

The Official Guide to Legacy Planning

Learn about how your Amuta can make Legacy Giving part of your resource development plan.

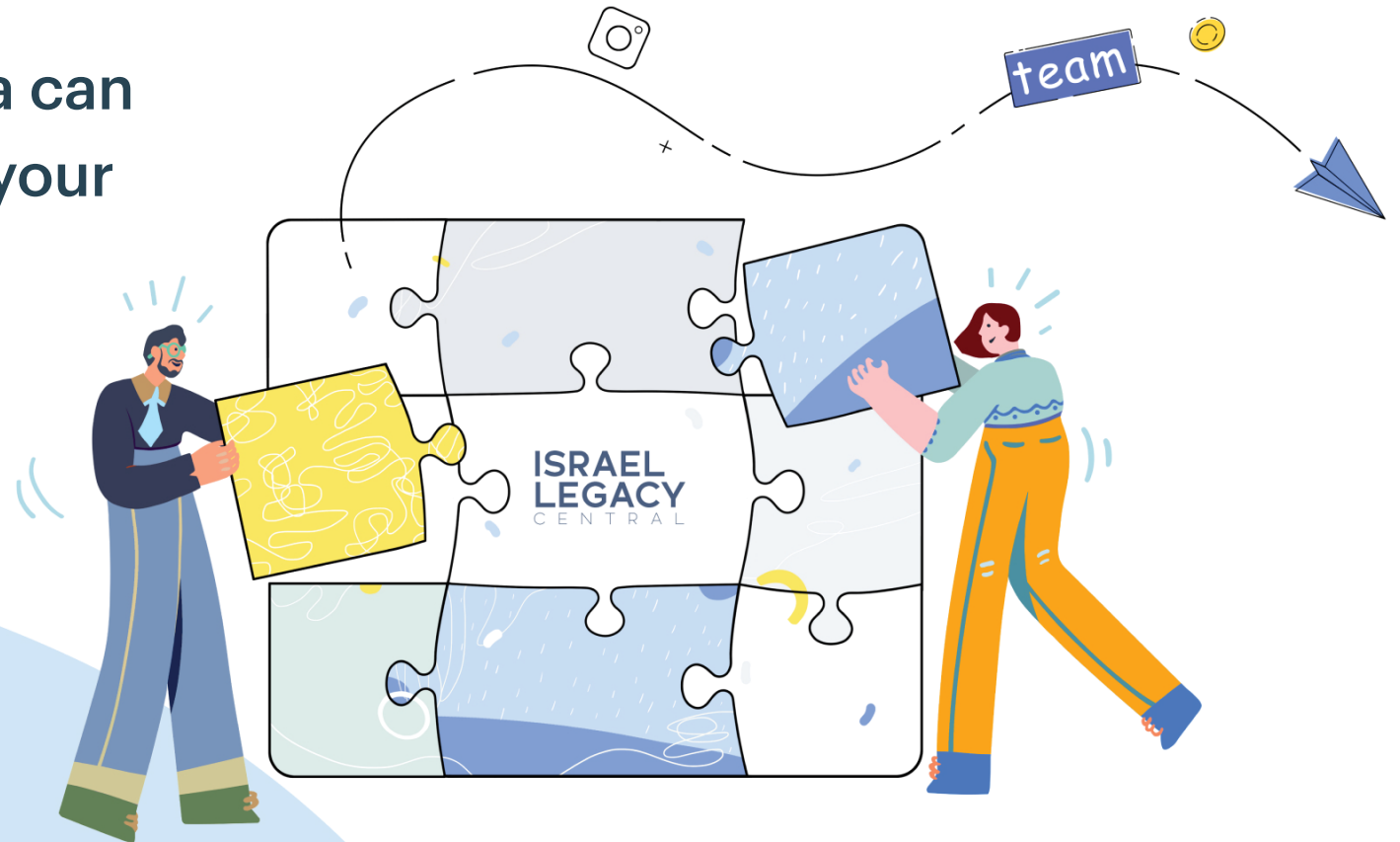


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ABOUT THIS GUIDE

This guide was created for Israeli nonprofits (NGOs) and philanthropic professionals who want to create a long-term sustainability plan and incorporate Legacy Giving into their resource development strategy.

