to help herself and a world in need.



*\*CGAs are deductible on tax returns with itemized deductions.*



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1625 16TH ST NW APT 401  
WASHINGTON, DC 20009-3048

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# What's Working

- Repeat gifts
- Ads in organization publications
- Less technical, more donor stories
- Postcards





# What's Working

- Personalization

## Assured annual income

That's what happens when you create a charitable gift annuity at Harvard Business School. Your lifelong income is backed by Harvard.

YOUR YIELD:

9.1%

Given your date of birth as noted in HBS records, your annuity's effective yield would be locked in at 9.1%, no matter what lies ahead for the financial markets. This yield assumes that you create your HBS life-income gift before

June 30, 2010, and that you opt to defer receiving your income payments from Harvard until you are 65. There are lots of other options that could fit for you.

The process to establish your annuity is amazingly simple. It's a win-win for you and HBS.

Professor Howard Stevenson, MBA '65, DBA '69



Contact Peter V. K. Doyle at HBS for details.  
E-mail: [pdoyle@hbs.edu](mailto:pdoyle@hbs.edu)  
Direct telephone: 617 495 2745  
Toll-free: 877 744 7779



# What's Working

- Thematic messaging

“ Establishing a charitable gift annuity with Northeastern enabled me to combine a great business decision with a great humanitarian decision. ”

## Building Better Futures

Marvin Fried, BA'58, is quick to say that enrolling at Northeastern is one of the best decisions he ever made. His education led to a very successful career, first in accounting, later as a partner working in the health-care industry.

Now, through careful planning, Marvin has established a series of charitable gift annuities with Northeastern. The annuities not only offer him income today, they will provide a substantial gift that will support the university's endowment in the future.

“Through charitable gift annuities, you receive income and a tax write-off, and you get the gratifying experience of supporting a charity while you're still alive to enjoy it,” Marvin explains.

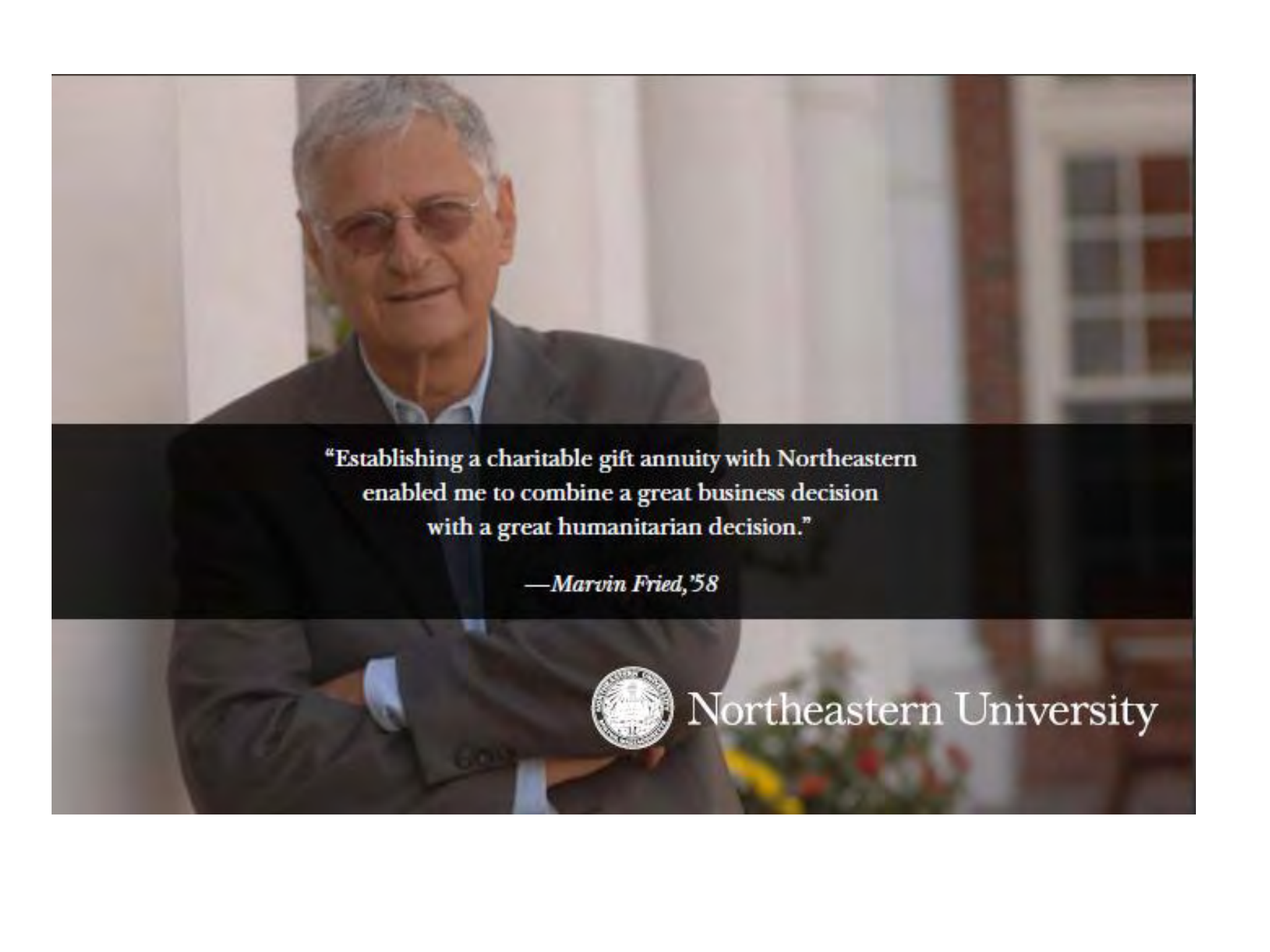
Northeastern's commitment to its founding values—innovation, hard work, a unique education built on real-world experience—is what inspires Marvin's generosity. “It's my alma mater, and I love it,” he says.

