



**CGP Conference 2023 – Chicago, Illinois**

**LGBTQ+ Donors:  
The Market & Giving Among the  
Community**

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## **LGBTQ+ Donors: The Market & Giving Among the Community**

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### **Overview**

This presentation is designed to answer a few questions: What data is currently available about charitable giving among LGBTQ+ people? How do we know who the LGBTQ+ donors are? Are there ways our organizations can become more inclusive to draw more LGBTQ+ donors closer toward making a planned gift? How can we grow the number of planned gifts from LGBTQ+ donors that are already in motion? How do we further engage LGBTQ+ people with our organizations as donors who have made a planned gift? Are there any reliable findings or case examples of how LGBTQ+ individuals are giving? Let's talk about the findings to these questions from reputable sources, along with the limitations of the research that is currently available.

### **Introduction**

The conference paper is crafted to help participants learn new strategies and tactics to land planned gifts and donor loyalty from members of the LGBTQ+ community, and we will explore means to prioritize the candidates for planned gifts. There are some qualitative findings on how members of the LGBTQ+ community choose to use their assets for planning, and we will take a dive into the structures of some examples of major and planned gifts that came to fruition, as well as those that failed to make the grade. A sprinkling of humor along with solid data mixed with real life anecdotes and statistics will provide a framework – or at least a revised approach for conference participants who seek to close on more and larger planned gifts among members of the LGBTQ+ community. We will explore why this investigation of LGBTQ+ planned giving opportunities is important and timely for many nonprofits and potentially urgent for other organizations.

### **Expanding the Pipeline**

This paper will make the case that we can expand the pipeline for charitable giving to support our organizations through the inclusion of, deeper understanding about, and explicit cultivation with LGBTQ+ donors. As members of the [National Association of Charitable Gift Planners](#) (NACGP), we share a common goal to thoughtfully grow our pipeline of supporters while meeting our donors' needs, a stated value and standard. As we jointly explore how we can enroll more prospective LGBTQ+

supporters today, we can discover (or rediscover) means for growing these prospects into planned giving donors while simultaneously increasing current planned gifts from LGBTQ+ individuals and households into even larger charitable plans. As NACGP members, affiliates, and supporters, we subscribe to genuinely discovering donors' goals and concerns while concurrently working with them to solve problems with charitable giving options. And options we most certainly have! So, let's get to discussing them now. For this conversation, we will investigate fund development through planned gifts to organizations serving a variety of communities coming from LGBTQ+ individuals and households.

### **Research on LGBTQ+ Giving Caveats**

Before we go too far into the findings of the large-scale LGBTQ+ donor surveys cited, a word of caution about the reliable and objective data available on LGBTQ+ donors and planned gifts. I am struck by the following observation: **we do not have a large amount of quantitative survey data specifically about planned gifts from LGBTQ+ people to mainstream, non-LGBTQ+ organizations** at this time. This will likely, and hopefully, change. In the meantime, let's still explore the relevant data findings and meaningful engagement strategies for LGBTQ+ donors for planned gifts.

**Given the data situation, this CGP 2023 Conference presentation focuses on LGBTQ+ donors through a lens of giving to nonprofits in general, rather than a focus on solely giving to LGBTQ+ organizations which is where most of the research findings reside.** I estimate the individuals reading this paper and those who attend the CGP Conference will include a sizeable percentage of LGBTQ+ people as well as a decent percentage of folks working for LGBTQ+ causes or organizations. In addition, I am also anticipating a good number of non-LGBTQ+ people encountering this paper and the in-person session, as well as those who represent mainstream or non-LGBTQ+ organizations who desire to learn more about donor engagement and donor needs and interest as part of the **NACGP Principle 16: "the nonprofit has donor-centric culture that meets the needs of each donor."**

### **Labels are for Peanut Butter, Jelly, or Hand Cream. But also, Many People Choose Labels, Too**

The labels individuals choose for themselves vary, and for the purposes of our conversation, when I refer to LGBTQ+ people, I am referencing a common umbrella term used by researchers and nonprofit leaders with whom I work: I use "LGBTQ+" to be inclusive as well as recognize the evolving definition of the community. LGBTQ+ folks can, and for this presentation, will refer to self-identified groups of people including the following: Lesbian, Gay, Bisexual, Transgender, Queer, Questioning, Intersex, Gender

Nonbinary, Genderqueer, Gender Non-conforming, Asexual, and other identities that LGBTQ+ folks choose for themselves. [Please observe I'm using capital letters to connote equal respect among each set of people. Later, I will mention a place to find a model for LGBTQ+ identity collection (Funders, 2013) that appropriately calls on fundraising professionals and nonprofits in general, to proactively allow for or invite people who are asked either in person or via survey to respond with "I do prefer not to say."]

Our discussion reflects data collected about known LGBTQ+ people and their propensity to give plus actual past giving with a planned gift emphasis. We should immediately cover an important "pink" elephant in the room: **most nonprofit CRM's lack extensive tracking of LGBTQ+ people** – and yet some do. Even most LGBTQ+-serving nonprofits surveyed are not adequately tracking their own LGBTQ+ donors (Burns et al, 2020). Many organizations keep tabs on LGBTQ+ donors within notes sections in their database. Some nonprofits add self-identified pronouns that donors use and keep track within their client relationship management (CRM) system. Other groups make sure they document same-sex households and still others want to make sure they can make advancement, development, or fundraising teams know about someone's gender identity and sexual orientation by labeling files or by creating "campaigns" or "lists." To be sure, these identity data tracking examples are not exhaustive.



Many organizations may want to improve their own LGBTQ+ data collection for their systems. For an example of best practices, guidelines, and recommendations for LGBTQ+ data collection being used by many nonprofits and government, I refer you to [Funders for LGBTQ+ Issues](#) (2023) which provides advice to nonprofit leadership and researchers. The online primer includes links to the approach to data collection and findings based upon the evidence-based research from the [Williams Institute](#) at the University of California at Los Angeles (UCLA) School of Law, as well as the research and practical experience from [PFLAG](#), [GLAAD](#), and the [Movement Advancement Project](#). You can find an excellent source of information and processes to collect LGBTQ+ donor and key stakeholder identities which is

used by many mainstream sources and organizations today such as [GuideStar](#) (Candid is the parent company) thanks to Funders for LGBTQ+ Issues.

### **Cohort Groups – Essential Due to Available Data and Your Own Institutional Priorities**

The importance of knowing who self-identifies as LGBTQ+ in your midst reflects what we can track, measure, and then improve. Before we move to our discussion about gifts and the marketplace of LGBTQ+ donors, let's allow for a brief examination at what organizational types are represented in person at the CGP 2023 Conference, as well as by the readers of this paper. I'm going to ask you place yourself into one of three cohort groups based on your own organization's role (or your own individual roles) in terms of fundraising with members of the LGBTQ+ community.

Ask yourself, "What Group do I represent?" Imagine yourself in one of three groups for the purposes of this exercise by reading the following membership associations below with Groups 1, 2, and 3. Although you may find yourself straddling more than one group, depending on your multiple roles at one or more institutions, for this exercise, please try to select just one.

**Group 1 - LGBTQ+ Focused Organizations:** Are you a member of staff or are you volunteer, consultant, or board member for an organization whose primary role is to bring services and programs to the LGBTQ+ community?

**Group 2 – LGBTQ+ Support:** Are you affiliated with an organization that has a program or service that supports the LGBTQ+ community or is there an aspect of your nonprofit that addresses an issue relating to the LGBTQ+ community? Organizational representatives in this group are serving the mainstream public or specific communities \*other\* than the LGBTQ+ community.

**Group 3 – LGBTQ+ Donor Interest:** Are you representing either mainstream or otherwise non-LGBTQ+ organization and yet you want to further explore how to either engage LGBTQ+ donors or prospects?

From where your perspective lies – I offer each of you a slightly different path (see the attached Job Aid) for greater and deeper LGBTQ+ donor data collection to consider. The goal of the Job Aid is to assist your data collection efforts leading to more gifts from LGBTQ+ donors over the next three fundraising cycles (years). The path you and your organization take to greater LGBTQ+ planned giving may need to

be vary depending on which Group you most closely identify. For example, fundraising goals for people In Group 1, and in some cases, Group 2, may want to take on a targeted LGBTQ+ planned giving campaign. Those in Group 3 are unlikely to initiate a LGBTQ+-specific planned giving campaign, yet they will want steward LGBTQ+ donors within their donor pool, depending on the historical experience with LGBTQ+ individuals and aspects of their organization. I have found in most cases, people in Group 3 category are primarily interested in learning more about how to engage their LGBTQ+ donors but not necessarily or specifically to raise funds for any LGBTQ+ purpose or program at their institution.

**Identifying LGBTQ+ Donors for Fundraising:** A word about LGBTQ+ donor fundraising for the three cohort groups: First, those folks in Group 3 will likely have more initial groundwork to complete to be able to identify and document the LGBTQ+ donors in the organizational databases. Most of the fundraising efforts among LGBTQ+ donors for planned giving in Group 3 organizations will be around meeting the needs and interests of the individuals and households. On occasion, Group 3 organizations might be found fundraising for a particular LGBTQ+ program or service depending on both the donor's interests and the organization's mission. On the contrary, Group 2 organizations by nature of already having an LGBTQ+ program or service have an easier entry point for identifying and documenting LGBTQ+ donor interest. The folks in Group 1 institutions have the least burden in identifying LGBTQ+ donors since most of their individual and household supporters are self-identified as LGBTQ+ people.

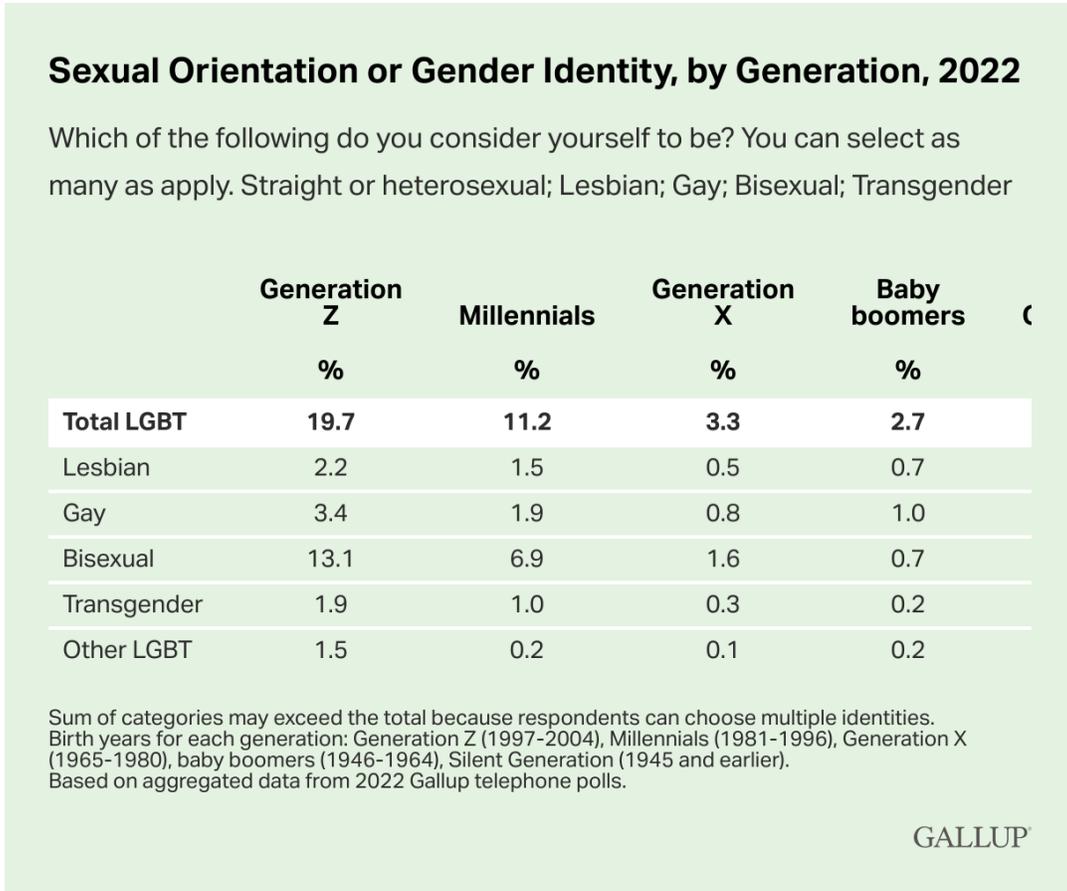
### **Landscape of the Potential LGBTQ+ Donor Marketplace in the USA**

Before exploring the universe of donors who self-identify as LGBTQ+, let's examine the conservatively estimated and surveyed size of the nationwide population of LGBTQ+ people. *[Please forgive the absence of data from other countries to my charitable gift planning friends from other parts of North America, Africa, and other continents abroad as each region holds promise for entirely separate presentations.]* In the United States, there are approximately 11.3 million LGBTQ+ adults in the USA (Gallup, 2020) (Williams Institute, 2019). Within the USA's LGBTQ+ population, 29% have children. From individuals surveyed, the LGBT gender ratio is 42% male to 58% female (Williams Institute, 2019).

Within the donor population, the Williams Institute study of LGBTQ+ donors found the ratio of unmarried to married LGBTQ+ people is 2 to 1, and the findings on the ratios certainly vary by gender identity, religion, geographic region, and racial, and ethnic status (Gates, 2013). The proportion of

LGBTQ+ people raising children is increasing much faster than most other populations in the USA (Williams, 2019) (Pew, 2020).

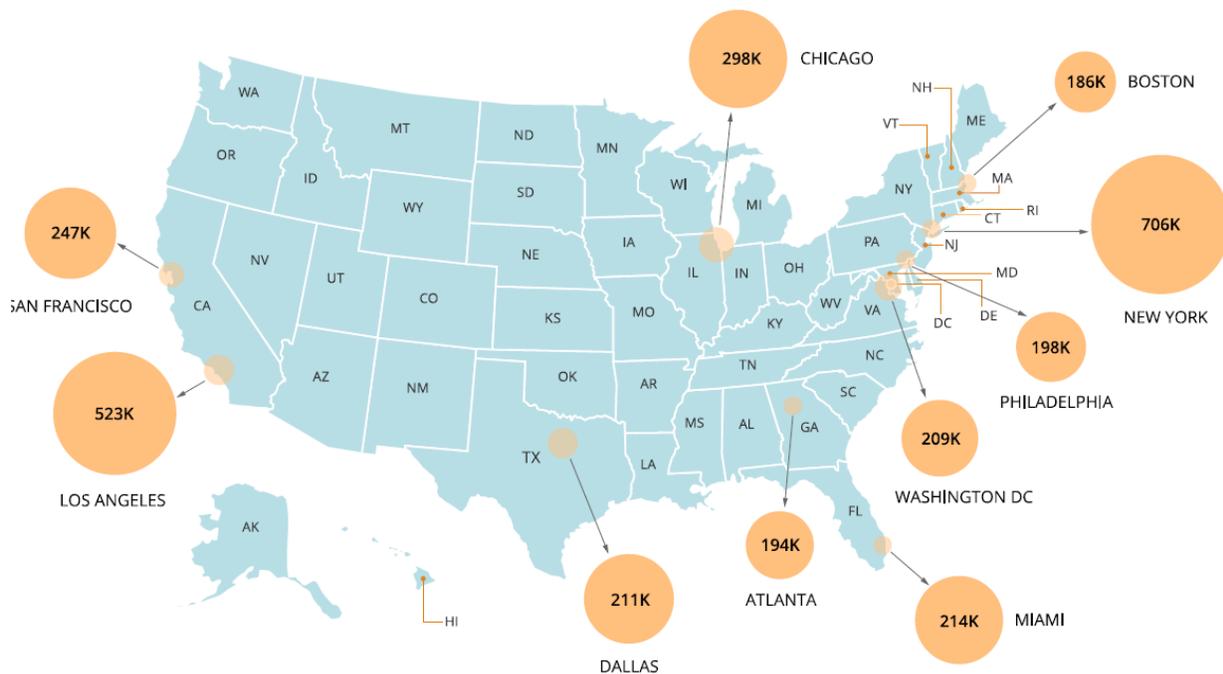
What is notable and reflecting in multiple surveys (Pew, 2020) (Williams, 2021) (GALLUP, 2023) is the rapid increase in the numbers of people who self-identify as LGBTQ+ when reviewing data from the older generations (Silent, Baby Boomer) on down to Gen Xers, Millennials, and those who were surveyed at the age of 18-24 (Gen Z). The chart that follows is from GALLUP (2022) survey data.



Another interesting finding about the age of LGBT [data source uses the acronym LGBT] people is that they skew much younger than non-LGBT people. The average age of known LGBT people is 37.3 years versus 47.9 years for non-LGBT individuals (Williams, 2019). Further, when it comes to where LGBT people live, there are concentrations in some states and cities that make engagement of the LGBT demographic market-smart or market-savvy. Did you know that the District of Columbia’s adult population that identifies as LGBT is 9.8%? How about the State of Oregon? It’s 5.6%. Nevada (5.5%), Massachusetts (5.4%), California (5.3%), Washington (5.2%), and Vermont (5.2%) are not that further behind (Williams, 2019). The top 5 metropolitan areas with self-identified LGBT adults are New York City

(706,000), Los Angeles (523,000), Chicago (298,000), San Francisco (247,000), and Miami (214,000) (Williams Institute, 2021). Depending on your nonprofit's audiences, you might have an additional reason for integrating a strategy towards the LGBTQ+ community based on where these individuals reside. The chart that follows is from UCLA's Williams Institute (2021).

Top 10 metropolitan areas in the US by LGBT population



Please visit the **References** and **Resources** sections for additional research that you can undertake to address your individual institution's own interests and opportunities. There is a lot of other data about the size and diversity of the LGBTQ+ communities available. Next, we are going to focus on what we know from some nationwide research findings by multi-year studies conducted in the 2010s.

### Donor Market Timing for 2025 to 2050+

For those wondering if the timing is right for either a new or expanded effort toward LGBTQ+ donor cultivation, this could be a great opportunity (Anderson et al, 2018) (Newman & Guisinger, 2018) (Burns et al, 2020). The Stonewall Generation (Baby Boomers and older) are most aligned and self-identified with the LGBTQ+ community and feel a sense of leaving a legacy for the future (ibid). They are among those individuals transferring significant wealth in the greatest wealth transfer of our time (ibid). One might also argue that perhaps since more LGBTQ+ households are raising kids in each subsequent

generation (ibid) (Pew, 2020) there may be less opportunity for planned gifts among LGBTQ+ folks, given the propensity of childless households giving to charity is three times more likely than households with children (James, 2013). To further underscore that finding among the general population, most LGBTQ+ adults (2/3) do not have children (Gates, 2013).

What can we expect from the LGBTQ+ adult population in terms of their planned gifts in the next 20 years? The following is mostly relevant to those in Groups 1 and some from Group 2: using relatively conservative assumptions, the Horizons Foundation (2016) has very conservatively identified roughly \$41.7 billion will come from LGBTQ+ planned giving donors (and \$200 billion over the next 50 years).

Through the nine-year National LGBT Giving Project, we learned that 16% of known LGBTQ+ donors who gave to a set of 56 LGBTQ+ organizations have already made a planned gift to support an LGBT organization and an additional 35% said they would be likely to do so (Burns et al, 2020). This finding is especially relevant to those finding themselves in Group 1 and some folks in Group 2. In comparison, I am reminded by research cited by two studies that suggest the LGBTQ+ planned giving phenomenon is something of note. First, Russell James (2013) found that on average only 5% of Americans over 55 indicated they had named a charitable organization as a beneficiary in a will or trust. Second, research by the Cabinet Office Behavioral Insights Team (Sanders et al, 2013) found that only 4.9% of 1,000 people in a general population study of those writing a will included charity. Therefore, some researchers suggest the propensity of LGBTQ+ folks to make planned gifts for LGBTQ+ purposes presents an extraordinary opportunity for organizations that may have a specific LGBTQ+ program or service in the next twenty years.

The Indiana University – Purdue University Indianapolis (2023) released its annual report called the LGBTQ+ Index: Measuring Giving to LGBTQ+ Organizations which provides another large dataset to inform our understanding of the landscape of LGBTQ+ donors. The research is helpful to learn more about LGBTQ+ household funding as the report gives examples of areas of interest by LGBTQ+ donors. In one year of the study (2019), the nonprofits focused on LGBTQ+ civil rights and advocacy received the largest portion of funding from LGBTQ+ donors. Transgender-specific causes were found to have the fastest growth in this research. In a separate 2016 study with U.S. Trust, IUPUI found that 43% of high-net-worth donors reported giving to LGBTQ causes and organizations (Skidmore & Pruitt, 2023).

## **Fundraising Systems Research**

LGBTQ+-focused organizations (Group 1) are “under sourced” (Anderson et al, 2018) (Burns et al, 2020) in their development operations, and if you find yourself in either a Group 2 or Group 3 organization, then you may be at an advantage with successfully cultivating and the longer-term stewarding of LGBTQ+ donors should your organization already have ample systems in place. For those in Group 1 and in some cases Group 2, you can follow the recommendations in the research. Nevertheless, the findings show that for LGBTQ+ organizations, planned giving from LGBTQ+ donors is very favorable. Among known LGBTQ+ donors who have yet to do a planned gift, an incredible portion of individuals (36% v. 46%) are either open to or say they would moderately consider the possibility of leaving a gift either to an LGBTQ+ charity and/or with an organization with an LGBTQ+ purpose.

## **Psychographic Data Findings**

The research findings of the limited surveys about LGBTQ+ donors have yielded some gems to further understand the dynamics and priorities of these individuals’ preferences in their philanthropic choices. However, I want to draw a comparison between two of the studies to simultaneously reflect on the subtle distinctions between the donors surveyed who were general donors to many causes (mostly Group 2 and 3 nonprofits) versus those who came directly from the databases of LGBTQ+ organizations (Only Group 1 nonprofits). Let’s look at what LGBTQ+ donors (n = 1,213) to general, non-LGBT organizations said in the “Big Gay Survey” (Burns et al, 2020):

- Only 52% identify as Democrats (compared to 78% of LGBTQ+ folks to LGBT orgs)
- Only 32% are out at work (compared to 62% of LGBTQ+ givers to LGBT orgs)
- More likely to think that other causes are more important than LGBT ones (44% v. the LGBTQ+ donors to LGBT causes 28%)
- Less likely to have a will or trust (37% v. the 54% of LGBTQ+ donors to LGBT nonprofits)

Although limited, we have findings of donor motivations from the Big Gay Survey on various LGBTQ+ population segments which may assist us in maintaining the NAGCP principle to remain aware of and sensitive to the differences, cultural distinctions, and needs of donors. The findings I am sharing will not apply to everyone who fits each of the market segments. However, the following points are potentially instructive when we consider the individualized needs of our supporters and prospects:

- A. **LGBT People of Color** (n = 783) reported that they prioritize social services, with a higher emphasis on youth and elders.

- B. **LGBT Rural Folks** (n = 684) were found to prioritize the same messaging and causes as the donors to LGBTQ+ nonprofits in general; no currently identified differences.
- C. **Transgender Individuals** (n = 412) 44% prioritize giving to an LGBT purpose.
- D. **LGBT Millennials** (n = 934) have been found to prioritize giving to organizations with diverse staff and leadership and those organizations that are openly supportive of Transgender people.
- E. **LGBT Gen Xers** (n = 2,769) reportedly favorably responds to messages as well to giving to projects and programs that emphasize equality. It turns out LGBTQ+ people born on or before 1964 also share those same values and priorities in their giving.
- F. **Bisexuals** were represented in the study with a disproportionate population in the Millennial generation (30%); 13% Xers and 8% of those who are born before 1964.

From the large, multi-year national LGBT Giving Project (Burns et al, 2020) team, we learned key points about LGBTQ+ donor motivations, or personas, for all causes (representing Groups 1, 2, and 3):

1. Some donors see the world through self-identification as an activist and they focus on antagonists they see as “bigots” which brings them to give to charity;
2. Some donors see themselves as nurturing caregivers with a “responsibility” to help communities, especially young people;
3. Some donors are attracted to organizations based on other, non-LGBTQ+ identities such as ethnicity, immigration or disability status, gender, political party, and more;
4. Some donors are mostly reactive to the world around them and are moved to donate by strong urges to what they see locally, nationally, or on the global stage; and,
5. Some donors want to be seen and want to feel a common bond of community and/or to have acknowledgement for their support.

In Giving USA (2019), gay and lesbians reportedly complete planned gifts slightly younger than the general population (50 v. 53). Plus, over 90% of LGBTQ+ folks use a professional advisor when writing or updating their documents to make a planned gift. Gays and lesbians are more likely than the overall participants in the survey to increase the number or value of their planned gifts over time (Special Report from Giving USA 2019).

