

# **Planned Giving Program Audit – Template Recommended Deliverables**

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## **Objective 1: Audit Strategic Plan for Planned Giving**

Evaluate and provide recommendations relative to the strategic plan for the planned giving program including the program components that fulfill each of the essential strategies for success in planned gift fundraising:

1. Identification of planned giving prospects,
2. Cultivation and education of prospects,
3. Solicitation to and proposals for prospects,
4. Appropriate goals for annual, campaign and performance metric success considering industry benchmarks but personalized to the foundation,
5. Recognition of planned gift donors, and
6. Stewardship of planned gift donors.

## **Objective 2: Audit Administration and Operations of Planned Giving Program**

Evaluate and provide recommendations to ensure that adequate administrative and operational components are in place to support a successful planned giving program considering current legal and ethical standards as well as best practices for fundraising success and risk management. Specific components to be addressed include:

1. Integrated and comprehensive gift acceptance policies and procedures.
2. Policies governing all planned gift development including
  - Ethics
  - Confidentiality
  - Independent counsel
  - Compliance with state and federal law
  - Negotiation and acceptance authority
  - Exceptions
3. Procedures for current use planned gifts, including:
  - Pledges (current and testamentary)
  - QCD's (Gifts from IRA)
  - Gifts of real property (e.g., residential, agricultural, commercial, natural space)
  - Gifts of intangible personal property (e.g., public stock, private stock, mutual funds, bonds, intellectual property, cryptocurrency, etc.)

- Gifts of tangible personal property (e.g., equipment, software, artwork, grain, livestock, etc.)
  - Endowments and quasi-endowments
  - Scholarship funds
  - Donor advised funds
  - Bargain sales
  - Charitable lead trusts
4. Procedures for deferred use planned gifts, including:
    - Bequests in a will or trust
    - Payment on death of bank or stock accounts
    - Transfer on death of real estate
    - Beneficiary designation of retirement plans
    - Owner and/or beneficiary of life insurance
    - Remainder interest in personal residence or farm
    - Bequest Management
  5. Procedures for life income planned gifts, including
    - Immediate payment gift annuities
    - Deferred payment gift annuities
    - Charitable remainder trusts
    - Pooled income funds
  6. Documentation procedures, including evaluation and recommendations of documents for all planned gifts including:
    - Sample bequest language
    - Pledge agreement
    - Gift agreements including scholarships, donor advised funds
    - Endowment agreements
    - Gift annuity contracts
    - Remainder interest in personal residence and farm agreements
    - Charitable remainder trust documents
    - Charitable lead trust documents
    - Pooled income fund documents
  7. Estate gift procedures.
  8. Gift acknowledgment procedures.
  9. Gift, campaign and staff performance counting and crediting procedures.
  10. Donor recognition procedures.

### **Objective 3: Audit Staff, Counsel and Board Support for Planned Giving**

Evaluate and provide recommendations relative to the staff, counsel (legal, accounting, investment, planned gift administration) and board support for planned giving, including:

1. Job description(s) of planned giving professional and support staff to assure:
  - Inclusion of key functions for success,
  - Avoidance of activity not conducive to planned gift achievement, and
  - Prioritization of appropriate activity. Metrics
  - Donor Visits with next steps.
  
2. Budget for planned giving with components for:
  - Adequate staff FTE for planned gift fundraising success,
  - Travel and expenses for meeting donors,
  - Software for prospect database management,
  - Marketing materials (e.g., brochures, newsletters, target mailings, website, seminars/workshops, etc.),
  - Software for planned gift illustrations and proposals,
  - Proposal Templates,
  - Legal, accounting and investment counsel,
  - Recognition and stewardship of donors, and
  - Administration of planned gifts (e.g., gift annuities, trusteeship of charitable trusts, etc.)
  
3. Integration of planned giving activity within the total development program, including:
  - Training of other development staff,
  - Blending of major and planned gift proposals,
  - Integrated goals for annual, campaign and performance metric achievement, and
  - Planned giving prompts in annual giving activity (e.g., letters, phone calls, etc.).
  
4. Involvement of leadership team and board of directors in planned giving, including:
  - Assistance with identification, cultivation, solicitation, recognition and stewardship of planned gift donors,
  - Review and approval of planned giving policies and procedures,
  - Review and approval of effective planned giving budget, and
  - Review and approval of appropriate planned giving goals.

#### **Objective 4: Audit Marketing of Planned Giving Program**

Evaluate and provide recommendations relative to the multi-channel marketing plan for the planned giving program including the following components:

1. Incorporation of key marketing channels such as:
  - Planned gift illustration software
  - Brochures
  - Newsletters
  - Information sheets
  - Target mailings
  - Website / Social Media
  - Email blasts
  - Donor recognition
  - Stewardship reports
  - Proposal templates
  - Seminars for donors and advisors
  - Advisor materials (brochures, newsletters, website, CPE Programs)
  - Phone calling
  - Public advertising (newspaper, radio, television, billboards, etc. as appropriate)
2. Evaluate and offer recommendations of current or potential vendors for these services.
3. A planned giving program external case statement which clearly articulates “why” current and prospective donors would want to offer planned gift support.
4. A planned giving program internal case statement which clearly articulates “why” staff and board should support planned giving program.
5. Planned gift recognition potentially including:
  - Named group membership
  - Token for membership
  - Events for members
  - Communication for members
  - Naming of buildings, rooms, etc.
  - Naming of endowment fund, scholarships, chairs, programs, departments, centers
  - Cumulative gift recognition