We created the Official Guide to Legacy Giving in Israel to help Israel nonprofits learn about Legacy. Written specifically for nonprofit philanthropic leaders and staff, this guide provides information, ideas, and strategies to help your nonprofit better understand the how Legacy Giving can become part of your organization's long term fund development and sustainability plan.

About Israel Legacy Central

Israel Legacy Central is a philanthropic initiative that helps Israel nonprofits get started with Legacy Giving and sustainability planning. We work both with Israel based NGOs and Friends of organizations.



WHAT IS LEGACY

With Legacy, the donor supports a philanthropic cause either during their lifetime or at the time of death.

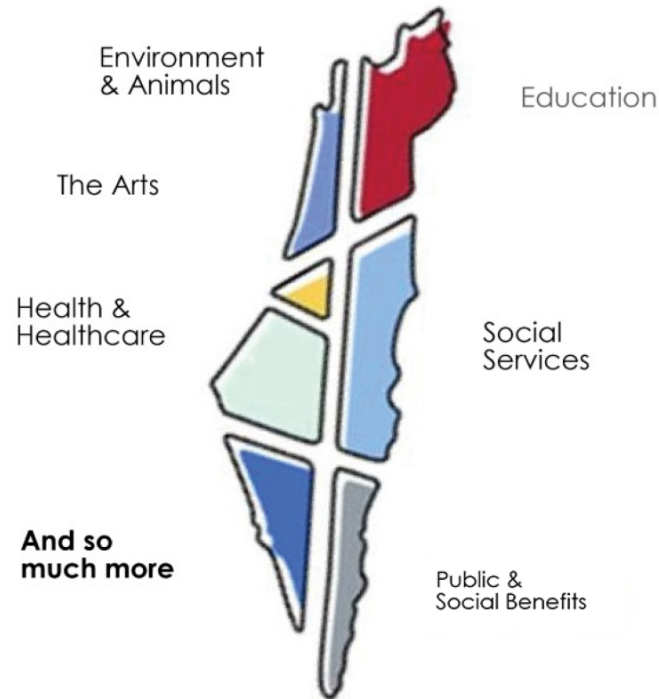
Legacy, also referred to as Planned Giving, refers to an allocation of funds from a donor's estate at death. A Legacy Gift is a part of the donor's overall estate plan that designates one or more nonprofit organizations as beneficiaries. While a Legacy Plan often has multiple beneficiaries and is structured with the help of an attorney, in its most simple form, a Legacy Gift can be just a single statement in the donor's will that designates a specific amount of money to a nonprofit organization.

Although Legacy is relatively new to Israel, Legacy Giving programs have been an established part of nonprofit philanthropy for the better of the 20th century. In fact, in the United States, Legacy Giving has become a major source of funds for both large and small Jewish nonprofit organizations.

For philanthropic professionals who are new to Legacy, there is often a misconception Legacy is very complicated and requires a lot of resources. But getting started with Legacy is a relatively straightforward process. If your organization can dedicate its time and stay committed to your new Legacy program, you and your organization has the potential to make Legacy your organization's best investment!



WHY LEGACY IS IMPORTANT FOR YOUR NONPROFIT



Legacy is all about creating a plan for your organization's future.

Just as fundraising is essential activity to fund your organization's current operations, Legacy offers a path towards long term financial sustainability. If your leadership team is like most, your focused on your organization's current year's budget, operations and making sure you reach your fundraising goals. But what about next year or 5 , 10 or 20 years from now?

With Legacy, you continue to do everything you are already doing, but also set in place a long term financial sustainability plan that supports your future operations. Take a moment to ask yourself: How do you envision your organization in 5 , 10 , or 20 years? What would you like to achieve? Done the right way, your Legacy program can help your organization become financially sound and achieve your vision for the future.