### **Research Findings Related to Messaging**

Caution on the available LGBTQ+ donor data comes from Matt Foreman, former Senior Program Director for Gay and Lesbian Rights at the Evelyn and Walter Haas, Jr. Fund who said, “There isn’t a master database that says, ‘Here are the bisexuals, here are the women of color, here are the trans men

of color.’ It’s very hard to do a segmented appeal to the LGBT community.” He further added that the **“wording of a message is far less important than cultivating the relationship over time,”** a surprise, he said among the research team (Haynes 2020). In terms of messages and themes that did resonate with the LGBTQ+ donors (n = 1,213) to all causes (Burns et al, 2020), the three strongest responses to communication samples were the following (this is for Groups 2 & 3 versus Group 1 organizations):

1. “We’re no different” (67% v. 49% of LGBTQ+ donors to LGBT groups)
2. “American Freedom” (60% v. 50% of LGBTQ+ donors to LGBT groups)
3. Equality (57% v. 57% for both sample sizes)

Additional findings from the LGBT Giving Project (Burns et al, 2020) are top concerns as reported by LGBTQ+ donors to all organizations (Groups 1, 2, and 3), both non-LGBTQ+ & LGBTQ+-serving nonprofits). The following list is not in any order of emphasis: **LGBT rights, health and wellness, environment, family, community, education, financial security/safety, and equal rights.**

### **LGBTQ+ Donor Case Examples**

What follows is a baker’s dozen of cases chosen due to reflect intersectional diversity of the LGBTQ+ community including some historical figures and details about their plans. We will review four small sets of donors: *Donors to LGBTQ+ Causes, A Mix of Causes and Donors, Donors to Non-LGBTQ+ Causes, and Unfulfilled Wishes*. Due to the reporting of the LGBT Giving Project (Burns et al, 2020), we know that LGBTQ+ donors from the surveys are especially moved by seeing testimonials of other LGBTQ+ donors, I find it useful to showcase a diverse set of stories each of which is significant to the communities surrounding the populations served by the nonprofits that secured the LGBTQ+ donors’ gifts.

### **Donors to LGBTQ+ Causes**

To begin, we’ll look at some LGBTQ+ causes starting with a leader in securing LGBTQ+ planned gifts. The San Francisco-based Horizons Foundation is an LGBTQ+ funder in San Francisco. Long known for cultivating an asset base from LGBTQ+ planned giving donors, Horizons does a terrific job of providing publicly available donor stories.

Case 1. One example of a same-sex couple with an LGBTQ estate plan is the duo [Dipti Ghosh and Meggy Cotuaco who talked on video](#) about why they have decided to include [Horizons in their estate plan](#):

*For Dipti, Horizons’ dedication to the entire LGBTQ community, especially its most vulnerable members, is another primary reason for her support: “The biggest fight I think that Horizons gets involved in is it really supports the most underserved parts of our community [such as] homeless youth and the organizations*

that are outside of urban areas that are still doing really good work with LGBTQ people in their communities.” Meggy added, “The beauty of Horizons is that they are very much aware of where the needs of our community are, much more so than we can ever be,” (Horizons Foundation, 2023).



*The couple in 1995 (L) and 2022 (R) – Source: Horizons Foundation*

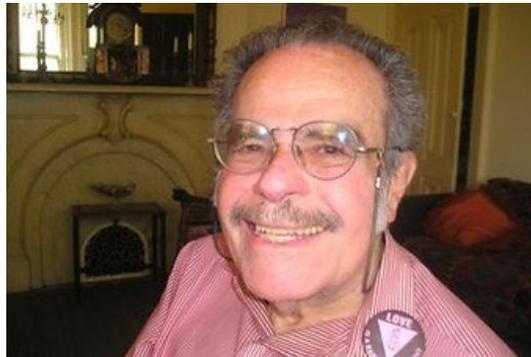
Case 2. Another example of an LGBTQ person with an estate plan focused on their long-time partner as well as for LGBTQ+ causes is legendary Barbara Gittings, a supporting co-founder of the [Daughters of Bilitis](#) (DOB) which was created by working class women of color in 1955 (Library of Congress, 2023). Gittings was the editor of *The Ladder*, a lesbian magazine launched by DOB in the 1950s. When Gittings died in 2007, she had already created a trust with financial and real estate assets to support her lifelong partner, Kay Tobin Lahusen, until Kay’s death in 2021. The remaining assets were split among many national LGBTQ groups and several local Philadelphia-based charities (Personal Communication, 2022, from Gittings’ estate attorney).



Kay Tobin Lahusen (L) and Barbara Gittings (R)

Case 3. Another example of a trust by an LGBTQ person is gay public health pioneer, [Dr. Walter J. Lear](#) of Philadelphia, who died in 2010. Prior to his death, he created a trust to support his surviving life partner, James “Jim” F. Payne and placed his assets under the trust, including his research archives, real estate, and various personal collections. Before his passing, Lear established fellowships on the history of health at the U.S. Health Left History Center. He also proactively dedicated his historical medical and public

health archives to the [University of Pennsylvania](#). However, in his will, Lear enumerated a long list of charities primarily focused on serving LGBTQ+ people with an emphasis on equality, health, and communities of color. After his partner's passing, Lear's legal advisor and estate executor determined the best way to honor Dr. Lear's wishes to support the LGBTQ+ community was to direct the remaining assets (\$250,000) in the estate, to support two endowments held by [DVL at the Philadelphia Foundation](#): one endowment of \$125,000 was established in 2022 to support the John J. Wilcox Archives of the William Way LGBT Community Center; the second endowment of \$125,000 was to establish a field of interest fund to enhance and provide competitive grant making dollars to support LGBTQ+ health issues and LGBTQ+ people of color (Personal Communication from John Mosteller, Estate Executor, 2021).



Walter Lear (Source: William Way Community Center Archives)

### **A Mix of Causes and Donors**

Case 4. And what of [non-LGBTQ+ folks creating an estate plan gift to support the community](#)? Certainly, plenty of examples exist and one such donor is Linda E. Mitchell, Ph.D., professor of history at University of Missouri - Kansas City (UMKC). Due to her experience mentoring students in women's, gender, and sexuality studies, and from her personal connection to her gay brother and his husband, Mitchell created the \$1 million Bill Mitchell and Jeff Halpern Endowment for [GLAMA](#) (Gay and Lesbian Archives of Mid-America), located at UMKC.

"My brother and his husband are two of the most important people in my life. . . .As I began making plans for my estate, I wanted to support GLAMA in their honor. . . . felt that establishing this endowment was tremendously important. . . .We are seeing even now attempts to erase and denigrate the history of underrepresented groups—such as women and people who do not identify themselves in binary-gendered ways—and this fund can provide some security for the collection."

Case 5. Another set of planned giving donors mix supporting both LGBTQ+ and non-LGBTQ+-focused planned gifts. The world's first known transgender billionaire, Jennifer Pritzker, announced in 2016 [her](#)

[intention to leave \\$2 million gift](#) to endow an academic chair in transgender studies at University of Victoria in British Columbia. Retired as a lieutenant colonel in the Illinois Army National Guard, Pritzker formed the Tawani Foundation in 1995 which has been known to give \$25 million to Norwich University. Further, Tawani Foundation publicly granted \$1.35 million to the [University of California, Santa Barbara's Palm Center](#), its LGBT-focused research institute on military service, "to study the feasibility of transgender people serving in the military and in the ranks of police and fire departments."



Jennifer Pritzker (Wikipedia, 2023)

Case 6. Openly gay filmmaker and artist, Andy Warhol, left in his estate what could arguably be the [largest estate ever by an American artist](#) in his time (Lewis, 1988). Warhol is another example of a mix of support to both LGBTQ+-focused contributions and those serving the wider community. Not long after his passing, the contents of Warhol's personal collections were largely auctioned off by Sotheby's and were estimated to be worth \$10-\$15 million (ibid). In his will, Warhol specified that the vast bulk of the entire estate estimated to be valued at \$100 million at the time of his death in 1987 would go to establish the Andy Warhol Foundation for the Visual Arts (ibid). The only other bequests were for his two brothers. In addition to his collections, Warhol had a successful art business as well as jewelry, several pension plans, and substantial real estate assets including buildings and land in New York and Colorado (Lewis, 1988). Much has evolved since his death and the museum that bears his name in Pittsburgh is a tribute to art and almost equally present is Warhol's spirit and perspective that art can be a business. A statement by the [Andy Warhol Foundation for the Visual Arts](#) (Foundation Website, 2023) about the purpose and mission of the organization:

"We acknowledge our culture's systemic marginalization of artists because of race, gender, religion, age, ability, sexual orientation, and/or immigration status among other factors.

We **actively seek** to highlight the work of under-represented practitioners and support efforts to **address entrenched inequities** [emphasis theirs].”



The American artist and filmmaker Andy Warhol with his paintings (1928 - 1987), December 15, 1980. (Getty Images / Susan Greenwood / Liaison Agency)

Case 7. Anne Lister’s life as a lesbian landowner in the 19<sup>th</sup> Century was captured in the HBO series “[Gentleman Jack](#)” from 2019-2022 and reported by [Smithsonian Magazine](#). To more deeply understand her life planning considerations, [Joanne M. Burda published](#) (2022) in the *Journal of Lesbian Studies*, a study of the estate planning tools used by Lister and her attorney in consideration of care for her property as well as for her life partner, Ann Walker. Lister’s plan included turning the family estate in her lifetime into a public museum and to protect access to the home for Walker for the remainder of her life, who inherited caretaking ownership of [Shibden Hall](#).



Credit: HBO “Gentleman Jack”

### **Donors to Non-LGBTQ Causes**

Case 8. We know of many LGBTQ+ donors best known for their contributions to non-LGBTQ+ causes. For example, in December 2022, lesbian Kathy Whitworth died the [winningest professional golf player](#). Prior to her passing, Whitworth created a [foundation](#) now led by her long-time partner, Bettye Odle, to

support emerging women and girls playing golf as a sport. Whitworth won 88 tournaments by the age of 46, six more than Tiger Woods and Sam Snead (82 championships each).



Photo credit, [The Advocate](#), 2022

Case 9. Sometimes LGBTQ+ donors use their business and give to non-LGBTQ+ causes for any number of purposes. In the case of Norris Bumstead Herndon, he and his family valued the support of their local community and of causes important to Black/African American communities. His family's wealth was originally built from his entrepreneurial father's business, Atlanta Life Insurance Company (Lee, 2021). After his father, Alonzo, died, Norris Herndon took over the helm and exponentially grew the firm's size (ibid). His sexuality, although known of and suspected by those closest around him, was never made public (ibid). He was not an out gay person probably due to the shame the acknowledgement in the mid-1900s could bring to him, his family, and the business. As a business leader he built a fortune estimated to have been worth \$100 million, one of the wealthiest Black people in the USA at the time (ibid). In his lifetime, he financially supported HBCUs, local YMCA's, and several civil rights groups among many other causes. When Norris Herndon died, he left his business to the community that he supported, through the Alonzo F. and Norris B. Herndon Foundation which retained 70% ownership of the Atlanta Life Insurance Company (Lee, 2021). In a sense, the company was owned and retained by the community.

The [foundation's purpose](#) is to support:

"...the Herndon Home Museum and carries forward the longstanding and quite distinctive philanthropic tradition of Herndon family support for economic development, entrepreneurship, community leadership and development, and educational excellence. [It] supports the Game Changer Entrepreneur Program with its mission to strengthen the entrepreneurial spirit in the community by providing programs that encourage youth to stay in school, recognize business opportunities, and plan for successful futures. (Herndon Foundation, 2023)"



Norris Bumstead Herndon (Source: *The Reckoning*)

Case 10. In another case like Lister and Herndon, sometimes LGBTQ+ individuals and couples choose a non-LGBTQ+ cause to dedicate their assets. [Paul Mayén](#) was a Spanish architect and the life partner of Edgar Kauffman, Jr., who provided hundreds of acres of land surrounding the now-World Heritage Site and National Historic Landmark, [Fallingwater](#), to the Western Pennsylvania Conservancy in Edgar's lifetime. Mayén later gifted the design and created the visitors center, café, and store. Kauffman, Jr. was son of Edgar Kauffman, a Pittsburgh businessman and owner of regional Kauffman's Department Store. Edgar, Jr., inherited his family's home and property which was originally commissioned to and designed by Frank Lloyd Wright, the famous architect.



Fallingwater (Wikipedia)

## Unfulfilled Wishes

Case 11. Not everyone, as we already know, gets their wills, or plans together and shares their intentions with all the necessary parties before it is too late. LGBTQ+ folks are no different in that regard, even when a notable amount of assets might call for a plan. In the case of actress and bisexual icon, Anne Heche, when she suddenly passed in August 2022, no will or trust could be found, leaving her [older son, Homer Laffoon, having to file to manage the estate](#) (Associated Press, September 2, 2022). Prior to Laffoon's filing, he would have no access to his mother's assets.



Anne Heche in New York on May 15, 2017. Maarten de Boer / NBC News

Case 12. In the case of former West Philadelphia resident and gay veteran, Donald Nilsen made public his interest in gifting his assets to an LGBTQ+ organization that would be instructed to immediately liquidate his collections after his death for the purpose of providing funding to LGBTQ+ causes. In mid-life he developed his talents as a professional interior designer and had included in his charitable intentions were two valuable collections (antique silver and mid-1800s impeccably maintained furniture) along with his home (Personal Communication, 2007). The charity lost touch with the donor for several years. In 2022, when efforts were made to effectively outreach to Nilsen to apologize for not staying in touch as well as to recognize his generous plans and to reengage him, it was sadly learned he had moved to another state and had died alone in 2020. No known gift was realized to any charity as reported by a long-time close friend (Personal Communications, 2023).

Case 13. The former Board President of the same LGBT community fund, Bob Morrison, was an avid collector of priceless mid-Century Pop Art and owned original works by Picasso, Warhol, Stieglitz, and O'Keeffe, displaying them in his modest home in Southwest Center City, Philadelphia. On multiple

occasions, Morrison took examples of his art as tools to educate the public in cities along the Eastern seaboard about the possibilities of using art for philanthropic purposes while building its worth through exhibitions. He authored “The Fine Art of Tangible Assets.” He partnered with multiple philanthropic advisors including Rockefeller Philanthropy Advisors and U.S. Trust on these events and shared publicly his desire to have his assets be used in part to support LGBTQ+ youth scholarships as well as other mainstream arts-focused charities, and he would name the charities in his presentations especially when he was in his hometown of Philadelphia (Personal Communications, 2007). The LGBT community fund did not retain any documentation other than a prospective donor data form about Morrison and had lost connection to Bob. After Morrison suddenly passed away in March 2019, no will or trust was found by friends and family, leaving his intentions truly unclear and unknown to his brother and other family members suddenly thrust into having to determine what to do with his estate (Personal Communications, 2019).



Robert “Bob” Morrison

These three last examples are indicative of a good deal of other lost opportunities that failed to come to fruition. I am reminded of the research (James & Baker, 2015) that the “ten-year retention rate of a charitable estate component is approximately 55% among adults over age 50.” This is a reminder to us all to stay in routine touch with all our donors, and that LGBTQ+ donors and households are no different than everyone else in that regard.

### **Room for Further Exploration & Opportunities**

In the last six months, I have actively cultivated, closed, or further stewarded about three dozen LGBTQ+ household or individual estate plans. In my most recent experience coupled with 21 years of

professionally working to advance LGBTQ+ estate planning, I have noticed some trends that I feel are worthy of further qualitative and quantitative exploration and study:

1. More than half of LGBTQ+ donors with whom I have worked intend to use valuable non-cash assets for their charitable plans with real estate leading the category of non-cash assets;
2. Most of the LGBTQ+ donors I have known intend to include an LGBTQ+ purpose;
3. Most LGBTQ+ donors want to name non-LGBTQ+ causes or organizations in their plans;
4. Many of the 35 I mentioned have either changed their estate plan in the past five years or intend to amend their charitable plans in the coming year or two;
5. Almost all estate plans with \$40,000 or more involved a professional advisor and many involved an assigned estate executor;
6. A sizeable percentage have named charities in their life insurance and retirement plans;
7. At least a third or more of LGBTQ+ donors are collectors of highly valuable collections (\$10,000 or more; most over \$100,000 or more – and some are seven and eight figure estates) and want to know more about how to distribute their collections in their estate plan; and,
8. Most, when asked, will say they want to gift some of their wealth to a partner/spouse, family member, and/or friend/s, and some included support for pets.

### **Data-Informed Recommendations**

The findings from both the available data about LGBTQ+ planned gifts along with the case examples provide some fodder for consideration on strategy and tactics for LGBTQ+ donor engagement. With the format of our one-hour conference session, we will only have time for a short, incomplete list of options to review together. Notwithstanding, there are some gems, expertise, and wisdom from a collection of dozens of leaders and researchers in the field of planned giving and LGBTQ+ philanthropy which make sense to summarize here today.

We know from the seminal work of Russell James (2013) that the single greatest demographic predictor regardless of sexual orientation and gender identity is that those without children “are nearly three times as likely to make a planned gift as those who do have children.” Therefore, it does make sense to be aware of this factor when working with individuals or couples without children. Nevertheless, it does not necessarily mean that parents of large number of children will not make a gift, or, conversely, those who are childless do not have other plans for their wealth.

We learned through the LGBT Giving Project (Burns et al, 2020) two main reasons why LGBTQ+ people do not give to organizations cited through the study (relating to Groups 1 and 2 and 3):

- a. The perception of a “poorly run,” “ineffective,” or “dishonest” organization; and,

- b. They were never asked for support.

As recommended by the two research teams (Anderson et al, 2018) and (Burns et al, 2020), the return on investment cited was significant when organizations take steps to grow their infrastructure and data capabilities. Through the LGBT Giving Project (Burns et al, 2020), even with an investment of \$25,000 to \$35,000 per year, the retention of fundraising experts to grow internal capacity netted results within 18 months in most, but not all, cases. Even without a consultant, nonprofits can take advantage (especially Group 1 and Group 2 institutions) of specific donor acquisition moments or periods when there are moments of political urgency where heightened interest exists. Organizations were found (Burns et al, 2020) to have generated new support from both LGBTQ+ and non-LGBTQ+ people when individuals know their values are aligned in response to the political landscape.

Moreover, one positive theme emanating from the LGBT Giving Project (2019) that responses by LGBTQ+ donors to general organizations (Groups 2 and 3):

LGBTQ+ donors to general organizations are moved to give or donate more by stories of people who give, the people who work or volunteer at the organization, and of course, the people who are impacted by the nonprofit's programs and services.

This finding supports the practice of sharing donor stories in print and online materials and with the presence of known LGBTQ+ donors, a favorable response could be even higher.

The lessons learned by nonprofit board and committee members surrounding the circumstances of both Don Nilsen (Case 12) and Bob Morrison (Case 13), plus several other donors whose charitable intentions either changed or were unknown, underscores the importance of the following (Personal Communications, 2023):

- a. Reconfirm and document donors' wishes and ask for excerpts of their plans if they allow it;
- b. Ask for names and contact information for both the estate executor and the professional advisors close to the donors; and,
- c. Secure permission in writing from the donor to reach out in the event the donor is not able to respond.

As a result of losing some members of their planned giving society, the planned giving committee of the LGBT community fund updated their planned giving data document as more of an information and intention of wishes exercise and not as a legal document (See **Resources** for the example). Also, the organization in question (Personal Communications, 2023) developed a standing policy to confirm a

donor's intention every two to three years to keep the list of the giving society as current as possible. This practice allows for a revisiting of the donors' intentions and how they wish the charity to spend and/or invest their gift. Further, because so many donors from the community fund expressed interest in using non-cash assets and nontraditional items for charitable purposes, the organization amended its gift acceptance policy multiple times over 18 years to allow for more giving – and more creative giving. One of the items you will find in the **Resources** section is an example of the policy in place by the organization. Although the policy was reviewed by attorneys in the Commonwealth of Pennsylvania, I share the document solely as an educational tool.

### **Professional Advisors Helped Make the Grade**

Professional advisors have been secured by over 90% of LGBTQ+ folks and the general population who are writing or updating their estate plans (Anderson et al, 2018) (Giving USA, 2019) (Burns et al 2020). Indeed, I have experienced this phenomenon. For example, with the last four realized LGBTQ+ donor estate plans where I have been involved, (\$250K, \$500K, \$48K, \$50K), a trusted advisor's engagement was essential to both the donor and the nonprofit. In three of those cases, the nonprofit's engagement of the executor of the estate was critical to closing the gift.

Because the use of legal, financial, and philanthropic advisors is so high, as it is for the general population, it makes sense to engage LGBTQ+ advisors and allies who have targeted, LGBTQ+-informed materials from their firms, as well as a cultural understanding and appreciation for this community. One common result from bringing together LGBTQ+ community-committed professional advisors who appreciate the organization's mission is they have more knowledge as well as the opportunity to talk about your charity with their clients. Further, by publicly acknowledging the professional advisors who are involved with gifts made to your charity, the impact of the attention will inspire others to give to your organization. In the Resources section, I will share is a how-to primer from the [American Bar Association](#) (Kriz & Shenkman, 2021) specifically for attorneys working with LGBTQ+ clients.

### **Growing the LGBTQ+ Prospect Pool**

Many of the suggestions may skew more toward Groups 1 and Group 2 institutions because that's where the data resides. However, there are many approaches that Group 3 institutions can take to grow their known LGBTQ+ donor pool. First, a cautionary tale related to using or borrowing LGBTQ+ lists – they have “not reported as successful” at donor acquisition for LGBTQ+ populations (Burns et al, 2020).

What has worked for organizations to identify LGBTQ+ donor prospects in my experience when there is a collaboration or event or advocacy push, or program among two or more nonprofits – or an LGBTQ+-owned business – where one would naturally draw a significant percentage of LGBTQ+ people. Further, LGBTQ+-identifiable content might attract LGBTQ+ donors who will favorably respond to communication with references to any LGBTQ+ event, programs, or themes. Some LGBTQ+ donors will also likely respond favorably to learning about policies that focus on providing more inclusion or equity for LGBTQ+ people who are staff or clients (or patients, students, members, volunteers, participants, etc.) of your organization (Newman & Guisinger, 2018). Featuring stories of individuals or couples who are identifiably LGBTQ+ might inspire others to come forward to you as a result. To build your donor base of identified LGBTQ+ supporters and to create opportunities for genuine stewardship, you can partner with allied organizations and hold receptions for your own donor/prospect pools in honor of Stonewall, LGBTQ+ Pride Month, local ordinances or state law holidays that protect LGBTQ+ people (i.e., Obergefell anniversary, anniversary of an LGBTQ icon within your organization, or LGBTQ History Month, etc.).

When you find an LGBTQ+ donor, if your institution could facilitate the possibility, you can test or ask if they are interested in creating an opportunity that supports the LGBTQ+ community of individuals, provided it meets the criterion for your programs and services (for all three groups 1, 2, 3). Similarly, on a wider scale, you could poll your donors with demographic data and give folks an opportunity to share their status as a person who identifies as an L, G, B, T, Q, or another identity. I recommend the primer on data collection by [Fundors for Lesbian and Gay Issues](#) (Website, 2023) to aid in the design of any questions. The data shows that, just like with the general population, half of LGBTQ+ people start their estate planning process in their 20s, 30s, and 40s, although they do start the process an average of years younger (Giving USA, 2019).

## **Closing**

*What else comes to mind?* Plenty. However, this paper is meant to provide a partial list of what organizations have done to build their LGBTQ+ supporters from among their current prospects and donor populations and the communities that surround them. As professional members and affiliates of the NCGPA, we work on fundraising teams that possess the desire to design and tailor our stewardship, to communicate persuasively, and to create authentic connections with our LGBTQ+ donors and prospects. Our aspirations to successfully reach LGBTQ+ people effectively can be tricky as one message written for a large or a single segmented group does not necessarily speak to all subgroups in the same

manner. However, by recalling both the quantitative and qualitative research available while continuing to thoughtfully cultivate LGBTQ+ donors, we can further maximize our own nonprofit's impact through planned gifts. It is a pleasure for me to share my time and experience with you considering our commonly shared commitment to our institutions' mission through planned giving.