A true win-win scenario.

617.373.2030 • [giftplanning@neu.edu](mailto:giftplanning@neu.edu)  
[www.northeastern.edu/giftplanning](http://www.northeastern.edu/giftplanning)

Northeastern University  
Office of Gift Planning

Our mission: To educate students for a life of fulfillment and accomplishment. To create and transfer knowledge to our global and societal needs.

A photograph of Marvin Fried, '58, an elderly man with glasses, wearing a grey suit jacket over a light blue shirt and a dark tie. He is standing in front of a building with white columns and a window. The background is slightly blurred.

**“Establishing a charitable gift annuity with Northeastern  
enabled me to combine a great business decision  
with a great humanitarian decision.”**

*—Marvin Fried, '58*



Northeastern University

True to its mission, Northeastern continues to be a genuinely unique university, providing an education effectively merging classroom studies with real-world experience.

Many alumni and friends ask how they can support that unique mission while also meeting their own need for stable income in retirement. For these individuals, we offer charitable gift annuities, which can help you make a substantial gift while increasing your own income.

Your gift of \$10,000 or more of cash or stock to fund a charitable gift annuity provides:

- An additional source of lifetime income for you, your spouse, or another significant person
- A potential increase in the income you are currently receiving from your other fixed income investments
- An immediate tax deduction for a portion of your gift
- No capital gains tax due when you transfer appreciated assets to your gift plan

Best of all, you can direct your legacy gift to the college or program of your choice.

Sample rates for a \$10,000 gift annuity on a single life:

Age at time of gift	65	70	75	80	85
Annuity rate	5.5%	5.8%	6.4%	7.2%	8.1%
Charitable deduction	\$2,079	\$3,064	\$3,850	\$4,609	\$5,412
Annual payment to you	\$550	\$580	\$640	\$720	\$810

*Examples are for illustrative purposes only. Benefits depend on age and timing of gift. Two-life rates are available upon request.*

### Interested?

Return the attached confidential reply card or contact Elizabeth Hill in the Office of Gift Planning to learn more.

617.373.2030 • [giftplanning@neu.edu](mailto:giftplanning@neu.edu)  
[www.northeastern.edu/giftplanning](http://www.northeastern.edu/giftplanning)



“Through charitable gift annuities, you receive income and a tax write-off, and you get the gratifying experience of supporting a charity while you’re still alive to enjoy it.”

—Marvin Fried, '58

## Increase your retirement income and support Northeastern—all at the same time.

Please send me additional information  
on charitable gifts:

- to increase retirement income
- through my will or retirement plan
- using assets other than cash or stock
- to pay for college for my child or grandchild

I have already included Northeastern in my  
estate plans. Please send me a Frank Palmer  
Speare Society welcome packet.

I prefer to receive information via:

Regular mail  E-mail  Please call me

Telephone number: \_\_\_\_\_

E-mail address: \_\_\_\_\_

NAME \_\_\_\_\_

SCHOOL \_\_\_\_\_

CLASS YEAR \_\_\_\_\_

FOLD AND SEAL  
BEFORE MAILING



# Northeastern

Office of Gift Planning  
402 Columbus Place  
Northeastern University  
360 Huntington Avenue  
Boston, MA 02115-9941

Nonprofit Org.  
U.S. Postage  
PAID  
Boston, MA  
Permit No. 430

Dear [prefix] [last name],

**True to its mission, Northeastern continues to be a genuinely unique university, providing an education effectively merging classroom studies with real-world experience.**

Many alumni and friends ask how they can support that unique mission while also meeting their own need for **stable income in retirement**. For these individuals, we offer **charitable gift annuities**, which can help you **make a substantial gift while increasing your own income**.

Your gift of \$10,000 or more of cash or stock to fund a [charitable gift annuity](#) [links to: <http://www.legacy.vg/neu/articles/2.html>] provides:

- An additional source of lifetime income for you, your spouse, or another significant person
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## Interested?

Contact [Elizabeth Hill](#) [emailto: [giftplanning@neu.edu](mailto:giftplanning@neu.edu)] in the Office of Gift Planning to learn more.

If you have already included Northeastern in your estate plans, [please let us know](#) [emailto: [giftplanning@neu.edu](mailto:giftplanning@neu.edu)], so that we may thank you and welcome you into the [Frank Palmer Speare Society](#). [link to: <http://www.legacy.vg/neu/qiving/2.html>]

Office of Gift Planning  
[giftplanning@neu.edu](mailto:giftplanning@neu.edu)  
617.373.2030  
[www.northeastern.edu/giftplanning](http://www.northeastern.edu/giftplanning)



# What's Causing Problems

- Internal disorganization
- Direct mail
- Unfocused audience and/or message





# Program Effectiveness

- Establishing a baseline
- Show growth year over year
- Pipeline of planned gifts

*“Don’t judge each day by the harvest you reap, but by the seeds you plant.”*

Robert Louis Stevenson



# Conclusion

- The power of influence
  - Strategy
  - Messaging
  - Vehicles
  - Audience

*“He who influences the thought of his times influences the times that follow.”*

Elbert Hubbard



# Questions?

**Contact:** Edie Matulka, Senior Consultant

or

Ann McPherson, Marketing Consultant

**E-mail:** [ematulka@pgcalc.com](mailto:ematulka@pgcalc.com)

[amcpherson@pgcalc.com](mailto:amcpherson@pgcalc.com)