THE ROLE OF THE PHILANTHROPIC PROFESSIONAL

As a Legacy professional, you'll focus on working with donors and making Legacy a priority within your organization.

This One of first questions philanthropic professionals have about Legacy Giving is: "What is my role in the Legacy planning process?"

For most nonprofits in Israel, the day-to-day responsibility for Legacy will go to the development director or development team. While every organization is unique, if you can dedicate at least several hours a week to building and managing your program, you'll be able to get the job done.

As a philanthropic professional in charge of Legacy, your top priority will be to work directly with your donors. From educating your supporters about your Legacy program to getting to know your supporters and learning about their personal stories, you'll have ongoing direct conversations with interested donors.

You'll also be working with your organization's leadership, advisors, and volunteers to make Legacy a team effort and a priority within your organization.



LEGACY GIVING IS FOR EVERYONE

You don't need to be wealthy or approaching old age to start a Legacy Plan. In fact, almost anyone can make Legacy Gift.

One of the biggest misconceptions about Legacy Giving is that you need to be wealthy to create a Legacy Plan. But research has consistently shown just the opposite to be true.

In the U.S., the estimated average charitable bequest is between \$40,000 and \$100,000*. While there are very large Legacy gifts made – including to Jewish philanthropic organizations - such gifts are more the exception more than the rule.

A second misconception in Legacy Giving is that most donors are approaching old age. In fact, a significant portion of individuals make Legacy Plans and gift commitments in the 40's and 50's.

The idea behind **Legacy Is For Everyone** is that practically anyone can make a Legacy Gift. Each of your supporters, wealthy or not, can be viewed as a potential Legacy donor.

WHO MAKES BEQUESTS

- The average gift size is between \$50,000 - \$100,000
- About 50% are made by individuals below age 60
- Most gifts will come from your current donor base and supporters.

One Reason Donors Don't Make Legacy Gifts

When asked, research shows that one of the most common reasons donors give for not making a Legacy gift is that they were never asked.

WORKING WITH DONORS: IDEAS AND STRATEGIES

Organizations that are build successful Legacy programs all have one thing in common they are very good at working with their donors!

While there is no one right way to communicate with your donors, it's important to communication with your donors through personal, one to one communication.

Here are some ideas to help you get started:

Invite donors to meet up in person or online – Things like lunch dates, online Zoom chats, or phone calls work the best during the donor cultivation.

Ask good questions – Before meeting with donors, plan out some questions for them. For example, asking them what most interests them in your organization – or other open-ended questions, usually work best.

Start With Your Best Donors – When your first getting started, it's a good idea to start with a few test cases using donor that you believe will interested in learning about your Legacy program.



MARKETING AND COMMUNICATIONS

A well planned and executed marketing and communications plan will help you build awareness for your Legacy program and support your efforts.