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## Resources

The research cited above may help you to tailor strategies and tactics designed for LGBTQ+ donor engagement as appropriate to your community of supporters and your own institution's mission. A small subset of documents are in the tail end of CGP 2023 Conference Paper in the following order:

1. National Task Force on LGBTQ Planned Giving: Project Report and National Strategy (2018)
2. LGBT Giving Project 2011-2020. Evelyn & Walter Haas, Jr. Fund
3. Funders for LGBTQ Issues Website (2023). Best Practices Guide: Data Collection
4. American Bar Association's *"LGBTQ Planning – What Skills Do Planners Need to Properly Serve the Modern Family"*
5. Gift Acceptance Policy example from a small LGBTQ+-serving organization with dozens of LGBTQ+ donors' estate plans.
6. Planned Giving Donor Intention Form (see #5)

# NATIONAL TASK FORCE ON LGBTQ PLANNED GIVING

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PROJECT REPORT AND NATIONAL STRATEGY

MARCH 2018

**SARAH ANDERSON**

Director of Strategic Priorities

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## THE CHALLENGE OF FUNDING THE LGBTQ MOVEMENT

The LGBTQ movement has made extraordinary progress in just a few short decades. Remarkably, much of this progress has been driven by organizations operating on the proverbial shoestrings, working with an urgency laser-focused on near-term goals and challenges. That urgency led to many crucial successes, but also left little room for considering longer-term sustainability, growth, and investment.

To make continued progress on behalf of millions of LGBTQ people, strong and well-funded LGBTQ organizations are essential. They will remain essential far into the future—as has been underscored repeatedly in the past 18 months by resurgent violence, waves of anti-LGBTQ measures, and dramatic policy reversals at the federal level. But unless our movement—and LGBTQ communities around the country—can build the strength to address both the urgent needs of today *and* the uncertainties and opportunities that will arise tomorrow, our progress is at risk—as are the equality, dignity, and well-being of millions of LGBTQ people.

Where will the financial resources for LGBTQ advocacy and services come from in the years and decades ahead?

- **Government funding** can be volatile at best and rarely covers the full costs of programs. Moreover, many organizations—especially advocacy groups—seek little or no government funds.
- While certainly important, **foundation and corporate giving** represent comparatively small slices of the “pie” in American giving and often fund projects rather than provide general support.
- Indeed, the **vast majority of philanthropy** in America—80% in 2016<sup>1</sup>—comes from individuals, through current gifts and bequests.<sup>2</sup>

Quite simply, individual giving is where the greatest potential lies for LGBTQ organizations.<sup>3</sup> And **no greater promise exists than within the area of planned giving**—a major and potentially **transformative opportunity** to fuel LGBTQ organizations, empower LGBTQ donors to leave lasting legacies, support communities for generations to come, and create a movement that is built to last.

**The LGBTQ movement must have a strategy to identify the financial resources required to win and safeguard our rights and meet the needs of LGBTQ people—both today and for decades to come.**

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<sup>1</sup> Giving USA Foundation. “Giving USA 2017.” Lilly Family School of Philanthropy, Indiana University Purdue University Indianapolis. June 2017.

<sup>2</sup> Among LGBTQ community centers and advocacy organizations, individual giving represents an under-utilized resource, on average comprising less than half of contributed revenue. Movement Advancement Project. “2017 National LGBT Movement Report.” December 2017, and “2016 LGBT Community Center Survey Report.” June 2016.

<sup>3</sup> Through the LGBT Giving Project, a multi-year, multi-phase research and capacity-building initiative, a group of funders and leaders of LGBTQ organizations has commissioned research to study the most effective ways to motivate LGBTQ individuals to give to the movement. Select findings from this research are included throughout this strategy where they pertain to planned giving specifically. Additional information from the project is available at [www.horizonsfoundation.org](http://www.horizonsfoundation.org) or upon request.

## THE NATIONAL TASK FORCE ON LGBTQ PLANNED GIVING: CHARGE AND METHODOLOGY

Given the magnitude of the opportunity for planned giving (as discussed in the findings that follow) and the movement imperative for greater financial resources, a group of LGBTQ-focused funders and leaders of LGBTQ organizations came together to form the National Task Force on LGBTQ Planned Giving. The 15-member Task Force’s charge was to:

- Deepen knowledge about the status of LGBTQ planned giving
- Define the scope and nature of the opportunity in planned giving
- Develop a movement-wide planned giving strategy and implementation plan

The Task Force’s work was supported through a generous grant from the Arcus Foundation.

In late 2016, the Task Force retained the consulting firm Campbell & Company to help guide the process of developing this strategy. The Task Force and Campbell & Company undertook the following activities:

- **Reviewed existing literature and data** related to planned giving and giving among LGBTQ individuals
- **Surveyed 55 LGBTQ organizations**, exploring their existing planned giving efforts as well as their priorities and needs related to planned giving
- **Interviewed and held focus groups** with 26 LGBTQ organizations further exploring their successes and challenges in planned giving
- Interviewed representatives from **four other progressive and identity-focused planned giving efforts** to understand their successes and pitfalls
- Convened for three **in-person Task Force meetings** and conducted regular conference calls to review findings and develop this strategy

### National Task Force Members

Richard Burns, Lead consultant  
LGBT Giving Project

Stephen Chan, Vice President of Strategy and Operations  
The Boston Foundation

Jerry Chasen, Director of Legacy Planning  
SAGE

Cece Cox, Chief Executive Officer  
Resource Center (Dallas)

Roger Doughty, President  
Horizons Foundation (San Francisco)

Kris Hermanns, Chief Executive Officer  
Pride Foundation (Seattle)

David Jobin, Executive Director  
Our Fund (South Florida)

Chuck Loring, Partner  
Loring, Sternberg, and Associates

Bill McDermott, Chief Development Officer  
Los Angeles LGBT Center

Ben Francisco Maulbeck, President  
Fundors for LGBTQ Issues

Clarence Patton, Founder and Director  
The Pipeline Project

Thai Pham, Deputy Director of Development  
Lambda Legal

Terry Stone, Chief Executive Officer (former)  
CenterLink

Adam Swaim, Director of Planned Giving  
(former)  
Human Rights Campaign

Mohammad Zaidi, Director of Planned Giving  
American Civil Liberties Union

## PRINCIPAL FINDINGS

This work described above revealed and/or reinforced four principal findings:

- 1) Planned giving represents an **exceptional and unprecedented opportunity** for the LGBTQ movement
- 2) **LGBTQ people are open** to making planned gifts to LGBTQ causes
- 3) **Organizations are severely under-resourced** in planned giving and have limited capacity to take advantage of the opportunity it presents
- 4) For historically-specific reasons, **the greatest opportunity for growing LGBTQ planned giving is now**

Each finding is detailed in the sections that follow.

### FINDING 1

#### PLANNED GIVING REPRESENTS AN UNPRECEDENTED OPPORTUNITY FOR THE LGBTQ MOVEMENT

The United States is in the midst of the largest inter-generational transfer of wealth in history. Nonprofit organizations that are well-positioned to attract estate gifts stand to raise stunning sums. Of the estimated \$59 trillion that experts expect to change hands upon asset owners' deaths between 2007 and 2061, an anticipated \$6.3 trillion could be directed to nonprofit organizations.<sup>4</sup>

Given this potential, it comes as no surprise that thousands of nonprofits—especially universities, hospitals, and major cultural institutions—are investing heavily in planned giving. In stark contrast, only a tiny number of LGBTQ organizations have made any such investments.

**Many nonprofits are investing deeply in planned giving—because the pay-off will be dramatic.**

Yet **LGBTQ nonprofits could easily benefit more than other nonprofits because LGBTQ individuals represent a uniquely promising subgroup of planned gift donors.** First, nearly two-thirds do not have children.<sup>5</sup> This presents a spectacular planned giving opportunity, because as well-known planned giving researcher Russell James has noted, **not having a child is the single greatest demographic predictor** that an individual will make

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<sup>4</sup> Havens, John J. and Paul G. Schervish, "A Golden Age of Philanthropy Still Beckons: National Wealth Transfer and Potential for Philanthropy," Boston College Center on Wealth and Philanthropy, May 2014. *Note: The \$6.3 trillion estimate is based on a mid-range projection of 2% economic growth. The sidebars on the pages that follow demonstrate what that philanthropic potential could translate to for giving to LGBTQ causes.*

<sup>5</sup> Gates, Gary, "LGBT Parenting in the United States," Williams Institute, February 2013.

a charitable planned gift. His research demonstrates that **those who have no children are nearly three times as likely to make a planned gift as those who do have children.**<sup>6</sup>

One additional time-specific factor makes the planned giving opportunity so tremendous. Many of the estimated 1.5 million LGBTQ individuals over 65 are deeply identified with the LGBTQ community. Their identities were formed in times of extreme discrimination and inequality, the horror of the AIDS crisis, and the great strides and watershed moments the movement has achieved.

In general, these members of the community—the **“Stonewall generations”**—share a powerful affinity and appreciation for the LGBTQ movement that no other generations are likely to experience with the same intensity.<sup>7</sup> And because planned giving often represents the pinnacle of a long-term philanthropic relationship between a cause and a donor, these individuals with strong affinity for LGBTQ causes represent a highly and historically promising segment of potential planned givers.<sup>8</sup>

## The immense scale of this opportunity

(Part 1)

Analysis by Horizons Foundation has revealed that, based on population data and residential real estate sales records, LGBTQ people living in the San Francisco Bay Area alone own more than an estimated \$40 billion in residential real estate. Just 3% of that wealth would total **\$1 billion for LGBTQ causes**—a potentially transformative sum that could support both regional and national movement organizations. The potential multiplies when all other assets beyond residential real estate are considered as well.

This potential is not limited to the high-priced Bay Area; residential real estate equity owned by LGBTQ people in many other metropolitan areas illustrates the substantial opportunity for estate-driven giving:

Chicago metro	\$6 billion
San Diego	\$6 billion
Denver	\$4 billion

Source: Horizons Foundation, “Today, Tomorrow, Forever: Ensuring the Financial Future of the LGBT Community,” February 2016. Other than the Bay Area, data are partial, although sufficient to make conservative estimates.

<sup>6</sup> James, Russell N., “American Charitable Bequest Demographics (1992-2012),” Encourage Generosity, 2013. *Note: People with children, of course, can be highly philanthropic. At the same time, the data clearly indicate that not having children increases the probability of a charitable planned gift.*

<sup>7</sup> The Task Force realizes that it is impossible to generalize about such large groups of people and that some in these age cohorts may *not* feel strongly identified for any number of reasons. Similarly, some of those younger than the Stonewall Generation have intense affinity for the LGBTQ movement. Even with such caveats, prior research by the LGBT Giving Project suggests the affinity among the Stonewall cohorts is real. For example, survey respondents over the age of 75 had the most strongly positive opinion of LGBTQ organizations of all age groups (62% “very favorable”), and those between 60 and 74 were the second most positive age cohort (55% “very favorable”).

<sup>8</sup> As strong anecdotal evidence suggests, a large number of “Stonewall generation” LGBTQ people find that leaving part of their legacies to the community and movement in which they personally took part—and from which they benefited—is deeply meaningful. It is important to note that the “Stonewall Generation” aspect of this strategy is rooted in *both* the opportunity for the movement and the opportunity for individuals to leave personally significant legacies.

### The immense scale of this opportunity (Part 2)

Given the charitable giving opportunity presented by the generational wealth transfer, Horizons Foundation has analyzed the potential for the LGBTQ movement. Using conservative assumptions that LGBTQ people (a) are (only) as likely as others to leave a charitable bequest, and (b) make up 3% of the U.S. population, then:

- LGBTQ donors will leave **\$41.7 billion to charity in a 20-year period (\$200 billion over 50 years).**
- If only 1 in 5 of those charitable bequest dollars—20%—goes to LGBTQ causes, the total would exceed **\$8 billion for the movement over 20 years.**
- Over a longer 50-year timeframe, that number would climb to **\$40 billion for the movement.**

If time-limited factors such as the high portion of LGBTQ people with no children and the aging of the highly-identified Stonewall Generation result in LGBTQ planned givers indeed making more and larger gifts, the potential climbs much higher.

*Source: Horizons Foundation, "Potential in LGBT Estate-Based Giving," February 2016. (Data derived from Schervish and Havens, A Golden Age of Philanthropy. Estimates assume a moderate 2.0% rate of economic growth. Additionally, the assumption that 1 in 5 charitable planned giving gifts would go to LGBTQ causes is conservative. Data from the LGBT Giving Project show that 60% of donors give 25% or more of their donations to LGBTQ causes, with 30% giving 50% to 100%.*

## FINDING 2

### LGBTQ PEOPLE ARE OPEN TO MAKING PLANNED GIFTS TO LGBTQ CAUSES

The vastness of the LGBTQ movement's opportunity in planned giving is clear. But will LGBTQ people actually *make* planned gifts? Recent research strongly indicates that they will. In groundbreaking research conducted by the national LGBT Giving Project, 16% of LGBTQ donors to 56 local, state, and national organizations indicated that they had *already* committed to a planned gift to support an LGBTQ organization. An additional 35% said that

**In a recent survey of more than 6,000 LGBTQ donors, 16% of donors said they had already committed to making an LGBTQ planned gift, and an additional 35% said they would be likely to do so.**

they would be likely to do so.<sup>9</sup> This represents a significantly larger proportion of the LGBTQ population than might be expected;<sup>10</sup> on average only about 5% of Americans over 55 indicated that they had named a charitable organization as a beneficiary in a will or trust.<sup>11</sup>

Additionally, the same survey revealed that 55% of respondents said that being LGBTQ has a “major impact” on their determinations about where to make financial donations, and 51% said it had a “major impact” on their thinking about their estate plans. This suggests that many LGBTQ individuals are already thinking about how they can leverage their current and potential planned giving to support LGBTQ causes.

What is especially remarkable is that these percentages of LGBTQ people in all of the findings noted above are so high *despite* the fact that, overall, there is little visibility, outreach, or marketing around LGBTQ planned gift opportunities. It may suggest that the potential for planned giving is even greater if this giving opportunity can be promoted more actively. Indeed, several organizations that *have* invested in building their planned giving capacity illustrate LGBTQ individuals’ willingness to give in this way—including a few national organizations regularly bringing in between \$2 million and \$4 million on average annually in planned gifts.

### **FINDING 3**

## **ORGANIZATIONS ARE SEVERELY UNDER-RESOURCED IN PLANNED GIVING AND HAVE MINIMAL CAPACITY TO TAKE ADVANTAGE OF THE OPPORTUNITY IT PRESENTS**

The opportunity to build stronger foundations for the future for LGBTQ causes is substantial and urgent, but how prepared are LGBTQ organizations to take advantage of this unique moment? What will it take to prepare organizations, and the movement more broadly, to transform an immense opportunity into generations of support and stability for LGBTQ communities and issues?

### **KEY INSIGHTS FROM ORGANIZATIONAL SURVEY**

The Task Force’s survey of 55 organizations, along with interviews and focus groups, sheds some light on these questions, chiefly revealing that **most organizations have not yet invested significantly in establishing planned giving programs, almost uniformly** because they have concentrated fundraising on nearer-term priorities and present-day needs. **Being able to pay next month’s rent, or serve additional people in need, will always take priority for nonprofits.**

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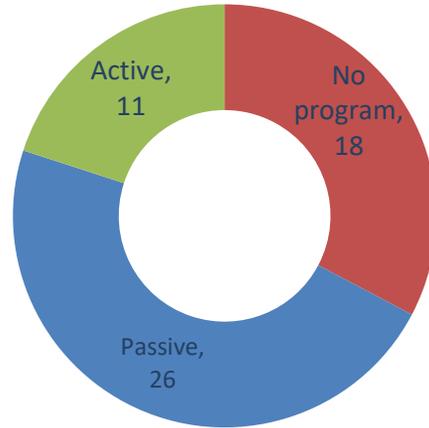
<sup>9</sup> LGBT Giving Project survey research, 2013. This phase of research included a survey to donors who had given \$35 or more to at least one of 55 local, state, or national LGBTQ-focused organizations.

<sup>10</sup> Individuals included in the LGBT Giving Project research represented “known donors” who had supported one or more LGBT organizations, making the sample a more philanthropically inclined group of individuals than the general U.S. population.

<sup>11</sup> James, 2013.

- The majority of organizations surveyed (80%) had **no planned giving program** or a **passive planned giving program**.
- Those with **no planned giving programs** had not received any planned gifts, had no fundamental elements of a program in place, and did not dedicate staff time to planned giving activity.
- **Passive programs** had seen marginal success (usually about one realized gift per year), had a few modest fundamentals in place (such as planned giving information on the organization’s website or mention of planned giving in a donor newsletter), and typically devoted almost no staff time..
- Organizations with **active programs** had realized more planned gifts (average of six annually), had several fundamental program elements in place, actively promoted planned gifts among their donors, and dedicated an average 1 FTE to planned giving.
- Organizations with **active planned giving programs typically were larger, more sophisticated,** and often—though not always—national in scale. As shown in the table that follows, these organizations were able to leverage an often relatively modest investment in planned giving into significant returns, whereas organizations with passive programs realized much more modest returns in most cases.

Status of Planned Giving Programs (Survey Participants)



SUMMARY OF ORGANIZATIONAL SURVEY RESULTS				
		NO PROGRAM	PASSIVE PROGRAM	ACTIVE PROGRAM
Total budget (avg)		\$920,000	\$2.4 million	\$22.3 million
Total contributed revenue (avg)		\$780,000	\$2.1 million	\$13.8 million
Total planned giving revenue (annual)	Low	--	\$0	\$25,000
	Median	--	\$27,000	\$1.1 million
	High	--	\$828,000	\$4.0 million
Percent of total budget from PG (avg)		--	5.3%	9.0%
Development expense budget (avg)		\$85,000	\$300,000	\$1.9 million
PG expense budget (avg)		--	\$10,000	\$78,500

- Those that rated their organization’s commitment to planned giving as low most often pointed

to staff having too many other demands on their time. Interview and focus group participants underscored these findings, noting that they are typically focusing on meeting near-term annual budgets and find it difficult to think about the longer time horizon of planned giving.

- At the same time, roughly half of the organizations that gave planned giving a low priority today said that their **organizations were likely or very likely to increase the commitment to planned giving** in the next one to three years.

Furthermore, most participants were interested in the idea of a movement-wide strategy that might provide foundational support to help them move their programs to the next level.

- When asked **what resources would be most beneficial to supporting planned giving** within their organizations, survey respondents most often said tangible tools and marketing materials, staff time, and assistance with planned giving prospect identification and engagement strategies. In interviews and focus groups, organizational representatives also noted that group training and technical assistance would be particularly useful.

**Research has shown that investing in planned giving can *also* increase current giving—a fact important for both funders and nonprofit leaders. Russell James’s research, in fact, has shown that donors who commit to a planned gift subsequently increase their average annual gift by more than 75%.**

*Source: James, Russell, “Golden Nuggets from Ivory Towers: Recent Powerful Research Impacting Gift Planning,” October, 2014.*

## LESSONS FROM OTHER COMMUNITIES

Interviews with representatives of other progressive and/or identity-focused planned giving efforts—including Planned Parenthood, Jewish federations, the American Civil Liberties Union, and the Episcopal Church Foundation—uncovered the following keys to success:

- **Financial incentive programs** that powerfully motivate organizations to focus on pursuing planned giving by providing current dollar support in the form of matches or challenge rewards
- **Centralized resources** that provide as much “plug and play” capability for an organization as possible
- **Cohort or group training sessions** that provide opportunities for peers to learn together and hear from one another about successes and challenges
- **Technical assistance** or consulting for organizations on a more individualized basis to supplement broader-based trainings

These benchmarking findings—and the success organizations and movements have realized in executing planned giving strategies built around these strategies—figured prominently into two of the core components of this strategy: the resource warehouse (see Component #1 on page 14) and the pilot program (see Component #2 on page 17).

## **FINDING 4**

### **FOR HISTORICALLY SPECIFIC REASONS, THE GREATEST OPPORTUNITY FOR GROWING LGBTQ PLANNED GIVING IS NOW**

Each of the factors that make this moment one of historic possibility for LGBTQ planned giving *will not last*. In fact, these factors suggest that the movement has a window of exceptional opportunity for approximately the next 10 to 20 years:

- The wealth transfer is well underway, with peak years expected from 2031 through 2045.<sup>12</sup> That means that the prime years for donors to make their estate plans – generally done well before death – are the next 10 to 20 years.
- More than a thousand members of the Stonewall generation are passing away every day—often without any opportunity to leave an LGBTQ community-focused planned gift.
- LGBTQ individuals are increasingly raising children, a great step toward greater lived equality—but a demographic shift that diminishes the likelihood of future planned gifts.

**With the peak of the generational wealth transfer approaching and the Stonewall generation aging, organizations must act quickly to build their capacity for securing planned gifts – *because donors are making their plans now.***

## **THE IMPACT OF THE TRUMP ERA**

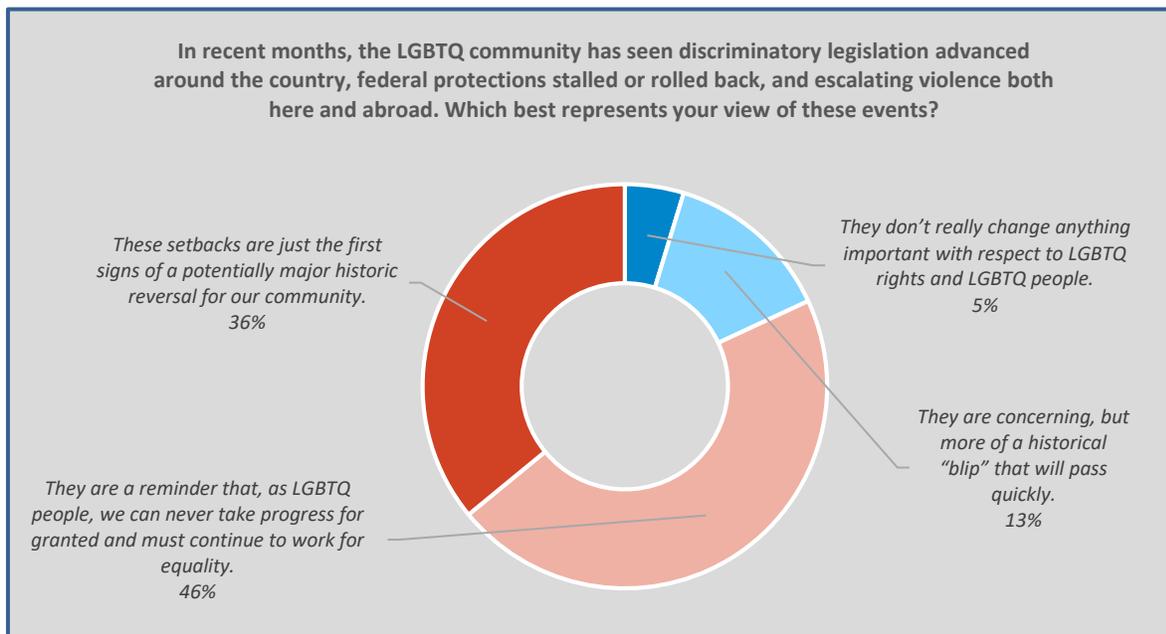
One significant additional historical factor has emerged in the past year: the wave of threats ushered in by the Trump administration. The sudden reversal of the LGBTQ movement’s fortunes under this administration has made clear to many—including some who not long ago believed that full equality lay just around the corner—that work for LGBTQ equality, dignity, and justice is far from finished. This powerfully reinforces the need to think about the movement’s long-term future—and the reality that none of us can predict what will come.

Findings from the national LGBT Giving Project illustrate this shift. In surveys conducted in spring 2017, LGBTQ individuals reported feeling less optimistic that the issues facing the community will be resolved in the next 20 to 30 years compared to a year ago. The portion agreeing that most LGBTQ concerns would be “largely solved” declined by 23%, while those *disagreeing* with the statement shot up by 48%.

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<sup>12</sup> Accenture, “The Greater Wealth Transfer.” June 2012.

Along similar lines, **36% of LGBTQ individuals worry that recent setbacks and threats mark the beginning of a “major, historic reversal” in LGBTQ equality.** An additional 46% agree that they’re a reminder that LGBTQ people “cannot take rights or progress for granted.”<sup>13</sup>



The present historical moment, in short, provides LGBTQ people with a powerful reminder about the need to remain **vigilant and proactive** in the fight for LGBTQ equality, which creates a potentially powerful opening to talk with donors about the future of the movement—and planned gifts to help protect the community from the sort of reversals we’re witnessing today.

<sup>13</sup> LGBT Giving Project “Silver Linings Fundraising,” (unpublished), 2017. This research through the LGBT Giving Project included surveys of donors to LGBTQ-focused nonprofit organizations as well as a nationally representative sample of LGBTQ-identified individuals. The surveys focused primarily on respondents’ attitudes and motivations following the 2016 presidential election.

## A NATIONAL STRATEGY FOR LGBTQ PLANNED GIVING

Based on the context and findings above, the National Task Force on LGBTQ Planned Giving has developed this movement-wide planned giving strategy. In creating this strategy, the Task Force identified, analyzed, and considered a number of potential avenues to realize the LGBTQ movement’s planned giving opportunity.

