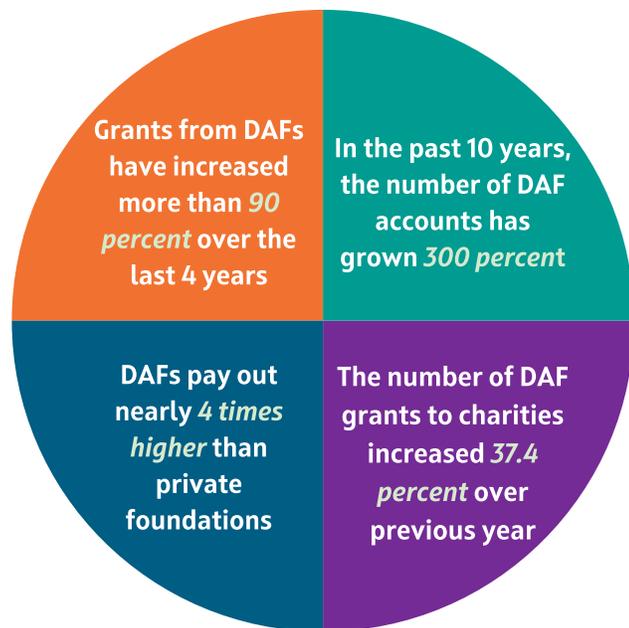


Acquire More Gifts from Donor-Advised Funds

You already know Donor Advised Funds (DAF) are a popular giving tool, but the speed at which they're growing is astounding. According to the 2020 NP Trust DAF Report:



KNOW who your DAF donors are

Is your organization poised to leverage DAF giving to its fullest potential? Before we jump into some practical "how to" ideas below, consider these points and recommended action step:



Don't psych yourself out. DAF donors are no different than anyone else, they just have one more option for making charitable gifts. The tool is important, but it doesn't drive their gift, they still need to be inspired to make a gift.



Lead with heart. Donors support your organization because they're passionate about your mission and vision. They see their giving as an extension of the work you do together. Every conversation – even fundraising appeals – should begin with your mission and heart (the reason they joined you in the first place).



They're ready to give. DAF donors should be at the top of your stewardship engagement list because they are charitably inclined. They've already given the money, they just need to be asked to give it to you.



Amazing legacy donor prospects: In one study, 39% of those with DAF's had already included a gift to charity in their will. Another 19% said they planned to do so.



Action: Flag DAF donors in your database system so they can easily be identified for strategic appeals. Consider assigning all DAF donors. Use MfM mail cultivation to surface DAF prospects and to ask about DAF preferences.

How to *attract gifts* from a DAF donor

Many people are intimidated to ask for gifts from donors. But the number one reason your organization isn't receiving DAF gifts is donors don't know you accept them. Don't shy away, *promote!*

Talk about DAFs everywhere, year-round. Include DAFs in every channel of communication, throughout all platforms. Add checkboxes to marketing materials and reply forms, include DAFs on your website at checkout alongside credit cards. People with wealth don't always make the connection that they can give from their fund, so remind them they can!

Action:

- **Checkbox:** [] I prefer to give from my donor advised fund.
- **Checkbox:** [] I am interested in simplifying how I give by learning how to bless numerous ministries from one account.
- **Talking point:** *"Have you considered naming a charity organization as a successor to a DAF instead of an individual?"* An individual can name a nonprofit as successor and the remaining assets will be granted to the organizations of their choice.
- **Talking point:** *"Have you considered using a "bunching" strategy with your DAF?"* Bunching several years of giving into the current year allows you to exceed the standard deduction and utilize a valuable charitable tax deduction. You are then able to distribute those gifts to your favorite ministries over time.
- **Send information or publish newsletter articles.** Consider using the MfM informational brochure. Or a recent special bulletin highlighting DAF's (Your MfM consultant can recommend one).

How to tie in DAF giving to *legacy giving*

A donor involved or connected through a DAF is more likely to set up a legacy gift. Pulling Donor Advised Fund messaging into your legacy giving communications is a powerful way to frame their opportunity to make a significant impact.

- **Communication is key.** Integrate DAFs into your existing legacy marketing materials (could be a small checkbox, or a full explanation of the giving tool and its benefits).
- **Make connections.** Connect with wealth advisers who work with legacy clients. They're often engaged in the giving conversations and decisions of large families with multigenerational wealth.
- **Introduce flexible options for structuring the gift.** For instance:
 - o DAFs can be an alternative to a private/family foundation.
 - o Distributions from a DAF can also be made as part of a legacy plan.
 - o Using a DAF to distribute assets upon death allows for easy changes without needing to amend a will or estate plan.
 - o DAF's can be a perpetuity tool that allows the family to give for generations. Their heirs can carry on advising the fund as part of a legacy that includes stewardship motivation.
- **Take them back to their heart.** As previously stated, donors are passionate about your organization because it aligns with their values of faith, family, causes, or community impact. They understand what it means to create a legacy and pass along what's important.

ACTION

Always thank DAF donors for the difference they are making. Consider recognizing DAF donors within your legacy society—especially if they have named your ministry as a successor or beneficiary of their DAF.