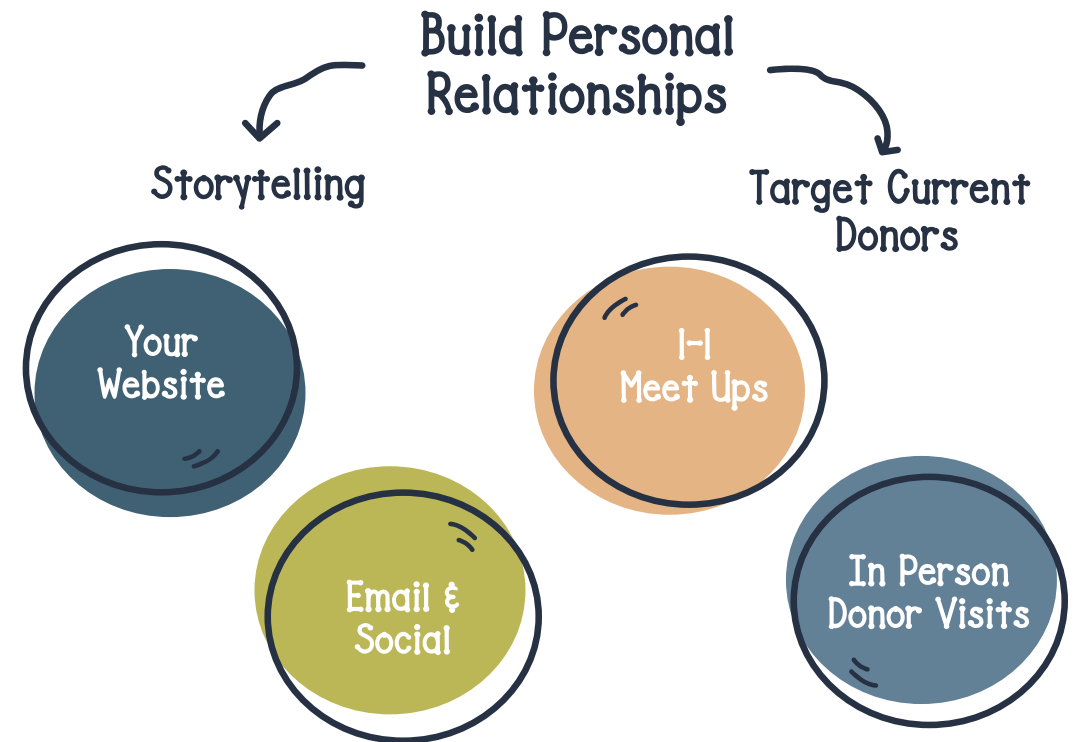
In a lot of ways, marketing and communications for Legacy is an add on to your current marketing activities and should be integrated into your overall marketing program. For example, if your organization is active on social media and email, you should include Legacy as part of your social and email strategy.

Some of the most common strategies include:

Your Website – Your website offers an important part of your marketing strategy. Creating a page dedicated to Legacy will help your constituents learn about Legacy and the specifics of your program.

Events – In person events – or even virtual events – offer an opportunity to have personal conversations with donors about Legacy.

Storytelling – Everyone loves a great story, and Legacy is no exception. Stories from your Legacy donors and organization can make a big impact and really help explain what Legacy is all about.



GIFT TYPES, TERMINOLOGY AND FUNDS USE POLICY

It's important for philanthropic professionals to be familiar with the most terms and financial concepts.

Bequests – Most Legacy gifts come in the form of a bequest. A bequest is a gift that is made as part of a will or trust. A bequest can be to a person, or it can be a charitable bequest to a nonprofit organization. A Bequest can be made by putting a simple instruction in one's will —“I give \$5,000 to my organization ABC.”

Estate Planning - Estate Planning is the process by which an individual creates a plan to handle one's assets in the future, typically after one's death. An estate plan usually includes a Will – but can also include other documents such as insurance policies.

Endowment – An endowment is a structure used mostly by large nonprofit organizations – such as foundations and universities – to raise donation capital in order to fund its operations on an ongoing basis. Most of the money in the endowment is invested and never spent. Then the investment proceeds are used to fund the organization's operations.

Funds Use Policy – Before launching your Legacy program, your organization needs to decide what type of gifts it will accept – and how you will use the funds. It's important for your organization – and also for your donors – that you have a well thought out funds use plan.

Lifetime or Life Income Gift – With a lifetime gift, the donor makes a gift during their lifetime but continues to receive proceeds from the gift, such as in the form of an annuity. The income payments continue for the beneficiaries' lives or, in some cases, for a term of up to 20 years.



How and when will you spend the money?

Before launching your Legacy program, it's important to create a plan for how you will use the funds. This is something your donors will likely want to know before committing to making a gift.

You're invited to learn more about how your
Israel nonprofit can build a sustainability
plan and get started with Legacy Giving

To Apply: Partners.IsraelLegacy.org

Contact: partners@israellegacy.org