The following is intended as a strategy for a five-year period. The opportunity in planned giving extends far beyond five years, but the Task Force believes that a five-year period will give time for concrete results and extensive learning about how planned giving as a movement-funding strategy can be taken to greater scale. The estimated cost for these five years is \$5 million.

### VISION AND GOALS

The vision animating this strategy is *an LGBTQ movement and LGBTQ communities throughout the country with the financial resources necessary to secure and safeguard the full legal and lived equality of every LGBTQ person*. The Task Force believes that—with significant, strategic, and sustained investment—planned giving can become a primary and enduring source of financial support for LGBTQ causes.

The strategy’s primary goals are:

- **Spur greater planned giving** from LGBTQ individuals to LGBTQ causes, including initial identification of tens of millions of dollars in planned gifts to LGBTQ organizations from thousands of LGBTQ donors<sup>14</sup> in the first five years, and substantially more beyond those first five years
- **Develop skills and capacity** within LGBTQ organizations to raise substantial funds through planned giving
- **Advance practical knowledge** about LGBTQ planned giving through strategically targeted research
- **Invest in under-resourced areas of the LGBTQ movement** to promote equity and ensure that organizations based in such communities are positioned to benefit from planned giving
- **Share lessons and knowledge** gained widely with funders and LGBTQ nonprofit organizations throughout the movement

With an estimated **\$5 million** budget and a goal of securing **tens of millions of dollars in new planned gift commitments over the next five years**, the strategy would realize substantial return on investment—and position the movement to **raise far more in the future** as organizations, donors, and advisors build on the momentum of the initial five-year period.

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<sup>14</sup> Although it is challenging to estimate what giving potential might exist over a five-year period without further donor-focused research, a conservative hypothetical might suggest that if the strategy successfully encourages 1,000 donors to make planned gift commitments, with an average value of \$30,000—in line with the national averages—the movement as a whole would receive \$30 million in planned gifts.

- **Develop, test, and replicate successful models** for increasing planned giving by LGBTQ people to LGBTQ causes more widely throughout the movement

## CORE COMPONENTS

To accomplish these goals, the Task Force recommends a strategy that focuses on four complementary components, shown in the diagram below. Monitoring and evaluation to deepen existing knowledge and apply lessons to the field for strategic replication will underpin all of the core components. Descriptions of these core components follow, and further information on how they complement one another and support the vision are included in the PowerPoint appendix to this document.



Taken together, these components would provide LGBTQ organizations and communities with the **tools, skills, financial resources, knowledge, momentum, and visibility** to spark increased planned giving. Ultimately, building this groundswell of activity and unleashing the generosity of LGBTQ individuals would strengthen the movement with sustained support that serves as a strong foundation from which organizations can work for generations to come.

Additionally, given that research has shown that donors who commit to making a planned gift typically give more in their annual giving,<sup>15</sup> a stronger emphasis on planned giving has the potential to substantively

<sup>15</sup> Russell James' "Golden Nuggets from Ivory Towers" study in 2014 showed that donors who decided to make a charitable gift to an organization on average increased their annual giving by 75%. The 2007 "Bequest Donors: Demographics and Motivations of Potential and Actual Donors" study from the Lilly Family School of Philanthropy at Indiana University-Purdue University Indianapolis showed that donors who had included a charitable bequest in their wills gave more than twice as much in annual contributions than those who had made no such provision.

increase the current dollars available to organizations from individual donors. In addition to simply generating more resources, this would help organizations diversify their revenue sources and better leverage foundation and corporate support.

## COMPONENT #1: RESOURCE WAREHOUSE

This online, centralized resource warehouse would provide templates, tools, samples, and training modules that organizations can leverage for their planned giving operations, making practical resources widely available to hundreds of LGBTQ organizations and avoiding significant duplication of effort among organizations.

### GOALS

The primary goals for the resource warehouse include:

- Provide organizations at all levels of planned giving maturity/capacity with a **go-to source** for tools, materials, and trainings to support their programs
- Provide interactive features to **educate** LGBTQ organizations, guide **self-evaluation** and actions to be taken in response, and **foster collaboration** among organizations
- Offer select planned giving resources to **donors and advisors**, particularly through the national campaign (see Component #3, which describes a broad-based public fundraising and visibility “push” for planned giving in support of LGBTQ causes)

### DYNAMIC CONTENT

The most significant component of the warehouse would be the resource library,<sup>16</sup> a collection of templates, guides, links, and training presentations that users can access, download, and adapt for their own use. The table that follows illustrates a potential inventory of these resources based on best practices, interviews with “benchmarking” organizations<sup>17</sup>, and results from the organizational survey. The final library would be determined in collaboration with pilot program participants (see Strategy #2 for pilot program description), with participants weighing in on the inventory and providing input on drafts. The intention would be to continue to refine and add to the library over time.

Numerous templates and models exist both among LGBTQ organizations with active planned giving programs and in the world of planned giving beyond the LGBTQ community itself. Accordingly, creation of content would be accomplished through:

- **Collection and adaptation** of existing tools—from sources such as the *Chronicle of Philanthropy*,

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<sup>16</sup> The Task Force reviewed samples of similar sites that have proven useful specifically for planned giving (Episcopal Church Foundation) and for the LGBTQ movement (CenterLink).

<sup>17</sup> Benchmarking organizations contributing to the Task Force’s work included Planned Parenthood Federation of America, several organizations affiliated with Jewish federation Life & Legacy planned giving initiatives, the American Civil Liberties Union, and the Episcopal Church Foundation.

LGBTQ organizations with sophisticated programs, pilot project and Task Force members, counsel, and benchmarking organizations willing to share their materials

- **Development of new resources** where applicable templates and samples do not already exist or the specifics of planned giving fundraising within LGBTQ communities requires more tailored materials

Templates and Tools	How-to Guides and Training Sessions	Other Resources
<ul style="list-style-type: none"> <li>• Gift acceptance and gift counting policies</li> <li>• Models of marketing plans for differently scaled nonprofits</li> <li>• Calendar of planned giving activity</li> <li>• Legacy society framework</li> <li>• Sample case/marketing appeals, including stories and testimonials</li> </ul>	<ul style="list-style-type: none"> <li>• Making the case for planned giving internally</li> <li>• Glossary of planned giving vehicles and terms</li> <li>• Integrating planned giving into a campaign</li> <li>• Working with estate planning and tax advisors</li> <li>• Working with a community foundation</li> <li>• Marketing planned giving</li> </ul>	<ul style="list-style-type: none"> <li>• Local planned giving council directory</li> <li>• Association of Fundraising Professionals chapters</li> <li>• Links to other resources</li> </ul>

## RESOURCE WAREHOUSE STRUCTURE AND USAGE

The site would provide practical information and tools to LGBTQ organizations at all stages of preparedness for active planned giving. There would be, for example, tailored resources for organizations that have never undertaken planned giving, those that have more “passive” programs, and those with active programs. Upon first arriving at the website, a new user would be asked to register and complete a self-assessment questionnaire, which would ascertain the organization’s level of experience. The user would then be directed to specific tools or training modules that might be most beneficial; for example, if the user answers that their organization does not currently have a legacy society, the site would point the user to information about creating one.

Depending upon resources, additional functionality could include elements such as:

- **Goal-setting:** Users could have the option to set organization-specific goals, access the tools and trainings they’ll need to accomplish those goals, and have a system of built-in reminders that will

help keep the organization on track to meet its goals.<sup>18</sup>

- *Links to other organizations*: User organizations could join email lists/listservs that would connect them with other nonprofits pursuing planned giving, offering opportunities for networking and collective learning.
- *“Ask an expert”*: An additional offering could enable users to post questions—either through a listserv or message board—to which a retained expert would post a response.

The site would be actively maintained with regular content updates. It would also be continuously improved based on regular user feedback and recommendations.

## DRIVING TRAFFIC

Even the best web-based resource won’t have any impact unless visitors use it and return to it.

Accordingly, a full launch plan would be an integral part of developing the warehouse. The Task Force has identified a number of specific strategies that would significantly increase utilization. For example, the warehouse could be debuted with a national web demonstration to directors of development and other staff. It could be visibly promoted through key LGBTQ conferences (such as Creating Change, Funding Forward, CenterLink, and Equality Federation) as well as by key influencers, such as individual movement leaders, major funders, and national networks such as CenterLink. Within specific communities, LGBTQ funds and community foundations could help promote the warehouse, providing valuable tools to grantees and others in the community.

Finally, while the primary audience for the resource warehouse will be LGBTQ organizations, the site could also include a public (non-password-protected) landing page for potential donors and their financial advisors and estate planning attorneys. At the outset, this information may be minimal, but once the national campaign (described below) is underway, this page would become the public website for the campaign, providing additional information about the national planned giving effort, a “case for support” for making planned gifts to LGBTQ causes, and resources that donors and advisors can use to connect to organizations and establish planned gifts.

### Planned Giving On Demand: The Episcopal Church Foundation’s Resource Site

Supporting congregations, schools, and other organizations in advancing planned giving, the Episcopal Church Foundation created a resource through [episcopalfoundation.org](http://episcopalfoundation.org) that includes free, open-access tools such as:

- Adaptable templates and samples, from simple bulletin inserts to fully designed brochures
- Descriptions of types of planned gifts and gift income illustrations for donors
- More than a dozen webinars on planned giving topics

In addition, ECF offers “Planned Giving on Demand,” a more comprehensive guide to establishing or advancing a planned giving program.

<sup>18</sup> This would require that the site be password-protected to enable goal tracking. This functionality would also provide the opportunity to capture data that could be used to research organizations’ progress.

## COMPONENT #2: PILOT PROJECTS

A set of carefully designed multi-year pilot projects would provide real-world opportunities to help carefully select organizations raise revenue through planned gifts; to seed local momentum and visibility for planned giving among donors and advisors; and to test and develop means, models, and messages to maximize return on investment in planned giving at a greater scale in future years. Each pilot would consist of a small cohort of LGBTQ organizations brought together and supported in developing their planned giving programs through multiple mechanisms, described below.

### GOALS

The primary goals of a set of pilot projects would be:

- Help selected organizations **advance their planned giving programs** through group training, technical assistance, access to resources, and collective knowledge sharing
- Build knowledge for the field by **experimenting with different financial incentive and partnership models** to enable the movement to apply successful models to other defined communities and groups to **bring the program to scale**
- Provide avenues for more **in-depth research** among donors to develop greater shared understanding of the most effective means to raise planned gifts from LGBTQ people for LGBTQ causes
- Raise the profile of planned giving among donors within defined communities to **generate significant philanthropic support** within these regions

### CREATION OF PILOT PROJECTS AND SELECTION OF PARTICIPANTS

The Task Force concluded that these goals could be most effectively accomplished through **a nationally coordinated program with five pilot projects**.<sup>19</sup> This approach is informed in significant part by the recent experience of the national LGBT Giving Project, which successfully supported such intensive, capacity-building project cohorts with groups of LGBTQ community centers and state equality organizations.

The Task Force anticipates that four of these would be centered on strategically selected geographical regions, and one would consist of LGBTQ community centers from around the country. The multiple simultaneous sites would be critical to developing as much experience and knowledge from a diverse array of models as quickly as possible to capitalize on the 10—20-year window of opportunity for planned giving described in the “Findings” above.

The regions included in the program would be determined by the committee overseeing the movement-wide strategy (see Strategy Oversight and Evaluation section below for a description of this committee’s role), based on criteria like those described in the sidebar on the following page.

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<sup>19</sup> Depending on funding levels, it would be possible to carry out these pilots projects with as few as three or four cohorts.

Each pilot would include five to seven organizational participants, with a primary focus on those that have **passive planned giving programs** as well as those based in communities that have been **historically underserved** (such as organizations serving and/or led by transgender people and/or people of color).

Within each region (and for a project with community centers), organizational participants would be selected based on an RFP application process with a recommended information session prior to application submissions. This would help ensure that organizations taking part have a demonstrated interest in and commitment to the program. All participating organizations would need to be carefully assessed to ensure that they have strong board and staff buy-in and have sufficient capacity to launch an active planned giving program.

## LEAD PARTNERS

Each pilot would include a strong lead partner to help shepherd the program locally, though the specific role for the partner may differ project among the pilots. The Task Force recommends experimenting with three potential partner types—community foundations, local/regional LGBTQ funds, and LGBTQ community centers—to determine the advantages and drawbacks of each for future replication. A description of the role and selection criteria for these different models is shown on the page that follows.

### Regional selection criteria

Although final criteria would be developed by the committee overseeing the strategy, potential factors for selecting the regions to be represented in the pilot program could include:

- Geographic diversity
- Critical mass of organizations that have passive planned giving programs and interest in advancing their programs
- Strong potential lead partner willing to play a leadership role
- Existence of potential participants that serve diverse parts of the LGBTQ community
- Presence of a sizable LGBTQ population with donor giving capacity
- Possibilities for raising money locally to support the local work (such as from local funders)

*Note: Not all regions will necessarily meet all criteria.*

Community Foundation or LGBTQ Fund		LGBTQ Community Center	
Role Description	Selection Criteria	Role Description	Selection Criteria
<ul style="list-style-type: none"> <li>▪ Providing project management and coordination</li> <li>▪ Serving as a trainer for group sessions</li> <li>▪ Conducting and/or overseeing delivery of technical assistance</li> <li>▪ Assisting with participant recruitment and selection, drawing on local networks and relationships</li> <li>▪ Fundraising to secure local-level support for the project (or potentially committing own financial resources)</li> <li>▪ Potentially managing assets for some participating organizations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Track record of engagement with LGBTQ community and cultural competency</li> <li>▪ Record of playing a convening role previously</li> <li>▪ Experience and expertise in planned giving</li> <li>▪ Existing relationships with some of the likely participants</li> <li>▪ Ability to commit resources to the project (particularly staff time, possibly financial resources)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Providing project management and coordination</li> <li>▪ Coordinating delivery of training and technical assistance and participating in delivery of these services where appropriate</li> <li>▪ Assisting with participant recruitment, drawing on local networks and relationships</li> <li>▪ Providing facilities/meeting space for group trainings</li> <li>▪ Fundraising to secure local-level support for the project (desirable but not required)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strong credibility and network within the LGBTQ community</li> <li>▪ Ability to set aside sense of competition for donor funds with potential participants</li> <li>▪ Record of playing a convening role previously</li> <li>▪ Ability to commit resources (staff time and physical meeting space), likely requiring a larger, well-resourced center</li> <li>▪ At least some planned giving experience</li> </ul>

## KEY PILOT PROGRAM ELEMENTS

### Baseline requirements

Participants in the pilot projects would need to ensure commitment across the organization by involving their executive directors, development staff, and key board members in the program, to help mitigate challenges due to staff and board turnover or lack of buy-in at leadership levels.<sup>20</sup> Shortly after the launch of each pilot, the Task Force recommends involving each organization's full board in an informational session to explain the program, make the case for planned giving, and educate board members on planned giving basics, again helping to build buy-in and leadership commitment.

To gauge progress and incentivize proactive engagement, participants will undertake—with the support of outside expertise and/or involvement of the lead partner:

- An organizational assessment of planned giving operations at the outset of the program to set a baseline of activity and results
- Individual organizational goal-setting (e.g., number of members of a legacy society; known value of future gifts; number of asks made)
- Annual progress reviews

### Financial incentive programs

Several planned giving programs at both national and local levels have shown impressive returns on investment by offering incentives to both participating nonprofits and donors. The essential principle is that organizations taking part in the program will be rewarded with financial incentives based on activity and progress. Among notable examples that the Task Force identified were the American Civil Liberties Union, Planned Parenthood, and a national program created by the Grinspoon Foundation (see sidebar).

These financial incentives inspire donors because their commitment to a planned gift triggers immediate support for an organization they care about. Even more importantly, the incentives encourage organizations themselves to dedicate time and effort to planned giving because current dollars are also at stake.

### **Grinspoon Foundation's Life and Legacy Program**

Five years ago, the Harold Grinspoon Foundation began a focused effort to strengthen Jewish synagogues and community agencies by building their planned giving programs. Alongside training and resources, organizations receive incentive grants for attaining specific goals in new gift intentions. With investments in 43 communities around the country, the Life and Legacy program has already realized the following success:

- **465 organizations involved**
- **\$500 million in new gift expectancies**
- **15,721 planned gift donors**
- **\$54 million in planned gifts realized**

*Chronicle of Philanthropy, Sept. 13, 2017*

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<sup>20</sup> The recently completed LGBT Giving Project's cohort-based research project uncovered challenges related to turnover and lack of board engagement that impeded some organizations' abilities to continue the momentum of the project. Thus, the Task Force recommends both an application process that demonstrates commitment at leadership levels as well as early and active engagement of key staff and board leaders.

Incentive programs run by the ACLU and Planned Parenthood have been highly successful, securing hundreds of millions of dollars in documented bequests and spawning repeat matching challenge programs. In a prior campaign, the ACLU leveraged a \$6 million donor challenge to secure \$217 million in new planned gift commitments. Planned Parenthood’s recent bequest challenge brought together three donors contributing \$20 million to match newly confirmed planned gifts, leading to more than \$325 million in new commitments.

Based on research conducted for the Task Force, we recommend experimenting with two primary models of incentives—with amounts to be adjusted based on available funding:

- A matching gift pool for all newly confirmed planned gift commitments, matching 5 to 10% of the confirmed amounts of new commitments, up to \$5,000 for any single match (e.g., a \$100,000 planned gift commitment would yield a \$5,000 immediate grant to the organization)
- Annual grants of \$10,000--\$20,000 awarded directly to participating nonprofits based on meeting or exceeding the goals established for the year

It is important to note that roughly 40% of the estimated \$5 million, five-year implementation budget for the overall strategy would go toward financial incentives for pilot program participants. Funding this important element of the pilot programs at this level would mean that a substantial portion of the investment in this strategy results in current dollars to support organizations in the near term, not just longer-term investments that will pay off once future gifts are realized.

### Trainings

The core of the program would include group trainings, knowledge sharing, and individualized technical assistance to advance organizations’ planned giving knowledge and skills. In-person “intensives” would include technical training, presentations from participants, group discussions of challenges and successes in planned giving, and prospect strategy sessions, including where there might be overlap in prospects among organizations. Sessions could also include discussions with estate and financial planning advisors to help organizations understand how to build relationships with these key partners.

Depending on available resources, organizations would also receive individualized technical assistance to help them put the training and tools they’ve received into practice and troubleshoot specific challenges as they arise. Provision of the training and technical assistance would be coordinated and run either by the lead partner or contracted out to qualified experts.

### **Pilot Program: Relationship to other components of the strategy**

Participant organizations in the pilot projects would play important roles in other elements of the national strategy as well. For example:

- Resource warehouse: Pilot participants could help advise and provide feedback on materials for the resource warehouse, as well as deploy these tools throughout planned giving activities
- National campaign (see below): Concepts and messaging for the national campaign could be tested through pilot participants, including focus groups, interviews or surveys
- Research (see below): Participation in this donor outreach as well as wealth screening will also support research efforts to better understand LGBTQ donors’ interests and capacity

### Additional elements

In addition to the training and technical assistance, the Task Force recommends investing in wealth screening/modeling research for all participants. Employing this now-common fundraising tool would help the organizations identify and prioritize planned giving prospects and, collectively, would further quantify the planned giving potential in the LGBTQ community.

## EVALUATION AND TAKING TO SCALE

Following the five-year initial period envisioned in this strategy, the Task Force expects that work undertaken in the pilot projects would endure among those organizations and communities involved. Assuming that the pilots have been successful, there are likely to be far greater opportunities to raise local funding for continued planned giving activities and the incentive programs.

The ultimate impact of the pilots, however, is intended to be much broader. The pilots are designed to be a “proof of concept”; if the results among the original pilot project cohorts are strong and the return on investment is clear, the Task Force envisions replication in other geographic locations and/or among identified national sub-groups of organizations.

Therefore, evaluation of the pilot projects’ successes and challenges, as well as the various models piloted through each project, will be essential in refining and replicating the model(s) in the future. The pilots will ideally be able to show the impact of the investments made, lead to a highly refined set of tools and training for other cohorts, and build momentum for expansion into other regions.

## COMPONENT #3: NATIONAL CAMPAIGN

All efforts to develop planned giving depend not only on the capacity of LGBTQ organizations but also on awareness among potential donors about opportunities for leaving their own legacies. To promote that awareness, the Task Force recommends a national LGBTQ planned giving campaign.

### GOALS

The national campaign would be guided by the following primary goals:

- Raise **awareness** among prospective LGBTQ planned giving donors
- Maximize planned giving opportunities to the movement and secure **substantial planned gifts** for LGBTQ organizations
- Leverage the **visibility of the 50<sup>th</sup> anniversary of Stonewall** to promote planned giving among LGBTQ donors, organizations, and advisors nationally
- Leverage the momentum of the **pilot projects** and build awareness of the **resource warehouse** to inspire (and equip) many more LGBTQ organizations to build the infrastructure and expertise needed to raise more planned gifts

## TIMING AND AUDIENCES

As the country approaches the landmark 50<sup>th</sup> anniversary of the Stonewall uprising, there is a strong logic to leveraging that watershed moment to provide for the future of the movement. The Task Force recommends preparing for the national campaign during the spring and summer of 2019 and launching with a public push for planned gift commitments toward the end of 2019, enabling the campaign to build off of the energy of other anniversary activities in the summer—without competing with those efforts directly.

The campaign would be a nationally branded and promoted effort that aims to benefit LGBTQ causes around the country by encouraging donors to make planned gift commitments to organizations and LGBTQ funds. Key audiences for the campaign would include:

### LGBTQ donors

- Encouraged to honor our past and shape our future by making a planned gift to support LGBTQ causes

### LGBTQ organizations, LGBTQ funds, and allied community foundations

- Encouraged to talk to donors proactively about supporting their missions and their communities for the long term through planned giving

### LGBTQ and allied advisors

- Encouraged to talk with LGBTQ clients about leaving a legacy for the LGBTQ community

## BASIC ELEMENTS OF CAMPAIGN DEVELOPMENT

Preparations for the campaign would likely include:

- Seeking **co-branding sponsorship** for the campaign through a financial or professional services firm interested in reaching LGBTQ audiences
- **Branding** the campaign and developing **messaging** and materials, including testing concepts<sup>21</sup> through pilot participants’ donor bases as well as broader polling and/or social media testing
- Determining the **advertising and media strategies** for the campaign based on available budget, in-kind resources, and/or partnerships
- Recruiting a **celebrity spokesperson** to build the campaign’s visibility
- Exploring the benefits of establishing a **legacy giving day**, similar to GiveOUT Day, to build momentum across the movement
- Promoting the public-facing page of the **resource warehouse** to donors and advisors
- Enlisting a core group of **early donor champions** to the effort to show momentum and spread

<sup>21</sup> Testing would include exploring which terminology about “planned giving” best resonates with donors and prospects.

the word

- Leveraging **pilot project** participants as early advocates and adopters, equipped with the tools and knowledge to reach donors
- Determining the most seamless way to **track the number and value of new commitments** across the movement, including potentially through organizations and advisors

A nationwide campaign effort to raise visibility and awareness about planned giving among LGBTQ individuals will support organizations across the movement in their efforts to advance planned giving.

## COMPONENT #4: ONGOING RESEARCH

The Task Force believes that sufficient research and analysis has been done to conclude that the LGBTQ movement has a tremendous opportunity in planned giving, and to point toward effective strategies for realizing this opportunity. Carefully targeted additional research would yield greater insights that would increase the success of LGBTQ planned giving efforts of all kinds both during the five-year project period and in the years beyond.

### GOALS

Principal goals for research could be tightly focus on:

- Determining the most effective ways to present planned giving to **potential donors** (messaging and vehicles) based on a deepened understanding of donor behaviors, motivations, and philanthropic potential
- Continuing to deepen our understanding of what **LGBTQ organizations** need to pursue planned giving effectively and efficiently

### CORE RESEARCH QUESTIONS

Core research questions to explore would likely include ones related to donors, LGBTQ organizations, and planned giving strategy, such as:

<i>Donor-focused questions</i>	How can LGBTQ people be motivated to include LGBTQ nonprofits in their estate plans?
	What motivates donors to make these commitments (including messages, attitudes, matching programs, influencers/peer pressure, etc.)?
	What deters them or keeps those open to making planned gifts from actually doing so?
	How do motivations differ across demographic groups, such as by age, gender/gender identity, race, and geography?
	What role can financial and estate planning advisors play in encouraging giving to the LGBTQ movement among clients?

<i>Organization-focused questions</i>	What are the most effective and efficient ways to develop planned giving capacities in LGBTQ nonprofits?
	What are the most common and/or serious barriers to investing in planned giving?
	What kinds of LGBTQ nonprofits are best positioned to make the case for planned giving, including LGBTQ funds and community foundations with a focus on the LGBTQ community?
<i>Overall strategy questions</i>	Are there ways to estimate the total potential in LGBTQ planned giving?
	What can be learned from planned giving efforts in other progressive and/or identity-focused movements?

A significant part of the research can be accomplished by leveraging other elements of the national strategy. Tracking self-assessment results from users of the resource warehouse, for example, would give insights into where nonprofits struggle with implementing planned giving strategies. Similarly, the pilot projects would provide opportunities to test campaign concepts and messaging with donors and advisors.

Additionally, research can and should build off of findings from prior work, including the LGBT Giving Project, to further explore areas of opportunity and questions raised through that work. For example, in researching which types of individuals make the strongest planned giving prospects, responses to the LGBT Giving Project survey indicated that those who had already committed or were likely to make a planned gift were older and wealthier than those who had not made a gift and/or were less likely to. Additionally, the data from the survey provides important insights into donor motivations, potential planned giving obstacles, and effective messaging for planned giving, all of which should be considered as a foundation for further research.

To the extent that funding can be identified, it would almost certainly be beneficial to commission highly focused, strategic research into donor motivations and basic messaging. Drawing on learnings from the work of the LGBT Giving Project, it is unlikely that research would uncover the proverbial “magic bullet” of messaging. At the same time, enormously valuable insights can be gained that can be shared with and tested by LGBTQ groups participating in the pilot projects as well as other LGBTQ nonprofits around the country. There are numerous options for partnering in research work with philanthropic and marketing experts, including the Lilly Family School of Philanthropy, Giving USA, the Giving Institute, MarketSmart, Community Marketing, Inc., and Cygnus.

## **STRATEGY OVERSIGHT AND EVALUATION**

The two sections that follow describe the suggested structure for managing implementation of the national strategy over the five-year period as well as considerations regarding monitoring and evaluating progress, with the objective of bringing elements of the strategy to a greater scale.

### **ROLE OF NATIONAL LEAD ENTITY**

Successful implementation of the strategy will require a lead entity to direct and oversee the project. The Task Force envisions this entity would be supported by a carefully selected advisory group, likely to include national philanthropic and movement leaders. Discussions are underway to determine the most appropriate oversight structure and project lead(s). Listed below are key responsibilities for the leader(s) of this effort:

- 1) Serve as the central agent for managing the components of the strategy and coordinating organizations and individuals involved in each
  - a. Approximately five-year commitment
  - b. Would include project management (% FTE to be determined)
  - c. Function as fiscal agent
- 2) Lead fundraising and partner outreach efforts to support the strategy (in partnership with advisory group members)
- 3) Manage vendor relationships and contracts
- 4) Manage matching/challenge gift incentive programs for pilot projects
- 5) Develop, host, and maintain the resource warehouse
- 6) Oversee development and implementation of national awareness campaign
- 7) Monitor and evaluate strategies and suggest revisions as needed

Some of these responsibilities would be accomplished through vendors and consultants – all managed by the lead entity.

### **EVALUATION**

The monitoring and evaluation role for the national lead entity(ies) and advisory group would be continuous through the five-year period. These would be especially important to ensure that the strategy provides pathways for replicating success. Funds would be specifically allocated for evaluation of each component of the overall strategy. If early evaluations of progress reveal a need to rethink an aspect of the strategy, the national lead entity(ies) would be empowered to make necessary course corrections to ensure that overall project outcomes are achieved. A few examples of key evaluation questions include:

- What models for incentivizing planned gifts to LGBTQ organizations yield the most benefit for the most efficient cost?
- What aspects of the central resource warehouse envisioned are most useful to LGBTQ nonprofits? Least useful?

- What factors lead to success on the part of LGBTQ nonprofits in garnering planned gifts?
- What kinds of technical assistance prove most effective in helping nonprofits to develop and sustain significant planned giving?

Results of evaluations would be shared widely across the movement and among funders.

Monitoring and evaluation will be especially important to ensure that the strategy provides pathways for replicating success, applying lessons to the field as broadly as possible, and bringing the strategy to scale. Key evaluative aspects are noted below.

Resource Warehouse	Pilot Programs	National Campaign
<ul style="list-style-type: none"> <li>•Website traffic and return use data</li> <li>•User progress based on self-assessments and/or goals</li> <li>•Traction of interactive features such as message boards or email lists</li> <li>•Data on most popular/requested resources</li> </ul>	<ul style="list-style-type: none"> <li>•Planned giving success of participating organizations (ROI, \$ and # of gifts, self-assessment details)</li> <li>•Effectiveness of training and technical assistance</li> <li>•Impact of various financial incentive models</li> <li>•Impact of various lead partnership models</li> </ul>	<ul style="list-style-type: none"> <li>•Planned giving success (ROI, \$ and # of gifts)</li> <li>•Participation among organizations, donors, and advisors</li> <li>•Sponsorships or other significant campaign partnerships</li> </ul>

## IMPLEMENTATION RESOURCES

A suggested timeline and preliminary budget are provided in the appendices to this document.

## CONCLUSION

Taken together, the components that make up this national strategy have great potential to spark increased planned giving and provide sustained support for a strong, proactive, and vigilant movement equipped to work for equality, dignity, and justice for LGBTQ people well into the future.

We must build that future today – before this singular opportunity disappears.

The best time to plant a tree was 20 years ago. The second best time is today.

*Chinese proverb*

## **APPENDIX A: TASK FORCE MEMBERSHIP**

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President  
Horizons Foundation (San Francisco)

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David Jobin  
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Chief Executive Officer (former)  
CenterLink

Adam Swaim  
Director of Planned Giving (former)  
Human Rights Campaign

Mohammad Zaidi  
Director of Planned Giving  
American Civil Liberties Union

In addition, the Task Force wishes to thank the many organizations that completed the project survey and contributed insight into the research through interviews and focus groups.

## APPENDIX B: SUGGESTED TIMELINES

Component	Year 1	Year 2	Years 3-4	Year 5
<b>Resource warehouse</b>	Design and development	Launch, promotion, and maintenance	Promotion and maintenance	Promotion and maintenance
<b>Pilot programs</b>	Cohort and location selection and lead partner preparation	Participant selection, training, and fundraising	Participant training and fundraising	Potential expansion to new regions
<b>National campaign</b>	Preparation	Launch and promotion	Closeout or continue as funding and results warrant	
<b>Research</b>	Targeted donor research	Targeted donor research (as needed)	Targeted donor research (as needed)	Finalization of any remaining research
<b>Project management</b>	Identification of overall project lead entity Preparation and fundraising for all aspects of strategy	Project management and evaluation	Project management and evaluation	Project management, closeout, and evaluation

**Component 1: Warehouse timeline**



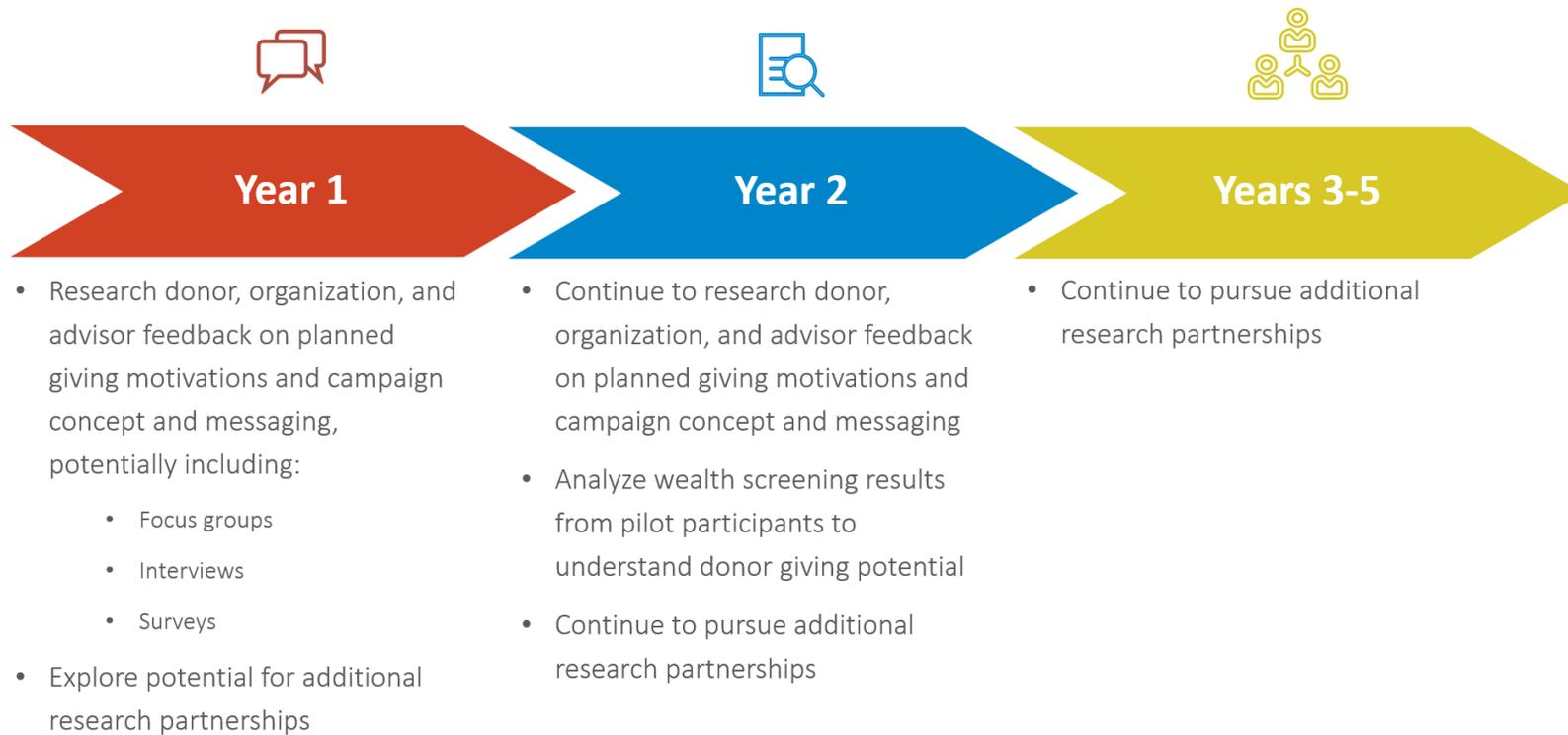
**Component 2: Pilot project timeline**



**Component 3: National campaign timeline**



**Component 4: Research timeline**



**Timeline for lead entity**



## APPENDIX C: ESTIMATED BUDGET

The estimated budget below reflects high-level anticipated expenses for the implementation of the strategy and is intended as a starting point for planning; many elements can be scaled according to available resources. The budget totals \$5 million, which breaks down into nearly \$3 million in baseline costs and just over \$2 million in financial incentives for pilot participants.

Component	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Project management</b>	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
<b>Resource warehouse</b> (design, coding, content creation, hosting)	\$60,000	\$15,000	\$15,000	\$15,000	\$15,000	\$120,000
<b>Pilot program</b> (5-7 projects, recruiting, training, technical assistance, wealth screening, meeting/convenings, etc.)	\$200,000	\$200,000	\$200,000	\$200,000	<i>dependent upon scale of expansion</i>	\$800,000
<b>Financial incentives for pilot participants</b> (assumes 5 groups with 7 participants each over 3 years)		\$700,000	\$700,000	\$700,000	<i>dependent upon scale of expansion</i>	\$2,100,000
<b>Campaign</b> (concept testing, materials/branding, promotion, events)	\$120,000	\$150,000	\$500,000	<i>(dependent on scale and partnerships)</i>		\$770,000
<b>Research</b> (commissioned beyond work described above)	\$50,000	\$10,000				\$60,000
<b>Evaluation</b>	\$25,000	\$25,000	\$25,000	\$25,000	\$50,000	\$150,000
<b>Total</b>	<b>\$655,000</b>	<b>\$1,130,000</b>	<b>\$1,640,000</b>	<b>\$1,140,000</b>	<b>\$265,000</b>	<b>\$5,000,000</b>



# LGBT Giving Project

2011-2020

Spring 2020  
FINAL REPORT

# Funders and Leadership

## Funders

Evelyn & Walter Haas, Jr. Fund

Horizons Foundation

Kevin J. Mossier Foundation

Pride Foundation

Small Change Foundation

D-5 Coalition

Henry Van Ameringen Foundation

Anonymous Donors

## Steering Committee

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Fenton Communications

Wild Swan Resources

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Metropolitan Group

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## INTRODUCTION & EXECUTIVE SUMMARY

### Confronting a Challenge—and Seeing Opportunity

The rationale behind the Project, launched in 2011, was simple and compelling. For decades, the financial contributions of LGBT people have fueled our movement and built our community organizations. But contrary to popular belief, most LGBT organizations then—and even today—constantly struggled to raise money, including from individual donors. While individual giving represented—by far—the largest source of potential support, data compiled by the Movement Advancement Project (MAP) indicated that at most only 3.4% of LGB people in the country were giving to the 39 largest LGBT advocacy organizations in the nation. Moreover, there was a surprisingly small pool of donors giving \$1,000 or more a year—under 15,000 in the entire country!

The potential benefit to the LGBT movement was obvious. Every 1% increase in the proportion of LGBT people giving would yield roughly \$24 million more in annual income for LGBT organizations, close to all foundation giving to the advocacy groups surveyed by MAP at the time. An increase in planned giving to the movement held even more dramatic potential, as estate gifts are by far the largest gifts that most people make.

While there were a wide variety of beliefs about why the number of donors was not higher, no one actually knew the reason. Was it because it is so hard to identify and reach LGBT people who are not already on a donor list? Or did many LGBT organizations lack basic fundraising and donor cultivation skills? Were messages and priorities of established organizations simply not resonating with most LGBT people? Was it that LGBT people care more deeply about other issues? And, in the case of major donors, was it that LGBT causes do not have the same social cachet or present the same kind of networking opportunities as are presumed to exist in mainstream institutions?

Meeting of LGBT leaders, fundraising experts, and foundation leaders meet to whether the Project is needed

Barack Obama is president

Congress repeals the “Don’t Ask/Don’t Tell” law

LGBT executive directors endorse moving forward with the project

Phase 1 qualitative research launched

Voters in four states endorse marriage equality

Phase 1 quantitative research launched

Nearly 7,000 LGBT donors complete lengthy survey of attitudes

US Supreme Court strikes down the “Defense of Marriage Act” (*Windsor*)

Research team completes survey of “general population” LGBT individuals

Anti-LGBT forces launch nationwide effort to undermine marriage equality through “religious liberty” claims

Phase 2 begins with two cohorts of LGBT groups working with fundraising consultants

US Supreme Court extends the freedom to marry nationwide (*Obergefell*)

## Creating the Project

2011

The Project’s instigators—the Evelyn & Walter Haas, Jr. Fund, Horizons Foundation, and the Keven J. Mossier Foundation—looked to see if other groups, causes, or communities had worked to answer similar questions and could not find anything comparable.<sup>1</sup> To develop a thoughtful approach to answering these questions, a convening of experts in fundraising, gay market research and polling, and individual donor motivation was held in Chicago in November 2011. The experts agreed that there was, indeed, significant potential to increase LGBT giving above current levels and recommended that the primary target/focus for research in the near-term should be on *LGBT people*; the research should be iterative building on qualitative and quantitative methods; and field-testing of the research would be essential.

2012

## Project Phases

As detailed in this report, over the course of the next 8 years the Project’s work involved four phases:

### Phase 1—Qualitative & Quantitative Research, including:

- Social listening, developing a preliminary psychological analysis about what forms and maintains donor/organizational relationships, donor motivations, and focus groups (2012)
- The largest ever survey of current and recently lapsed donors to 56 LGBT organizations (i.e., “known donors”). More than 8,000 individuals completed it, including 6,755 LGBT people (2012)
- A “general population” survey of just over 1,200 LGBT donors and non-donors. Six reports focusing on specific subpopulations of donors to help organizations tailor their fundraising strategies (2013)

2013

2014

- Six reports focusing on specific subpopulations of donors to help organizations tailor their fundraising strategies (2013-2015)

**Phase 2—Field Testing**, which included providing expert fundraising assistance to a total of nine LGBT organizations, divided into two cohorts, one of community centers and the other for statewide LGBT advocacy organizations. (2015-2016)

2015

**Phase 3—Post-election “Silver Lining” Research** designed to understand if and how the election of Donald Trump might have changed LGBT donor attitudes and motivations. This phase included focus groups and two surveys included 1,402 LGBT respondents. The most resonant messages were then tested through direct mail and on-line solicitations. (2017-2018)

**Phase 4—Taking it on the Road**, which included multiple workshops with LGBT groups across the country to share the Project’s findings and best practices. (2017-2019)

<sup>1</sup> Although it was published well after the Project began, the 2018 survey of high-net worth donors includes data suggesting that at these donors who are LGBT report giving to LGBT causes at rates generally comparable to other identified communities, including women, African Americans, and Hispanic, and Asia Pacific Americans. *2018 U.S. Trust Study of High Net Worth Philanthropy*, Indiana University Lilly Family School of Philanthropy (2018).

## Key Takeways

1. Messaging alone has relatively little impact on LGBTQ people donating to LGBTQ causes.
  - a. There is no messaging “magic bullet” that has dramatic potential to motivate more LGBTQ people to donate.
  - b. Several possible messages and message frames are generally viewed positively by LGBTQ donors (and potential donors).
  - c. Richly detailed research into donor motivations and effective messaging is of marginal value to small and medium sized LGBT organizations because of capacity issues and the inability to meaningfully segment their lists.
2. Hands-on assistance from fundraising experts is critical because it forces over-extended executive directors and senior staff to set aside time to truly focus on fundraising, including improving specific development capacities. In other words, event the most outstanding toolkits alone are not likely to yield sustained results without this somewhat obligatory focus.
3. While solid fundraising experts are an essential ingredient, finding them is not easy with many consultants applying “off the shelf” approaches that do not take into account unique organizational challenges. Consultants need to be thoroughly vetted before being engaged.
4. The amount of money needed to retain fundraising experts and show real results within 18 months is relatively small, e.g., as little as \$25,000-\$35,000 per year. The Project found that there’s not always a direct correlation between the level of investment and outcome; some groups receiving a \$25,000 grant increased their revenue and donors more than groups receiving \$150,000 to \$200,000.
5. The key challenge facing LGBT organizations appears to be not embracing a “culture of philanthropy” in which fundraising is a shared value for all board and staff. This contributes to high rates of fundraising staff turnover, a lack of investment in professional development for fundraising staff, difficulties in engaging boards in fundraising, and inadequate data management systems (and the related inability to segment donor lists).
6. While the Trump presidency has not changed their priorities, it is motivating LGBT donors to increase their giving to LGBT organizations. Because LGBT people—donors and non-donors alike—hold their organization in such high regard, there is enormous growth potential.

2016

Fundraising consultants continue work with the two cohorts

Movement Advancement Project (MAP) begins producing detailed analyses of six specific LGBT donor communities

MAP completes report on the development capacities of 35 organizations

Anti-LGBT forces introduce a record 144 anti-LGBT bills in state legislatures

Donald Trump is elected president

2017

Phase 2 work with the two cohorts wraps up and final reports with findings and recommendations completed

MAP completes “deep data dive” reports

Phase 3 “Silver Linings” research begins with baseline surveys and focus groups. Report on findings and recommendations issued

Phase 4 “Taking it on the Road” begins with two presentations

President Trump issues order banning transgender people from serving in the military

Trump administration begins reversing pro-LGBT policies secured under the Obama Administration

2018

Phase 4 “Taking it on the Road” continues

Trump administration continues to reverse pro-LGBT policies secured under the Obama Administration

US Supreme Court waffles on whether private businesses may refuse service to gay couples

2019-2020

Phase 4 “Taking it on the Road” continues

Final Giving Project report issued

US Supreme Court will decide if existing federal laws protect gay and trans people from employment discrimination

The Project was able to produce in-depth analyses of six subpopulations of LGBT donors:

- women
- high wealth
- transgender
- people of color
- younger
- older

## What did the Project Produce?

1. An extensive body of research about current and potential LGBT donors, including detailed demographic information, motivational analyses, resonant messaging of different subpopulations of the LGBT community.
2. A comprehensive library of LGBT-specific fundraising resources, including materials on Board training, fundraising planning, and donor relationship building.
3. Multiple donor research reports about key sectors of the LGBTQ community.
4. A framework for future efforts to increase movement and organizational fundraising, including a highly successful, low cost approach using fundraising consultants.
5. Reaching more than 100 LGBT additional organizations through an 18 month-long series of seminars, workshops, and presentations.

### Phase 1—Research Overall Donor Characteristics & Motivations

- There were several significant differences between “general population” LGBT people and those that were known donors to LGBT groups, including lower education and income levels, greater “religiosity,” much less politically oriented, more likely to think other causes are more important than LGBT ones.
- There were relatively small differences between the “general population” respondents and known donors about the most important priorities for LGBT organizations to address, with working for equal rights generally, ending workplace discrimination, and winning marriage equality being the top three. A Project-supported survey conducted after the *Obergefell* decision in 2015 and marriage equality being off the table showed that the remaining priorities for donors remained the largely the same as the first studies.
- Both general population LGBT donors and known donors have very favorable opinions of LGBT organization.
- There were multiple potentially “winning” message frames for LGBT organizations to use in fundraising.
- There were significant differences between general population respondents and known donors about *message frames* that motivate giving. For example, more than two-thirds of general populations were compelled by the “We’re no different” message, compared to less than half of known donors.
- There are huge opportunities for additional planned giving, with between 36% and 46% of all respondents who had not already included a LGBT group in their will saying they were very or somewhat likely to do so. It is estimated that **\$270 billion** in wealth will be transferred as the “Stonewall Generation” passes on over the next 10 years.

Fundraising challenges are rooted in a lack of leadership and support for a culture of philanthropy.

## Phase 1—Research Subsets of LGBT donors

Because of the huge number of respondents to the known donor survey, the Project was able to produce in-depth analyses of six subpopulations of LGBT donors, including women, people with high household wealth, transgender people, and people of color, and younger and older donors. (See page 19). These studies have a wealth of information that can be useful to groups with large donor or prospect lists and the capacity to segment those lists. Unfortunately, most LGBT groups do not meet these criteria.

## Phase 2—Testing Research through a Cohort Model

The goal of this phase was to develop a set of best practices that could be shared across the LGBT movement and grow its fundraising capacity. Nine LGBT organizations broken into two cohorts participated.

**Extremely Positive Results!** Between June 2015 and December 2016, **the nine organizations raised \$2.58 million more than they had in the baseline period prior to the project, a 33% increase in dollars raised.** The median change in contributed revenue was 17% and the average was 37%.

**Common Challenges.** While the bottom-line results were tremendous, critical and common challenges among the groups surfaced, including:

- Fundraising challenges are rooted in a **lack of leadership and support for a culture of philanthropy.**
- **Turnover** among key fundraising staff, including executive directors and directors of development, the two main “point people” involved in the project
- Lack of investment—or, often, lack of the *ability* to invest—in **professional development** for fundraising and data management staff
- Inadequate **data management systems** and/or systems that were not being used their fullest potential to effectively segment, track, and analyze donor and prospect data

## What We Learned

- Organizations with similar missions and budget sizes do not always recognize that they have shared common challenges and opportunities.
- Convening the participating organizations early on and during the project is important to the project’s success.
- Organizations should not be selected to participate in these kinds of projects; they should be required to apply and demonstrate their commitment.
- All participating organizations should be provided the same level of expert fundraising assistance, rather than prioritizing “anchor” groups.
- It takes 18 months, not 12, to start to see results.



How did the election of Donald Trump affect donor motivations and attitudes?

TRULY SAFE

was the most compelling message

9 IN 10

individuals who had an existing connection with an LGBT organization were highly active in some form of civic, political, and/or philanthropic engagement

36%  
of known donors

23%  
of general populations donors increased their LGBT giving



Respondents felt markedly less optimistic than they did the year preceding the election

### Phase 3—Post Election “Silver Lining” Research

This phase involved additional qualitative and quantitative research to better stand if or how the election of Donald Trump might have affected donor motivations and attitudes. It was called the “Silver Lining” phase because the Project hoped the research would help smaller LGBT organizations see a big boost in fundraising, as some larger organizations such as the ACLU experienced post-election.

The research identified “Truly Safe” as the most compelling message for general population LGBT respondents and known LGBT donors:

**“Truly Safe”**—*The prejudice, hatred, and violence toward LGBTQ people that the election of Donald Trump unmasked are stark reminders that our community is still under threat. That’s especially true for transgender people, LGBTQ people of color, and LGBTQ immigrants. The fear and ignorance behind these threats are deeply embedded in this country and won’t go away on their own. We must fight for change, locally and nationally, because none of us will be truly safe until we all are.*

The research also found:

- Since the election, individuals who had an existing connection with an LGBT organization had been highly active, with nearly 9 in 10 reporting some form of civic, political, and/or philanthropic engagement
- More than one-third (36%) of known donors and nearly a quarter (23%) of general populations donors said they had already increased their giving to LGBT organizations.
- Respondents felt markedly less optimistic than they did the year preceding the election that the challenges facing the LGBT community will be resolved in the next few decades

### Phase 4—Taking it on the Road

This phase involves a series of workshops to take disseminate key findings and effective fundraising strategies as broadly as possible. As of the end of 2019, eight workshops or institutes have been conducted for a wide range of organizational leaders, including those serving LGBT people of color, LGBT community centers, and LGBT organizational development directors. Based on feedback received through direct evaluations, participants found the content very helpful, rating the presentations around a 4.5 on a scale of 1-5 (where 5 is “very helpful”) and sharing positive feedback such as “This is the kind of nuts and bolts stuff that I came to the [CenterLink] Summit to get.”

### Conclusion

The following details the project’s work and findings with specific recommendations for action whenever possible.



## PHASE 1: QUALITATIVE & QUANTITATIVE RESEARCH

### PHASE 1: QUALITATIVE & QUANTITATIVE RESEARCH

To develop a thoughtful approach to broadly increasing LGBT movement fundraising, a convening of experts in fundraising, gay market research and polling, and individual donor motivation was held in Chicago in November 2011.<sup>1</sup> The experts agreed that there was, indeed, significant potential to increase LGBT giving above current levels and recommended that: (1) the primary target/focus for research in the near-term should be on LGBT *people*, as opposed to non-LGBT people who support—or might support—LGBT cause; (2) the research should be iterative building on qualitative and quantitative methods; and (3) field-testing would be essential, as there was no way to guarantee that something learned through research will play out in the real world.

There was significant enthusiasm behind embarking on deep research to understand donor motivations and identify particularly resonant messaging. This was due in large part to the breakthrough that research had delivered for the marriage equality movement. There, after several years of painstaking work, the movement learned how to talk about marriage in terms of “love and commitment” (rather than “rights and responsibilities”) and how to engage conflicted voters in thoughtful ways. As a result of this shift, the marriage equality cause began winning marriage-related ballot measures after many years of crushing defeats and public support for the freedom to marry grew rapidly.

#### REFLECTION:

The Project’s focus on deep research was based on the extraordinary breakthrough such work had produced for the marriage equality movement.

In hindsight, the Project should have had an equal focus on finding ways to address the weak fundraising capacities of so many LGBT groups.

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<sup>1</sup> The experts at the convening were: Margaret Conway, Principal, ConwayStrategic; Jason Franklin, Executive Director, Bolder Giving; Kris Hermanns, Development Director, National Center for Lesbian Rights; Ineke Mushovic, Executive Director, Movement Advancement Project; Amy Simon, Principal, Goodwin Simon Strategic Research; Drew Westen, Principal, Westen Strategies; and Bob Witeck, CEO, Witeck•Combs.

The Project's concept paper was presented to 40 executive directors attending the 2012 Creating Change Conference for feedback. The EDs all strongly agreed that the Project would be valuable—and help them with one of their greatest challenges.

### **Selection of research team and scope of work**

Following the convening, a Coordinating Committee was created and began working on a request to obtain proposals (RFP) from polling research firms.

The Project's concept was presented to 40 executive directors and development directors at the Creating Change conference in February 2012. Perhaps surprisingly (because fundraising can be a competitive issue), there was real enthusiasm and offers to share data.

The RFP was distributed in late April 2012. The Coordinating Committee received 10 solid proposals and three finalists made in-person presentations to the coordinating committee. In August 2012, a research collaborative of Goodwin Simon Strategic research, Fenton Communications, and Wild Swan Resources was awarded at \$300,000 to conduct the qualitative and quantitative research.

### **Phase 1—Qualitative Research**

The qualitative work, which concluded in June 2013, included:

- Monitoring social media for discussion of LGBT fundraising and donor feedback (“social listening”).
- A preliminary psychological analysis based on social listening and a literature review.
- An audit of the ways in which 13 LGBT organizations took and responded to donations ranging from \$25 to \$500.
- One facilitated “roundtable” conversation with high-end donors.
- Six focus groups with both current LGBT donor and LGBT individuals who were not donors to LGBT groups.
- In-depth interviews with development staff at LGBT organizations.

### **Social listening and preliminary psychological analysis—key insights**

The social listening work involved tracking LGBT donor giving/fundraising content and discussions on a wide range of on-line channels, including Facebook, Twitter, blogs, on-line forums, on-line news and resulting comments, and Equality Giving.

Through this process and a literature review, the team developed a set of insights related to LGBT giving:

#### ***(1) Preliminary psychological analysis***

The research team determined that forming and maintaining a genuine relationship with the donor seems to be core to fundraising success. Within such a “genuine relationship”:

## Donor Motivation Themes

- Healthy self-interest is a strong motivation for both parties.
- Identification and values congruence is an especially strong component for the donor.

The donor-organizational relationship, in fact, forms a “psychological contract” in which both the donor and the nonprofit have expectations and obligations. This “contract”—even if not consciously experienced by a donor—comprises a critical component of the relationship for the donor. In addition, donating can trigger complicated feelings in the donor about their identity and considerable ego needs, most prominently:

- Feeling genuinely valued and respected.
- Having identity needs and core values mirrored back to them.
- Reciprocity (balance of giving and receiving).
- Trust in the organization (accountability, transparency, honesty).

### (2) Identifying a critical moment

An additional crucial insight comes out of this concept of a “psychological contract” between donors and organizations: *The initial moment of donating, especially online, is emotionally potent for the donor and a critical opportunity for the organization to make a good impression as well as set the stage for developing a relationship.* This moment poses both great opportunity for the organization to forge such a contract—and, at the same time, perhaps the greatest peril for failing to make that authentic connection losing the opportunity to turn a one-time donor into an on-going contributor.

### (3) Additional insights

The team also identified insights into various donor motivations—not mutually exclusive but distinct—that drive donor behavior, such as:

- Some donors have an identity as an activist and the emotional focus center on antagonists seen as “bigots” or “wing-nuts”: *“I can change the world through **activism.**”*
- Some donors have identities as caregivers, an archetype focused on nurturing and protecting people and community: *“I have a **responsibility** to help protect LGBT communities, especially youth.”*
- Some donors are drawn to organizations based on other identities—like race, gender, sexual orientation, political persuasion: *“I want to **see myself**—and those I care about—in the organizations I support.”*
- Donors react strongly to dramatic real-world events or emotionally powerful narratives crafted by people and organizations: *“Donating makes me feel like I am **doing something**—especially when I feel strongly that something is wrong in the world.”*
- Being seen, whether it is to foster a sense of belonging or to enhance social status, is an important part of donating: *“I donate because I want to **be seen in the community.**”*

*I can change the world through **activism.***

*I have a **responsibility** to help protect LGBT communities, especially youth.*

*I want to **see myself**—and those I care about—in the organizations I support.*

*Donating makes me feel like I am **doing something**—especially when I feel strongly that something is wrong in the world.*

*I donate because I want to **be seen in the community.***

## REFLECTION:

In hindsight, the disappointing results of the audit should have triggered the Project to devote greater resources to helping organizations address the deficiencies it uncovered. The basics simply weren't being done well. This could have involved an "emergency" alert, webinars, and a offer to conduct audits for requesting groups, with follow up assessments at regular intervals.

Two other telling observations made by the researchers apply to all nonprofit organizations:

- Donors hold narratives of trust and deceit, and worldviews about how organizations should be run: *"I don't donate when I feel like organizations are **not efficient, effective or honest.**"*
- Because narrative is the single-most power form of communication: **Storytelling is critical (and too often absent)**

### Audit of handling of first-time gifts

The research team then looked at how LGBT organizations treated first-time gifts and to what extent their donor cultivation and stewardship processes reflected the above insights. This audit involved the researchers making donations (that masked their identities) to 12 LGBT organizations in amounts ranging from \$25 to \$500 (some groups received multiple donations). The groups included large national, statewide advocacy, and some issue-specific organizations.

The researchers evaluated each group's process based on seven criteria, including whether communications from the organization included storytelling or personal stories, the on-line experience, the timeliness and content of the thank you, and whether the organization maintained steady and consistent communications with donors.

The results were mixed at best. Out of 35 total possible points, one group received 30 points, five groups were in the 20's and six had 14 points or below. Common evaluator comments for the lower-scoring groups included:

*Received automatic thank you but no letter. Sent a barrage of emails after donation that felt overwhelming.*

*Never explains how dollars are used.*

*First received fundraising appeal and then received generic thank you letter.*

*No stories anywhere.*

*Never asks about donor interests or creates a clear picture of the importance of an individual donor.*

Comments for higher scoring organizations, on the other hand, included:

*Received automatic thank you immediately and personally signed letter one week after donation; have not yet been explicitly asked for an additional donation; donor communication communicates value and appreciation.*

*Nearly every communication provides specific examples of how donations are used and communicates value of donation to the org.*

*Concrete, visual, easy to read, plain-spoken and compelling.*

The results of audit were presented at a briefing for executive and development directors of organizations that had expressed interest in the Project at the 2012 Creating Change Conference in Baltimore. Most attendees expressed surprise that the results were in many ways so far short of well-known development practices.

## Focus groups

The Project's focus groups were conducted by Goodwin Simon Strategic Research (GSSR) from February through April 2013, beginning with a roundtable discussion among donors giving more than \$5,000 per year to LGBT groups.<sup>1</sup> Drawing on what was learned at that discussion, a total of six focus groups were held in New York City and Denver. Four were with non-donors and two were with current donors. Separate groups were held for men and women, and each had a mix of participants by age, religion, ethnicity, country of origin, employment, education, ideology, and political party (although most were self-identified Democrats and independents). The focus groups included 23 lesbians, 28 gay men, three bisexual women and two bisexual men.<sup>2</sup>

The groups' facilitators sought to elicit participant views on a wide range of issues, including the most important problems or issues in LGBT community, motivations for giving, reasons for giving to chosen organizations, the impact of lesbian, gay, and bisexual identity, and reasons for not donating or stopping donations. In addition, participants provided feedback on sample fundraising appeals.

Like the social listening / psychological analysis, GSSR identified different categories of donors, including "Memorializers;" "Relaters;" "Community Builders;" and "RePAYERS." The firm also identified another category of givers who want to make an impact or difference at either the national level ("Game Changers") or at the local level ("Local Impacters"). Finally, some were "Social Givers" who "give because they want to go to the social event, take part in a walk, or join in the parade for social reasons—to have fun."

## Motivators to Give or Not Give

There were a wide range of reasons why participants gave to specific causes, such as:

1. supporting counseling for youth experiencing bullying because those services weren't available when the participants first came out;
2. backing advocacy organizations focused on civil rights because they provide the donor with a "voice;" and
3. for participants of color, supporting people of color-focused groups because of the unique needs of LGB people of color, the role of race in the LGB community, and because most of the non-white participants considered their race a more defining aspect of their identity than being gay or bisexual.

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<sup>1</sup> Unfortunately, the Project was unable to organize a focus group with priority segment: LGBT people of means who were *not* giving to LGBT organizations. The traditional focus group model—where individuals receive a modest stipend to participate—didn't work for this group of donors. Similarly, while it was possible to identify individuals falling into this category, the Project couldn't find a non-disparaging way to invite them to a discussion (i.e., "We know you are a generous contributor of the opera and art museum, and we'd like to find why you are not supporting LGBT causes").

<sup>2</sup> Transgender individuals were not part of these focus groups because the firm that was retained to recruit participants did not then have transgender people in its pool.





There were also a number of reasons why participants were not giving or had stopped giving, which were largely similar to the social listening findings. They included donor perceptions that (a) groups were misusing funds, spending too much on administration or “glossy” flyers or fancy events; (b) organizations not being inclusive of transgender people; (c) for lesbians, organizations that appears to focus more on gay men than lesbians; and (d) for participants of color, organizations ignoring racial issues or “too focused on white people.”

### Opportunities

At the same time, the participants associated LGBT organizations almost exclusively with positive words and phrases. When asked to rate LGBT organizations generally on a 5-point scale (where a “5” indicated a very favorable view), the average rating was a 4.0. This ran contrary to one of the original Project hypotheses: that donors had a dim view of LGBT nonprofits. Finding that largely *not* to be true was reassuring, notwithstanding the less-than-stellar results of the donation audit.

GSSR also found that the ways in which LGB people connect with giving were “heavily impacted” by their individual experiences of being an LGB person, including the age when a person came out, the level of acceptance or rejecting experienced from family and friends, personal experiences with discrimination, etc. GSSR also found several other aspects of a person’s identity had a large influence on the ways in which LGB people think about giving, such as religion, recent immigration history, and race. If an LGBT organization had access to such information, it could hypothetically find a better way to reach particular segments of the overall LGBT population.

### Recommendations

Based on its focus group findings, GSSR made a series of recommendations for further research, such as testing segmented appeals based on psychographic attributes that would make certain causes more desirable to specific individuals, exploring how appeals can make a deeper connection by recognizing the multi-faceted aspects of individuals’ lives (e.g., race, gender, immigrant, church-goer), and examining how to build a sense of urgency around discrimination. The firm also made recommendations about tactics to explore in fundraising letters and communications, including making a personal connection, avoiding language that undermines a personal connection (such as “battle,” “threat,” “hate-filled”), and promoting an organization’s fiscal prudence.

## Known Donor Survey Respondents (N=6,755)

### DEMOGRAPHICS

- Well educated (53% attended graduate school)
- Predominantly white (86%)
- Older (40% 55 or older)
- Three quarters no children (77%)
- Nearly half no religious affiliation (47%)
- Fairly wealthy (67% with incomes of over national median of \$60,000 per year)

### OTHER CHARACTERISTICS

- LGBT identity considered important (74%)
- Majority living on the West Coast and Northeast (60%)
- Very out:
  - 92% consider themselves out
  - 53% out to important people in their lives
  - 62% out at work
- Heavily Democratic (78%) and “Very Liberal” (50%)
- Politically active (72% had given to a political party or candidate or ballot measure campaign)
- A majority with a will or trust (54%)

## Phase 1—Quantitative Research

Once the focus groups and the briefing were completed, the Project moved to an ambitious effort to test learnings and hypotheses through quantitative research. This phase, which concluded in October 2017, included:

- A survey of current and recently lapsed donors to 56 LGBT organizations; more than 8,000 individuals completed it.
- A “general population” survey of just over 1,200 LGBT donors and non-donors.
- Six reports focusing on specific subpopulations of donors to help organizations tailor their fundraising strategies, including ones on LGBT Women; LGBT People with High Household Wealth; and Millennials, GenXers, and Older Adults.

In addition, the Project helped spark two other related projects. The first was a survey conducted by MAP of the development capacities of 35 LGBT organizations (supported by the Haas, Jr. Fund). The second was a major initiative to understand the potential of LGBT planning giving and ways to take advantage of that potential (spearheaded by the Horizons Foundation). These are briefly described below.

### Survey of current donors (N = 6,755 donors)

#### Background

This effort involved asking organizations to share their donor lists to an independent firm for one-time use. The firm, in turn, would de-dupe the lists and work with the Project’s consultants to distribute an in-depth survey to the combined lists. This was a daunting challenge, given that donor lists are closely held and rarely shared.

Somewhat surprisingly, there was wide enthusiasm for the Project. Fifty-seven (57) groups agreed to participate (see Appendix 1). While this was going on, the survey tool itself was developed through an involved, iterative process with the research team and Coordinating Committee.

The survey was finalized in October 2013 and was fielded for four weeks. It was emailed to 303,370 individuals (randomly selected from a de-duped pool of 445,000 records with email addresses). More than 8,000 individuals completed the lengthy survey, an impressive response rate of 3%. Of this total, 6,755 (81%) identified as LGBT, the Project’s target audience.

Because of the enormous number of responses, the margin of error rate data supplied by LGBT respondents was just +/-0.85%. Similarly, this allowed for a relatively small margin of error for analyses of the responses from specific subgroups, such as older LGBT people, women, and wealthy households. See Page X.

The survey generated literally hundreds of data points, including detailed information about donors, including demographics (e.g., race, age, gender, sexual orientation, gender identity and political affiliation, etc.), the importance of LGBT identity in their lives, and views on the most important priorities for LGBT organizations to address. Among other notable factors, the

# 5 GIVER Archetypes

The Activist

The Advocate

The Game Changer

The Caregiver

Sage

respondent pool was extremely well-educated, fairly wealthy, and very liberal. (See box.) The survey also probed crucial donor preferences and beliefs, including:

- Giving priorities by organization type (national, state, local),
- Giving priorities by type of work,
- Ways of donating (e.g., via email, event, mail, etc.),
- Reasons not for giving more and the main reasons holding donors back from giving,
- Reasons for stopping or giving less.

## Messaging and motivations

The survey queried respondents in three different ways to assess what drove donors to make giving decisions: message frames; archetypes; and narratives.

### (1) Message frames

The survey tested eight different message frames (based on the qualitative research) that might motivate donors, such as “Equality,” “Stronger together,” “Who will care for us?” “Pride,” and “Legacy.” All seven of the message frames were judged to be either “extremely compelling” or “very compelling” by well over half of donor respondents. The “Equality”<sup>1</sup> and “Stronger together”<sup>2</sup> frames had the highest rankings for LGBT respondents with 83% and 80%, respectively, saying the frame was extremely or very compelling. Three others were rated “compelling” by at least 70%: “We’re no different,” “American freedom,” and “Who will care for us?”<sup>3</sup>

This relatively close clustering of five of the seven tested frames suggested that there are multiple potentially “winning” messages for LGBTQ organizations to use in their fundraising. That was good news. The less good news, however, was that there was little indication that any one message frame stood out so much as to give the Project a clear messaging insight—a “magic bullet”—to pass on to LGBTQ nonprofits.

Somewhat greater differences began to appear when the respondent pool was sliced into particular population segments. Even then, however, most differences were small. For example, there were differences between LGB and transgender respondents on the different frames, most markedly with respect to the “Who will care for us?” frame, which 16% more of transgender respondents found compelling than cisgender respondents. Otherwise, no other difference exceeded seven points. There were also minimal differences between the responses of people of color and white people, nor between women and men.<sup>4</sup>

<sup>1</sup> Equality Frame: “The United States is built on the idea of equality for all. Yet, for too many lesbian, gay, bisexual and transgender Americans, equality is not a reality. That is why I give to LGBT organizations.”

<sup>2</sup> Stronger Together Frame: “I believe we are stronger together than alone. I give to LGBT organizations to make sure that we are able to make progress on behalf of all gay, lesbian, bisexual and transgender people”

<sup>3</sup> Who Will Care for Us Frame: (LGB version) “As lesbian, gay, bisexual and transgender people, we should take care of one another, because too many of us still face rejection from our families or discrimination in our lives. If we don’t support on another and our community, who will?”

<sup>4</sup> These differences were explored in depth in the series of six in-depth analyses produced by the Movement Advancement Project and described below on page 19.

## (2) Archetypes

Based on the qualitative research, the survey also used five “archetypes” to assess what was driving giving. It asked whether a donor would be more likely to give based these statements:

**The Activist:** “We will only create change in American if we fight back against intolerance and hate.”

**The Advocate:** “We must be advocates for our own equality—recognizing the dignity that comes from standing up and being counted.”

**The Game Changer:** “To make progress, we must do what some say cannot be done: Transform our nation’s laws on behalf of gay lesbian, bisexual, and transgender people.”

**The Caregiver:** “We must care for those less fortunate than us, including gay and transgender youth who are bullied and lesbian, gay, bisexual, and transgender people who face employment discrimination.”

**Sage:** “We must work to change the hearts and minds of Americans—from politicians and pastors to mothers and fathers.”

Like the motivational finding, the differences between these archetypes were relatively small—only 8 points divided the most successful—“The Activist” with 83% saying it would make them more likely to give—and the least successful—“Sage” at 75%.

## (3) Narratives

The survey tested narratives to see if donors would be more compelled by a stories involving (a) a young trans man being kicked out of home when he transitioned or young gay man in the identical circumstances; (b) a lesbian who was the victim of a hate crime or a transgender woman who was similarly victimized. Between 73% and 75% of the donors said both narratives would make them more likely to give with virtually no difference when the subject was trans or gay/lesbian.

## Planned Giving

The survey revealed significant opportunities for planned giving. Remarkably, 16% of respondents indicated that they had *already* included at least one LGBT organization in their estate plans. An additional 36% said that they were “very” or “somewhat” likely to make such an LGBT legacy gift in the future. When told that planned giving was not restricted to the wealthy and that “every gift size matters, even a few hundred dollars,” one in five of those who had previously said they were not likely to make a planned gift changed their minds.

The results of the survey of known donors were shared with LGBT organizations at the 2014 Creating Change Conference in Houston and with other funders at the 2014 Funding Forward Conference sponsored by Funders for LGBTQ Issues.

Results of the “Big Gay Survey” were shared with LGBT organizations that participated in the survey of current donors through a webinar in May 2014.

The survey also tested potential planned giving message frames. The three top ones were:

- To help future LGBT generations (53%).
- To continue my commitment to an organization I care about (49%).
- To continue my support for the LGBT community (46%).

### Dissemination and use

The survey results—summarized in a 92-slide PowerPoint presentation—were shared with the 57 organizations that submitted donor data in a webinar in December 2013. In addition, GSSR prepared customized reports for each organization with the organization’s unique donor results. The groups were also offered access to all the underlying cross tabs of the data (nearly 10,000 pages).

By and large, the groups expressed interest in the survey findings but had a difficult time understanding how to make use of them in day-to-day operations. Only a couple of the larger groups had the resources to carefully examine their own donor data and look for opportunities to reach specific subsets of donors within their current donor base. At this time, the Coordinating Committee did not fully appreciate the fact that many groups did not have the capacity to segment their donor lists to target individuals based on factors such as race, age, education, religion, or having children at home (let alone specific donor interests).

### General LGBT population survey (N = 1,213)

For three weeks starting in late February 2014, GSSR fielded an online survey that was aimed at people who self-identified as LGBT and who had made charitable donations or a planned gift to any cause over the preceding two years. Dubbed the “Big Gay Survey,” its goal was to look for ways that LGBT organizations could reach beyond current donors (who, as previously stated, represent at least 96% of those identifying as LGBT). A total of 1,213 respondents completed the survey, of whom just over half (54%) had made a contribution to a LGBT cause and a third who said they had not donated to a LGBT cause but would consider it. Ten per cent (10%) said they were not inclined to make a donation. The survey had a margin of error of +/-2.8% (with a higher margin of error for subgroups). The survey instrument was based in large measure on the one used for current LGB donors.

The general population respondents differed from the known donors in significant ways:

### Demographic factors

- Less highly educated (19% completed graduate school vs. 53%)
- More people of color (23% vs. 14%)
- Younger (47% between 18-39 vs. 26%)
- More likely to have children (30% vs 22%)

## General LGBT Population Survey Respondents (N=1,213)

### DEMOGRAPHICS

- Less highly educated (19% completed graduate school)
- More people of color (23%)
- Younger (47% between 18-39)
- More likely to have children (30%)
- More likely to be religious (32%)
- Less wealthy (59% with income under \$60,000 per year)

- More likely to be religious (32% no religion vs. 47%)
- Less wealthy (59% under \$60,000 per year vs. 33%)
- Less concentrated on the coasts (43% West Coast & Northeast vs. 60%)

### Other characteristics

- Fewer identified as being Democrats (52% vs 78%) Less likely to be out:
  - At all (72% vs. 92%)
  - To important people in their lives (32% vs 53%)
  - Out at work (32% vs. 62%)
- Much less politically oriented (32% had given to a political party, candidate or ballot measure campaign vs. 72%)
- More likely to think problems faced by LGBT people will be solved in the next 20 to 30 years (71% vs 60%)<sup>1</sup>
- LGBT identity less important (58% important vs. 74%), even though the degrees of difficulties they experienced coming out were virtually identical to known donors
- More likely to think other causes are more important than LGBT ones (44% vs. 28%)
- Less likely to have a will or trust (37% vs 54%)
- Less likely to say the following should be important priorities for LGBT organizations to address:
  - Ending workplace discrimination (53% vs. 63%)
  - Challenging and changing laws to improve the lives of LGBT people (46% vs. 61%)

### Messaging and archetypes

Respondents to the general population survey felt more compelled by different message frames than those in the LGBT donor survey. Two differences stood out the most—responses to the “We’re No Different” and “American Freedom” message frames (67% vs 49% and 60% vs 50%, respectively). In addition, the three strongest message frames for those who had not previously given to a LGBT cause but would consider doing so were:

- “We’re no different”<sup>1</sup> (67% vs. 49% for known donors)
- “American Freedom”<sup>2</sup> (60% vs. 50% for known donors)
- “Equality”<sup>3</sup> (57%)

<sup>1</sup>“I’m no different than anyone else. I work hard, pay taxes, and try to make my community a better place. That’s why, as a lesbian/gay person/bisexual person, I want to be treated the same as everyone else. That’s why I give to LGBT organizations.”

<sup>2</sup>“Freedom is one of America’s most enduring values. It’s a word that gets thrown about a lot, but when you don’t have it, you know it—like when you’re not able to build a life with the person you love. That’s why I give to LGBT organizations.”

<sup>3</sup>“The United States is built on the idea of equality for all. Yet, for too many lesbian, gay, bisexual and transgender Americans, equality is not a reality. That is why I give to LGBT organizations.”

Somewhat surprisingly, there were only minor differences between the general population respondents and known donors in their responses to the “archetype” statements that motivate giving (e.g., The Activist, The Caretaker, The Advocate, etc. See page 9). The Activist archetype was ranked highest in making a person more likely to donate to an LGBT organization (64% vs. 61% for known donors). The next highest was The Caregiver (59% vs. 54%).

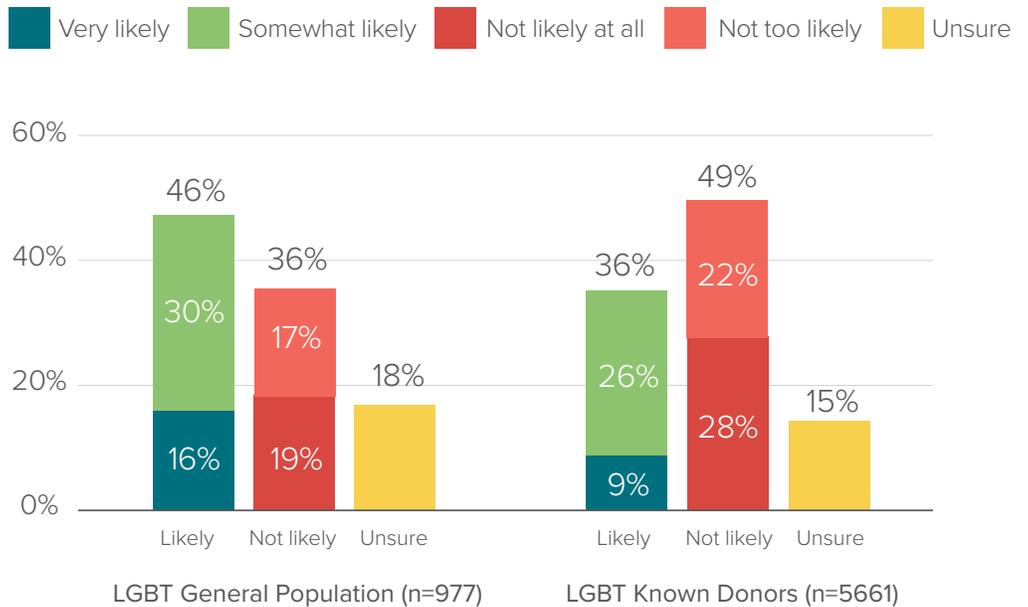
### Planned Giving

Somewhat surprisingly—given the much greater reported wealth of the known donors—was the relatively small difference in the proportion of respondents who had already arranged a planned gift to an organization (LGBT or otherwise)—46% of known donors vs. 37% of general population donors. On the other hand, *more* general population respondents (who had not already made a planned gift commitment) said they were “very likely” or “somewhat likely” to make a planned gift to an LGBT organization (46% vs. 36% of known donors). None of the reasons offered by general population donors for making a planned gift exceeded 50%; the highest was “It’s important to help future LGBT generations” at 47% (compared to 53% of known donors).

Like the known donor survey, the general population survey yielded reams of never-before-uncovered data. Once again, the challenge was how to make it all useful to LGBT organizations in reaching out to prospective donors.

### Likelihood of Planned Giving to an LGBT Organization

(among those who have not made a planned gift or are unsure)



## Understanding LGBT Donors Reports—Deep Data Dives

To make the data more accessible and useable for LGBT nonprofits, the Project engaged the Movement Advancement Project (MAP)<sup>1</sup> to further disaggregate the data with the aim of providing opportunities for organizations to tailor their fundraising strategies to better reach and appeal to specific donors. During 2016 and 2017, MAP produced six subpopulation-specific reports<sup>2</sup>:

- LGBT Women
- LGBT People with High Household Wealth
- Millennials, GenXers, and Older Adults
- LGBT People of Color
- Transgender People
- LGBT People Living in Rural Areas

The reports contained key findings and actionable insights for each subpopulation, including:

- Demographics and financial information
- Opinions of LGBT organizations
- Donation message frames
- Issue priorities
- Motivations for giving
- Planned giving

### Selected Highlights from Deep Data Dives

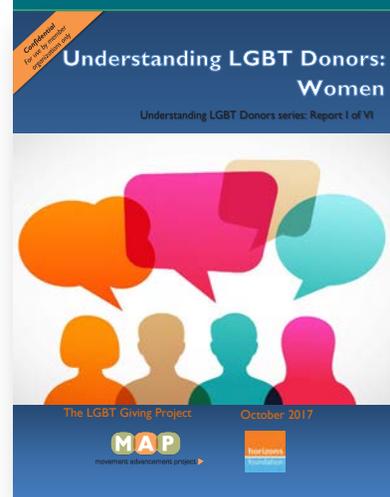
The following describes just some of the findings and advice from these reports; more findings appear in Appendix 2.

#### Women (N = 2,277)

- *Opinion of LGBT organizations:* LGBT women were more likely than LGBT men to have a “very favorable” opinion of LGBT organizations; however, they were far more likely to think LGBT organizations are too male-dominated. They were also more likely to state that they stopped donating to an LGBT organization because the organization failed to prioritize lesbian issues. This suggests that an organization’s ability to highlight LGBT women in leadership positions in the organization (among both staff and board) and/or demonstrate a commitment to programs that impact LGBT women may increase a female-identified donor’s likelihood of giving.

<sup>1</sup> Founded in 2006, MAP is an independent, nonprofit think tank that provides rigorous research, insight and communications that help speed equality and opportunity for all. Its reports, resources, and messaging guidance to help LGBT organizations frame issues and run communications campaigns that change hearts and minds.

<sup>2</sup> MAP’s reports were subsequently reviewed by the fundraising firms retained to implement Phase 2 of the Project, which resulted in some modifications. All six reports were issued in final form in October 2017.



The main reasons cited by High Household Wealth Donors for decreasing or ending donations were (a) an impression that the organization was run inefficiently or seemed ineffective; and (b) receiving too many asks for donations.

### High Household Wealth (N = 2,014)

(“High household wealth” was regarded as wealth of \$750,000)

- **Stopping giving:** The main reasons cited by HHWD for decreasing or ending donations were (a) an impression that the organization was run inefficiently or seemed ineffective; and (b) receiving too many asks for donations. It’s possible that HHWD may have higher expectations for efficiency and personalized asks because they are frequently solicited by larger, perhaps non-LGBT organizations with dedicated major gifts departments that engage very smoothly with them. Over-solicitation of WWHD may contribute to the impression of an organization being run inefficiently.

Organizations are encouraged to increase personalization and, once a donation is secured, ensure that another ask does not too quickly follow and have other non-ask “touches” with these donors (such as an invitation to a non-ticketed event). They should also demonstrate how funds are used along with tangible outcomes.

### Rural Donors (N = 684)

- **Liberal leanings:** Just as many LGBT people in rural areas identified as “liberal” or “very liberal” as urban donors (84% vs. 84%). This suggests that organizations do not need to “tone down” their appeals that focus on progressive values and use liberal messages to reach rural donors.

### LGBT People of Color (N = 783)<sup>1</sup>

- **Issue priorities:** LGBT people of color were much more likely to list social service provision as an issue priority. In fact, LGBT people of color were more likely to support organizations to the extent that they prioritize community services, including services for LGBT youth and LGBT older adults specifically.

Organizations may want to highlight the direct social services they provide in outreach to LGBT people of color, if possible. Organizations that do not provide social services may want to highlight ways in which their work has impacted the availability and provision of those services (through litigation, funding, partnership, or other avenues).

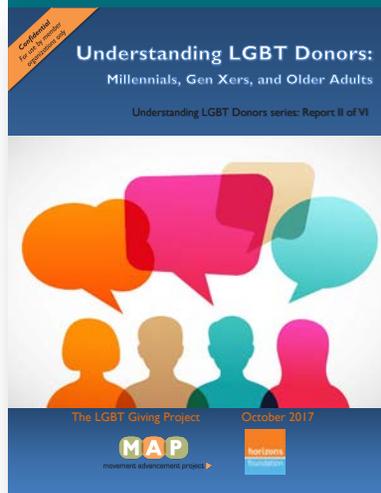
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<sup>1</sup>This report was based on the responses of 783 individuals who self-identified as LGBT people of color, comprising about 12% of total respondents. Of these, 154 identified as African American/Black (20%), 202 identified as Hispanic/Latinx (26%), 108 identified as Asian/ Pacific Islander (14%), and 225 identified as mixed race (29%). Given that other data show that people of color make up at least one-third of the total LGBT population (vs. 12% of the survey respondents), the report’s finding could not be interpreted as representative of all LGBT communities of color. The low representation of people of color may be due to the overall lack of engagement of LGBT people of color as donors to the participating organizations.

Of the 56 organizations that participated in the survey, less than five had a specific organizational focus on a community of color. In addition, according to a 2015 Blackbaud report, Black and Latinx individuals are underrepresented as donors to nonprofits in general, likely because many organizations utilize fundraising models that predominantly cater to and look for white donors (as opposed to Black and Latinx donors being less generous than white donors).

The Deep Data Dive report were shared with movement groups at the 2017 Creating Change Conference.

In addition, each organization that contributed donor data for the 2013 survey of known donors and member organizations of CenterLink and the Equality Federation received access to the reports on a password-protected site.



## Transgender People (N = 412)<sup>1</sup>

- **Portion of giving to LGBT:** Although transgender people gave smaller total amounts to LGBT organizations compared to cisgender people, *they were more likely to devote a majority of their overall charitable giving to LGBT causes.* Forty-four percent of transgender people gave a majority of their charitable giving to LGBT causes, whereas only 33% of cisgender LGB people gave a majority to LGBT causes.

This suggests that transgender people prioritize support for LGBT organizations over other charitable causes. To the extent that organizations develop message frames and programming that reflect the concerns and priorities of this subpopulation, transgender people can be a reliable and sustainable source of donations. One route to further develop and strengthen giving relationships with transgender donors may be to encourage existing donors to make personal asks of their community connections.

## Millennials, GenXers, and Older Adults

This report focused on differences across three age groups of LGBT donors: LGBT Millennials (ages 18 to 34; N=934), LGBT Gen Xers (35 to 54; N=2,769), and LGBT Older Adults (ages 55 and up; N=2,920).

- **Issue priorities:** The highest issue priorities among LGBT Older Adults and GenXers were “Ending workplace or employment discrimination,” and “Challenging and changing laws to improve the lives of LGBT people.” Millennials were more likely to rank “Increasing acceptance for transgender people.”

Compared to LGBT Older Adults and Gen Xers, Millennials were far more likely to support efforts by LGBT organizations to prioritize diversity among staff and leadership and to focus more on issues that affect transgender people. Millennials were also more likely to indicate that transgender rights are an issue priority.

When contacting Millennials, organizations should consider prioritizing inclusion and diversity and emphasize political agendas that center on transgender people. Given the date of the survey (before some of the recent, high-profile national attention to transgender issues), this finding may suggest that the Gen X and Older Adult respondents were less familiar with transgender people (research shows that older adults are less likely to personally know a transgender person in comparison to younger populations.) Therefore, organizations may benefit from educational initiatives aimed at increasing familiarity with transgender people among LGB Older Adults.

<sup>1</sup> The relatively small sample size of transgender people (412 respondents, representing 5% of the total), presented limitations on the confidence that could be placed in the findings.

Storytelling is crucial to eliciting empathy, a precursor to altruism, and to communicating both need and efficacy, but is often absent.

- ***Bisexual population:*** Millennials were far more likely than Older Adults and Gen Xers to identify as bisexual; 30% of Millennials identified as bisexual vs. 13% of Gen Xers and 8% of Older Adults. The research also found that bisexuals are less likely than lesbian or gay people to be “out” to their family, friends, and co-workers. (Only 28% of bisexuals reported being “out” to all or most of the important people in their lives, compared to 71% of lesbian women and 77% of gay men.)

For these reasons, relying on traditional outreach methods (e.g., trading or purchasing LGBT organizations’ mailing lists) may not be the most effective strategy for reaching bisexual people. Organizations should explore alternative ways to contact bisexual donors that also minimize the risk of outing bisexuals.

### Overall Observations from the Quantitative Research

While it is difficult to pull any kind of summary findings from such an extensive amount of data, the Project reached several important conclusions:

1. *There are development capacity issues within LGBT organizations that negatively impact everything from donor stewardship to the online donor experience on organizational websites.*
2. *Messaging matters—but many messages can work*
3. *Storytelling is crucial to eliciting empathy, a precursor to altruism, and to communicating both need and efficacy, but is often absent.*
4. *Populations within the LGBT community have varying priorities*
5. *Donors want to, but often don’t, see themselves reflected in the organizations they give to. Some donors are open to funding particular causes and/or populations, such as elders, youth, or health, but do not do so currently.*
6. *There’s good ground on which to build strong LGBT fundraising, including overall favorable views of organization and overall willingness to donate*
7. *Planned giving presents a significant movement opportunity*
8. *Additional research could be valuable in several areas, particularly for people of color communities.*

### Associated Quantitative Research

In addition, the Project helped spark two related research efforts—one looking to identify capacities and resources of LGBT organizations that contributed to successful fundraising outcomes, and another to understand the potential of LGBT planning giving. These efforts were supported by those involved in the Project in various ways and each contributed to the Project’s goals.

## Development Capacity Survey

The first was an effort to identify specific resources and capacities among LGBT organizations that were most closely associated with successful fundraising, such as high-performing board members, executive director involvement, software programs, donor solicitation methods, etc. To conduct this study, the Haas, Jr. Fund engaged MAP to conduct a survey of groups contributed donor data to the research phase and analyze the findings. Thirty-five groups completed the survey and a 32- page report was released in April 2016 entitled *LGBT Movement Development Capacity Report*. For analysis purposes, the organizations were broken into four groups based on their total revenue. Subsequently, the former director of development at Lambda Legal, John Westfall-Kwang, was retained to review the data and look at groups based on the types of income (e.g., major donors, direct mail, government grants, etc.). Based on the data, Mr. Westfall-Kwang, recommended the following five steps, in order of importance:

- #1 Recruiting fundraising Board Members.
- #2 Starting a major donor program, or for groups with such a program, increasing the entry recognition level.
- #3 Fully capitalizing on revenue strength(s) *before* focusing on new types of revenue.
- #4 Spending additional time on higher dollar donors, including ensuring there is a strategy in place to cultivate, solicit, and steward top funders.
- #5 Asking for planned gifts and, if resources allow, creating a recognition society for those who put the organization in their estate plans.

## Planned Giving Initiative

As noted above (see page 15), the LGBTQ Giving Project surveys found that a significant portion of LGBTQ people have included the LGBTQ community in their estate plans. This was an especially important finding as the community's collective opportunity in planned giving is likely to be unusually great: not only do nearly two thirds of LGBTQ people today have no children, but also members of the highly identified "Stonewall Generation" are in their prime planned giving years.

Inspired in part by these findings, steering committee member Horizons Foundation joined with other movement funders and nonprofit leaders to create a National Task Force on LGBTQ Planned Giving. Underwritten by a grant from the Arcus Foundation, the Task Force documented the extraordinary potential for LGBTQ planned giving—currently estimated at \$270 billion in the next 10 years alone. The Task Force also laid out a multi-part national strategy for the LGBTQ movement—and communities coast to coast—to take advantage of this opportunity.

The Task Force is currently seeking funding to underwrite the national strategy. The executive summary of the Task Force's work can be found at: <https://www.horizonsfoundation.org/wp-content/uploads/2018/04/National-LGBTQ-Planned-Giving-Strategy-Executive-Summary.pdf>. The full report can be found at <https://www.horizonsfoundation.org/wp-content/uploads/2018/04/National-LGBTQ-Planned-Giving-Strategy-Full-Report.pdf>.



PHASE 2:  
TESTING PHASE 1  
RESEARCH &  
BUILDING  
CAPACITY  
IN A COHORT  
MODEL



## PHASE 2: TESTING PHASE 1 RESEARCH & BUILDING CAPACITY IN A COHORT MODEL

### Project Structure: Vision and Evolution

Phase 2 of the project sought to determine how to apply the Phase 1 research in a real-world context. Its ultimate goal was to develop a set of best practices that, in Phase 3, could be shared across the movement and grow the fundraising capacity of LGBT organizations at all levels of the movement.

Specifically, this phase was designed to (1) test messaging frames with specific segments of donors/prospects; and (2) determine what “fixes” to basic fundraising capacity issues appeared to be most effective in terms of increasing new donors and retaining current donors. The Project brought together the steering committee along with a number of LGBT executive directors, development directors, and development consultants to help plan Phase 2. This group decided that that the project would: select two fundraising consultants (or consultant teams), each to work with two “anchor” organizations—a mid-sized LGBT Community Center and a mid-sized statewide LGBT advocacy organization. The consultants would provide relatively extensive technical assistance and support to the anchor to improve its fundraising capacity (at roughly \$100,000 per year per anchor). The project also made \$50,000 available to each anchor to implement a project or capacity enhancement identified by the consultant as being most need. In addition, three or four similar organizations would form a “learning circle” around each of the anchors. All cohort members would also have access to collaborative learning opportunities through regular webinar/conference calls and in-person convenings, with training organized by the project consultants. In other words, as originally envisioned, these cohorts would serve as a proving ground for donor messaging and outreach strategies over the course of about a year.

The selection of Metropolitan Group (Beth Strahan, lead) and Campbell & Company (Sarah K. Anderson, lead) to serve as fundraising consultants was exceptionally beneficial to the Project.

The criteria for participation were that the organization must have had (1) one full-time fundraising staff person; (b) be relatively stable financially; and (3) been in existence for at least 10 years. The Steering Committee worked with CenterLink (the national umbrella organization for LGBT community centers) and the Equality Federation (the umbrella for statewide LGBT advocacy organizations) to identify the anchors and learning circle members. The Pride Center at Equality Park (Ft. Lauderdale) was the anchor for the community center cohort and the Equality Foundation of Georgia was the statewide advocacy group anchor.

We thought that by having groups with similar missions and similar budget sizes we could reduce the tendency of organizations to see their challenges as unique. That assumption proved to be flawed.

As the organizations were being selected, the Steering Committee issued an RFP to select the fundraising consultants. The Metropolitan Group (Beth Strahan, lead) was selected to work with the cohort of statewide LGBT advocacy groups and Campbell & Company (Sarah K. Anderson, lead) was retained for the LGBT community center cohort.

In hindsight, the selection of these two specific firms—and their assigned staff—was exceptionally beneficial to the Project. Many members of the steering committee and LGBT organizations had poor or mediocre and over-priced experience with fundraising consultants. Here, it was the opposite, with both firms digging deep and patiently to work with cohort groups and continually refine their approaches in real time. The Project's initial concerns that having two firms might result in fiction and unhelpful competition proved unfounded. Throughout the rest of the Project, the firms worked together to develop written materials and conduct joint trainings.

As the project unfolded, three major changes took place in the project structure based on input from cohort members, the steering committee, and the consultants:

- The cohorts discontinued regular use of “learning circle” webinars and conference calls, which proved a challenging format for deep engagement and peer connection, in favor of more intensive in-person convenings (three total during the this phase of the Project).
- The steering committee expanded availability of individualized fundraising consulting to all cohort members, rather than only the anchor organizations.

The project extended beyond the initial one-year timeline to nearly two years to allow for an evaluation of impact through end-of-year fundraising in 2016, ultimately concluding in the spring of 2017.

## Overview of Phase 2 Findings

The cohort phase of the LGBT Giving Project was originally structured to determine the most effective donor messages and outreach strategies to motivate new and increased giving from LGBT individuals. However, the steering committee and project consultants realized early

## Equality Federation Cohort

- *Equality Foundation of Georgia (anchor)*
- Equality New Mexico Foundation
- Equality North Carolina Foundation
- Equality Texas Foundation
- Equality Virginia

## CenterLink Cohort

- *Pride Center at Equality Park (anchor) (Ft. Lauderdale)*
- William Way LGBT Community Center (Philadelphia)
- GLTB Community Center of Colorado (now Center on Colfax—Denver)
- LGBT Community Center of Greater Cleveland
- LGBT Center Orange County (discontinued participation early in project)

## Factors contributing to contributed revenue growth:

- Sustained focus on development as an institutional priority
- Access to training and resources based on fundraising best practices
- Proactive, multi-channel appeals to donors and prospects
- Compelling, current messaging that focused on telling the stories of those impacted by their work

in the cohort phase that **the fundamental challenge of strained organizational capacity presented the greatest barrier to increasing contributions from LGBT donors.** In short, it became clear that finding the “perfect” message was less vital to organizations’ fundraising success than equipping those organizations with tools, resources, and knowledge to support a stronger culture of philanthropy.

In line with the challenges cited in *UnderDeveloped*, the cohort organizations faced many demands on their time and resources that made it difficult to execute on fundraising best practices, invest in capacity building and leadership development, nurture an organizational culture of philanthropy, and sustain lasting donor relationships in the face of turnover and competing priorities.

These organizations were each doing admirable work within their communities and were selected to participate in the project because they were relatively solid, well-performing examples of LGBT-focused statewide advocacy groups and community centers. In many ways, the fact that they, too, struggled with issues related to organizational capacity and culture of philanthropy highlights the ways in which organizations survive and succeed in spite of these seemingly intractable challenges.

Each of the organizations taking part in the project experienced capacity challenges that we know are not unique to the LGBT movement but that impact many nonprofit organizations across the sector. Although each organization experienced these challenges in different ways, several common themes emerged over the course of the work:

- **Turnover** among key fundraising staff, including executive directors and directors of development, the two main “point people” involved in the project
- Lack of investment—or, often, lack of the *ability* to invest—in **professional development** for fundraising and data management staff
- Challenges engaging the **board** in fundraising and building understanding of the importance of fundraising
- Inadequate **data management systems** and/or systems that were not being used their fullest potential to effectively segment, track, and analyze donor and prospect data
- Difficulty executing **donor segmentation** that took into account the nuances that the prior research revealed about messaging to subsets of the LGBT community

Despite the challenges that the cohort organizations encountered relative to their fundraising work, participation in the LGBT Giving Project led to **growth in contributed revenue for eight of the nine organizations, a combined increase of \$2.58 million over the baseline period across the organizations, a 33% increase in dollars raised.**

Factors in that growth included a **sustained focus on development as an institutional priority; access to training and resources based on fundraising best practices; proactive, multi-channel appeals to donors and prospects; and compelling, current messaging that focused on telling the stories of those impacted by their work.**

## A Deeper Look at Common Capacity Challenges

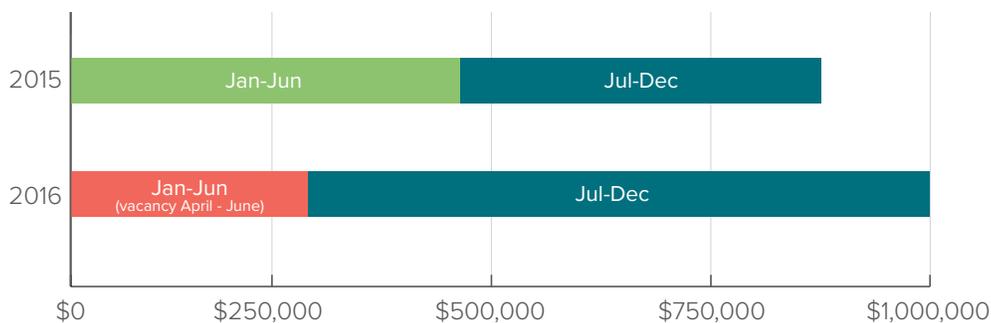
### Turnover

Throughout the course of the project, 7 of the 10 organizations originally engaged in the cohorts experienced turnover in the director of development and/or executive director role. Turnover in both roles led to one community center's withdrawal from the project. **Of 25 key individuals participating in the project, 10 turned over in just under two years**, three executive directors and seven directors of development.

During in-person convenings, development directors noted the challenge of leading fundraising efforts within relatively small organizations, where their responsibilities commonly ranged from shepherding a relationship with a significant donor or funder to updating information in the database. Many noted that the strategic and relational duties alongside the more administrative and technical responsibilities led to a feeling of “scrambling” and constantly shifting gears and contributed to burnout. Likewise, executive directors noted the difficulty of finding a staff leader who could readily fulfill both roles. **Those organizations that had at least one other staff member supporting development and/or where the executive director was more fully involved in fundraising, particularly managing major donor relationships, experienced fewer issues with turnover.**

- Although not always the case, many organizations experienced a decline or stagnation in fundraising revenue during periods of turnover. Loss of knowledge and skills due to turnover was significant, as was the disruption to donor relationships and execution on development plans. During vacancies, organizations had to divert resources to cover crucial responsibilities, while other development functions were put on hold; often executive directors absorbed the bulk of fundraising responsibilities while searching for a new development leader. When new staff came on board, resuming momentum sometimes took several months as the new team members were Fundraising challenges are rooted in a **lack of leadership and support for a culture of philanthropy.**

The chart below illustrates the impact of turnover on one cohort member's fundraising. When the director of development left in April of 2016, fundraising revenue for the first half of the year was nearly 40% lower than the prior year. The organization hired a new director of development in June, and the second half of the year represented significant growth over the prior year, including increased fundraising following the November election.



Fundraising Results Amid Development Transition:  
One Organization's Experience

Seven of the 10 organizations originally engaged in the cohorts experienced turnover in the director of development and/or executive director role. Of the 25 key individuals participating in the project, 10 turned over in just under two years.

Board engagement remains an area for improvement for most organizations, and participating organizations suggested that one improvement they would make to the LGBT Giving Project would have been to structure a more integral role for at least one representative from each organization's board.

### **Board Engagement**

Most organizations taking part in the project had limited engagement in fundraising from their boards. In an assessment of various elements of a culture of philanthropy, only one organization “strongly agreed” that its board was engaged and committed to fundraising. As part of the tailored technical assistance organizations received, several specifically focused their work on increasing the board’s buy-in and training around fundraising, especially two organizations that were in the midst of major fundraising campaigns.

Board engagement remains an area for improvement for most organizations, and participating organizations suggested that one improvement they would make to the LGBT Giving Project would have been to structure a more integral role for at least one representative from each organization’s board. Later elements of the project included specific training to equip senior staff to lead discussions with boards around fundraising engagement and to involve them more deeply in donor relationships, and board members from all cohort organizations were invited to participate in a webinar on the board’s role in development planning and fundraising activities. Still, a broader role for board chairs and/or development committee chairs during the individualized consulting and in-person convenings would likely have strengthened ties among the fundraising “triumvirate” of executive directors, development directors, and board leaders.

### **Senior Staff Engagement and Professional Development**

Executive directors engaged in the project noted that they often struggled to prioritize fundraising among their own responsibilities and to lift it up as an institutional priority as they dealt with the demands of meeting changing and growing community needs or advocating for policy change and combatting policy threats. Executive directors who had not had much prior experience with fundraising used the project as a way to demystify their roles, reduce the stigma associated with asking for money that some felt, strengthen their ties with the development director partners, and build their confidence as leaders in shaping a culture of philanthropy within their organizations.



#### PARTICIPANT PROFILE

### Phyllis Harris

Executive Director of The LGBT Community Center of Greater Cleveland, 2012 to Present:

“When I was asked to participate, I was overjoyed, The purpose of this was to increase overall giving for LGBT organizations, and I was, ‘Right on!’ Our Center’s roots go back more than 40 years, and we marked a new chapter in our history in 2017 with the groundbreaking for a new facility in the Gordon Square Arts District of the city. The Giving Project gave impetus and focus to our fundraising efforts to support the new building and programs.

The election of 2016—the timing of the Center’s involvement in the LGBT Giving Project was “horrifying and [yet] right on time. It became a great opportunity to get some best practices, and to learn about ourselves—and it gave me credibility. I could say to funders that we were working to be more efficient, and how we could have more impact.” It clarified that when marriage equality became the law of the land, the work didn’t stop. We shifted our focus to other issues, including trans inclusion and trans rights, and health disparities and employment. We and our board have tried to turn the challenges that there are being in Ohio and during this Administration into opportunities.”

Although not universally true, in this project **most of the executive directors who had held fundraising roles previously were more likely to have longstanding development directors in place and less volatile fundraising revenue.** They were also more likely to consider their development directors “strategic partners” and to characterize philanthropy as well-understood across their organizations.

The executive directors involved in the project noted that the time dedicated to in-person fundraising training and connection with their peers at similar organizations sparked or renewed their commitment to lifting up philanthropy and development as priorities within their institutions.

#### **Systems and Infrastructure**

Ineffective or poorly utilized database systems proved a point of frustration for nearly every organization taking part in the project. In some cases, these systems or lack of database training significantly constrained the effectiveness of fundraising activities, from challenges segmenting donors and non-donors in a mailing to difficulties appropriately tracking and coding appeal responses. In one case, one organization’s chaotic end-of-year mailing process in coordination with a mail house led to the mailing being delayed until the new calendar year.

Ineffective or poorly utilized database systems proved a point of frustration for nearly every organization taking part in the project.

## Connecting Capacity Challenges to Donors' Barriers to Giving

The Phase 1 donor research found very positive attitudes about LGBT organizations, with 91% of known donors and 81% of general population donors saying they held a very or somewhat favorable opinion about them. At the same time, the research uncovered a number of common reasons that donors cite for either not giving to an organization or discontinuing a gift. The most common reason noted was that an organization seemed **poorly run or ineffective**—an impression that relates directly to the sorts of capacity challenges that cohort organizations faced around turnover, data management, and the ability to craft and share a compelling, tailored case for support that illustrates the effectiveness and impact of an organization's work. It is important to note that, in a post-2016-election survey that the LGBT Giving Project fielded among LGBT-identified donors and non-donors, the majority of individuals surveyed expressed favorable opinions of LGBT nonprofits and indicated that they intended to maintain or increase their support in the wake of the election. However, of those who either did not support LGBT nonprofits or planned to decrease or discontinue their support, this impression of organizations being poorly run remained a common reason that individuals cited as a barrier for support.

Another reason for not giving that was cited in the post-election survey was that individuals **simply weren't asked to make a gift**. Indeed, we found that many cohort organizations had not been proactively asking their support bases—especially lapsed and non-donors—for contributions on a regular basis prior to participating in the LGBT Giving Project. Through multi-channel appeals that were tailored for existing, lapsed, and non-donors, many of the cohort organizations saw success in encouraging upgrades and reengaging past donors, with more limited success in bringing in new donors.

This resulted in challenges with being able to fully implement the message testing that the project steering committee originally envisioned, as much of the first phase research pointed to specific nuances of engaging donors vs. non-donors as well as messages that might resonate with particular subsets of the LGBT population, including people of color, women, transgender individuals, and donors of different generations. Quite simply, cohort members did not have the data or systems necessary to implement the sophisticated donor segmentation that the phase one research suggested would be meaningful.

## Phase 2 Outcomes

### Overall Project Results

As noted above, eight of the nine organizations participating in the LGBT Giving project realized gains in contributed revenue. Between June 2015 and December 2016, **the nine organizations raised \$2.58 million more than they had in the baseline period prior to the project, a 33% increase in dollars raised<sup>1</sup>**. The total changes in giving ranged from a decrease of 1% to an increase of 432%. The median change in contributed revenue was 17% and the average, after excluding the 432% outlier<sup>2</sup>, was 37%.

### Income Gains

Cumulatively, the organizations in both cohorts realized gains in contributions in each of the three full six-month increments of the project compared to baseline figures. The strongest gains, especially for the advocacy-focused organizations in the Equality Federation cohort, came in the final six months of 2016, which included post-election giving.

Eight of the nine organizations reported gains in contributed revenue during the course of the project, and six of the nine increased the total number of donors.

Organization	Change in Dollars Raised Over Baseline	Change in Donors Over Baseline
Pride Center at Equality Park	20%	12%
William Way LGBT Community Center <sup>3*</sup>	-1%	34%
GLBT Community Center of Colorado	2%	28%
LGBT Community Center of Greater Cleveland <sup>4**</sup>	85%	-14%
Equality Foundation of Georgia	17%	-9%
Equality New Mexico Foundation	432%	309%
Equality North Carolina Foundation	107%	0.1%
Equality Texas Foundation	57%	14%
Equality Virginia Foundation	9%	-4%

<sup>1</sup> The cohort phase continued into early 2017, but because data collection occurred in late April 2017 and did not include a full six-month period, 2017 fundraising figures are not included in this analysis. Data was collected in six-month increments to allow for analysis across organizations with different fiscal years. To ensure an apples-to-apples comparison to prior years, we use baseline figures based on the average of the two prior six-month periods. Giving was calculated in this way because organizations typically had higher fundraising totals in the last half of any given calendar year than the first half (as is true among most nonprofits), so comparing the 18 months of the project period to the immediate 18 months prior would have been skewed in favor of the project with two July-to-December periods.

Fundraising revenue also excludes a \$1.8 million gift to the LGBT Center of Greater Cleveland, committed in 2014 with revenue realized in 2015 and 2016.

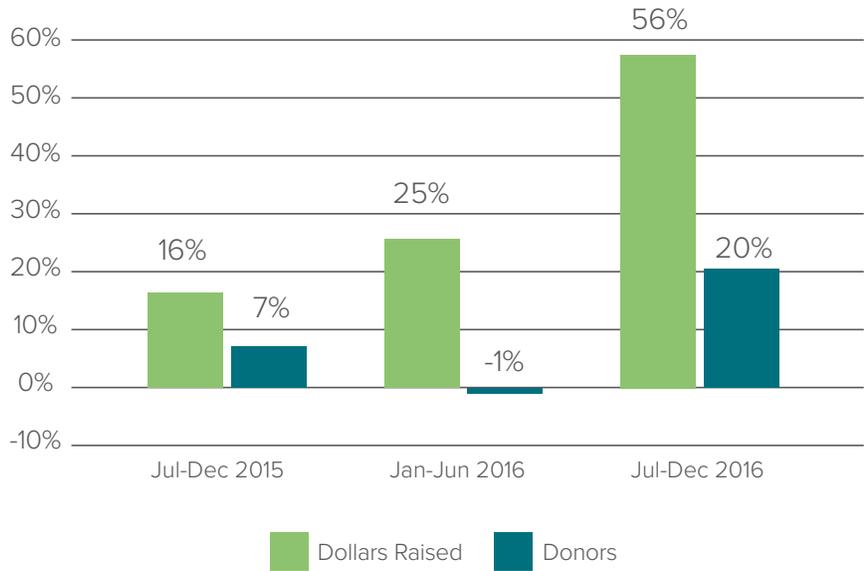
<sup>2</sup> The outlier represents an equality organization, Equality New Mexico, which was the smallest of the cohort organizations in terms of dollars raised when the project began. The group's fundraising revenue grew from a little under \$20,000 in the baseline period prior to the project to more than \$83,000 in the last six months of the project alone.

<sup>3</sup> Much of William Way's decline in dollars raised came early in the project during a period of turnover with an extended vacancy in the director of development role. In the final six months of the project, after filling the position, William Way saw a 31% increase in dollars raised over the baseline.

<sup>4</sup> Cleveland's fundraising revenue totals do not include a substantial gift of \$1.8 million pledged in 2014 with revenue counted throughout 2015 and 2016.

Participants in this phase of the LGBT Giving Project raised \$2.58 million more than they did during the baseline period, a 33% increase in dollars raised.

Average Increase over Baseline by Six Month Period



The strongest fundraising period for organizations, on average, was July 2016-December 2016, which captured nearly two months of post-election giving. However, on average, organizations increased their total dollars raised in each six-month period analyzed and increased the total number of donors in two of the three periods, as shown below:

### Donor Upgrading

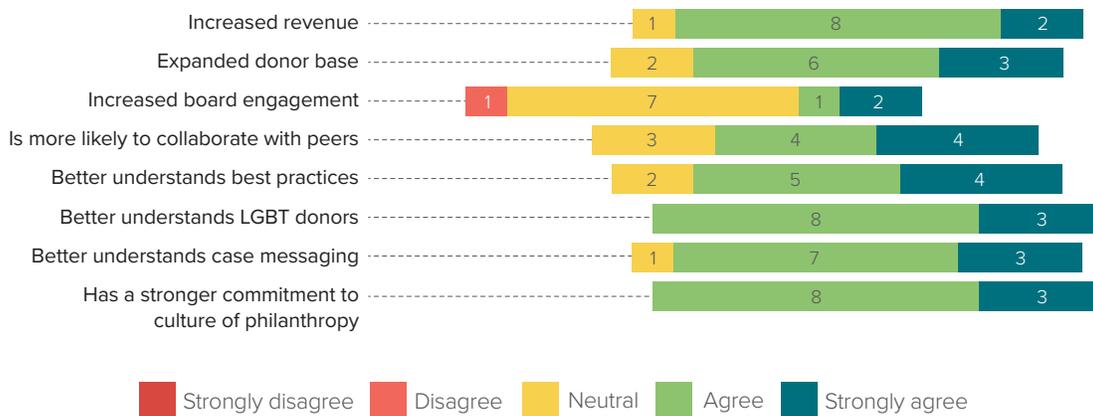
During the 18-month period evaluated, **six of the nine organizations increased the number of donors**, and gains in this area were more modest than contributed revenue gains. In total the number of donors increased by 1,074 among the CenterLink cohort (17% increased) and 696 among the Equality Federation cohort (5% increase). The total changes in donor numbers ranged from a decrease of 14% to an increase of 313%. The median change in contributed revenue was 12% and the average, after excluding the 313% outlier, was 7%.

Overall, organizations participating in the project reported that their involvement in and of itself provided them increased visibility and credibility, especially strengthening their relationships with institutional funders. Many organizations touted their participation in the project within their networks and noted that it demonstrated their commitment to industry best practices and improving the effectiveness and impact of their work.

## Other Gains from the Project

In terms of other functional and cultural improvements that resulted from the project, participants noted that their involvement benefited their organizations across a range of measures, as shown below:

As a result of this project, our organization...



*Note: In some cases, more than one representative from an organization provided input on these questions, resulting in responses that total more than nine.*

## Findings on Donor Giving Behaviors

The cohort phase of the LGBT Giving Project provided organizations with support to encourage existing donors to increase their support in addition to testing methods for acquiring new donors and reengaging lapsed donors. Organizations typically saw greater success with their efforts to increase giving from current donors, which came through explicit upgrade requests in appeals developed through the project as well as through an increased focus on deepening relationships with donors with major gift potential.

- For one organization, a specific upgrade request in the 2016 year-end appeal resulted in 49% of donors who responded to the appeal making an upgraded gift over the prior year, on average increasing their donations by 130%.
- Tracking the number and value of donors giving \$1,000 or more reflected a growing emphasis on major gifts for several of the cohort organizations. One relatively small advocacy organization grew from just 7 donors of \$1,000 or more in 2015 to 24 donors at this level in 2016, fueling much of its total revenue growth during the project. A community center that already had an impressive roster of donors at the \$1,000+ level grew from 301 donors to 327 while also increasing the average gift from donors at that level by \$124; taken together, those gains in a small increase in new donors and substantial upgrades at the top of organization's donor pyramid comprised about half of the organization's total revenue growth during the project.

Organizations typically saw greater success with their efforts to increase giving from current donors rather than acquisition of new donors.



Efforts to acquire new donors through the project illustrated the challenge that many nonprofit organizations face in converting broader networks and colder audiences into donors, a challenge that is further compounded for identity-focused causes seeking to engage non-donors where aspects of their identity (such as gender identity, sexual orientation, race, etc.) may not be readily apparent. Acquisition efforts were costly, and the efficacy of some efforts was difficult to track due to organizational infrastructure. **The most successful acquisition efforts were those that occurred during a time when organizations could draw on a moment of political urgency that heightened interest from non-donors and raised the profile of the organizations working on that issue to the level where new donors “self-selected” in by making a gift often unprompted.**

- Facebook ads tested for one statewide advocacy organization during a high-profile campaign to defeat a discriminatory “religious liberty” bill yielded 53 new donations and an average gift just over \$100.
- Similarly, another advocacy group saw its greatest gains in the number of donors as it worked on the frontlines to defeat a discriminatory “bathroom bill.”
- The post-election appeal for one community center yielded a nearly identical return among non-donors as the prior year, but the average gift increased by nearly 50%, bringing the cost to raise a dollar for that segment to a reasonable \$1.07.

Other acquisition efforts that weren’t as explicitly tied to a moment of political urgency were less successful. One advocacy organization tested appeals to a “warm” audience of mailing list subscribers who had not given as well as “cold” audience of non-donors identified through the Equality Federation’s Equal Treatment Model.<sup>1</sup> The two audiences had identical response rates of 0.70%, on target with best practices. However, the average gift from mailing list subscribers was \$113, three times the average gift from the VAN list. The VAN list appeal proved incredibly costly with a cost per dollar raised of \$6.01, compared to the subscriber list cost of \$1.92 (also higher than ideal).

The project also provided several opportunities to test the impact of matching gift challenges on leveraging donations. The results showed that **matching challenges can be highly effective for motivating gifts from existing supporters, but results for matching challenges with non-donors were less conclusive.** Several organizations structured matching challenges that they promoted on GiveOUT Day, predominantly through social media, and these organizations successfully maxed out their matches. One community center also leveraged a \$500,000 matching grant throughout 2016, highlighting this giving opportunity in its year-end appeal, on its website, and through social media; this center had the highest year-end response rate from current donors of any CenterLink members and had an average gift of \$224 in response to the appeal, compared to an average of \$166 among the cohort.

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<sup>1</sup> The Equality Federation Equal Treatment Model relies on the Voter Activation Network (VAN) data to target the right people for engagement on LGBT issues. This predictive tool scores every voter on how likely they are to support nondiscrimination protections—even after being exposed to oppositions’ fear-mongering messages—as well how likely they are to take action or need education to shore up support.

The broadest matching gift test among non-donors came through a boosted video ad in early 2017 that eight of the nine organizations ran on Facebook. The ad concluded with a call to action to donate, with a donor’s impact doubled through a matching gift challenge of up to \$1,000 (per organization). Of the eight organizations that ran the ad, two met/exceeded the full \$1,000 match, two partially met the match, and four raised roughly the same or less than they had in the prior period. These ads targeted audiences that were not already engaged with the organizations, focusing on those who identified as or were interested in the categories of gay, lesbian, bisexual, transgender individuals, or LGBT parents.

While the ability to target based on self-selected identity and/or interest area is more precise via social media ads than other acquisition efforts such as email and mail list purchases, the results provided mixed evidence on whether matching challenges in the social media environment are effective for motivating a non-donor to make a first-time gift.

### Findings on Donor Messaging

Although more of the cohort phase of the project turned to focus on capacity building and training for participating organizations, there were several opportunities to test the efficacy of various message frames that were highlighted in phase one. CenterLink organizations used year-end appeals and a donor survey to test an activist-oriented message (akin to the “equality” frame from Phase 1) against a community-focused one (similar to the “stronger together” frame from Phase 1). Equality Federation organizations tested an “equality” message against the “stronger together” frame using appeals, tested several additional messages frames through Facebook ads, and tested the activist and advocate archetypes from the first phase in its 2016 appeals.

Although a deeper examination of the data from the phase one survey by different types of respondents yielded nuances in how those donors responded to different messages frames, phase two revealed that the capacity challenges among organizations meant that segmenting donor appeals by more in-depth characteristics (such as by gender identity, race, or age) was not possible.

In 2015, the CenterLink organizations had stronger responses using an activist-focused appeal than a community appeal with non-donors and lapsed donors. (Existing donors were suppressed from the 2015 appeal.)

	Lapsed Donors		Non Donors	
	Activist	Community	Activist	Community
Response Rate (Total)	1.32%	0.42%	0.31%	0.35%
Response Rate (Mail)	1.34%	0.40%	0.41%	0.50%
Response Rate (Email)	0.85%	0.96%	0.00%	0.08%
Revenue (Total)	\$11,280	\$1,750	\$1,842	\$1,655
Revenue (Mail)	\$9,780	\$1,615	\$1,842	\$1,355
Revenue (Email)	\$1,500	\$135	\$0	\$300
Cost Per Dollar Raised	\$0.42	\$2.56	\$2.67	\$2.45
Average Gift	\$125	\$67	\$61	\$57

While the ability to target based on self-selected identity and/or interest area is more precise via social media ads, the results provide mixed evidence on whether matching gift challenges in the social media environment are effective for motivating a non-donor to make a first-time gift.

What proved more significant among the Equality Federation cohort members was to share an appeal with a strong sense of urgency and a personal story that illustrated the individual impact of the organization's work.

A donor survey of CenterLink donors in 2016 did not yield as clear a “winner” among the two tested messages. Respondents were asked to select which message appealed to them more from a series of several samples. Among regular donors, the community message slightly outperformed the activist message (53 percent to 47 percent), and among occasional donors, the reverse was true (53 percent preferred the activist message). Because occasional donors are most analogous to the lapsed donor audience from the year-end appeal, this finding supports the lapsed donor preference for the activist message, though the result was not as divergent as it was in the year-end appeal response.

These two findings suggest that those who already know their community centers well may appreciate the “heart of the community” idea that is core to many centers’ case for support, whereas those who don’t already support their center may be more motivated to do so if centers adopt a somewhat more aggressive tone and focus on the role centers play in moving the LGBT community toward greater equality.

Similarly, an appeal for one member of the Equality Federation cohort in early 2016 showed that non-donors preferred an equality-focused messages whereas current donors were more likely to respond and made higher gifts if they received the “stronger together” message. Results were less conclusive with other members of the Equality Federation cohort, with some having insufficient sample sizes to conduct split testing or to draw meaningful conclusions. **What proved more significant among the Equality Federation cohort members was to share an appeal with a strong sense of urgency and a personal story that illustrated the individual impact of the organization’s work.**

These findings changed significantly with the year-end appeals sent in 2016, distributed just after the election. Among both cohorts, response rates and average gifts were nearly identical regardless of message, suggesting that **the timing of the appeals closely on the heels of the election was more motivating to respondents than the message they received.** Indeed, both cohorts saw major gains in response rates and gifts compared to the appeals sent in 2015.

Following the conclusion of the cohort phase, the LGBT Giving Project further tested donor attitudes and responses to message with a focus on understanding changes in the post-election environment. Through focus groups and a comparative donor and general LGBT population survey, the project found that the message that best resonated with donors and potential donors was one that:

- Conveyed urgency and clear call to action
- Focused on the importance of an intersectional movement
- Noted the need to make change on a local level as well as a national one
- Acknowledged that the challenges we face today are a reflection of long-standing prejudice

More details on the phase three research is provided in the section that follows on Phase 3.

## Resource Library Inventory

The Project resource library includes more than 50 unique resources, including templates, samples, background research, and training presentations. Highlights include:

- Culture of Philanthropy
  - Training on board roles and engagement in fundraising and board member annual action plan template
  - Development retention risk assessment tool
- Development Planning
  - Scorecard template for development goals and performance measures beyond dollars raised
  - Special event evaluation tool
- Donor relationship building
  - First 100 days engagement plan for new donor
  - Relationship management handbook
  - Donor and prospect strategy development guide
  - Solicitation training materials
  - Planned giving overview
- Communications and case for support
  - Sample appeal letters
  - Case development worksheet
  - A/B testing tracking tool
- Messaging takeaways from Phase 1 to guide donor-focused communication

## Best Practices and Replicability Across the Movement

Although the LGBT Giving Project sought out to understand the unique factors that might motivate LGBT individuals to give to the movement, one of the most powerful, if not surprising, takeaways was how similar the organizations that comprise the movement are to the vast array of nonprofit organizations within the sector. The capacity issues and demands on staff members' time and attention that emerged in the project are seemingly universal, especially for small and mid-sized organizations, and it remains an ongoing challenge to meaningfully engage with, deeply understand, and consistently apply best practices to their development operations.

During the course of this phase, the funders and consultants found that what proved to be most effective was a combination of **in-person collaborative learning opportunities** with a focus on best practices in development; access to a **collection of plug-and-play resources**, tools, and templates; and **individualized, hands-on technical assistance** to help organizations apply these learnings and resources to their specific situations. In particular, an investment in a relatively modest amount of individualized consulting had substantial return for organizations.

The **cohort learning approach** provided opportunities not only for organizations to learn together but also to create meaning together from what they were learning in the context of their own experiences, to troubleshoot ideas with one another, to see a path forward around a particular problem based on what a peer had achieved, and to simply know that they were not alone in facing a common challenge.

Cohort members reported that they were more likely after the project to collaborate with their peer organizations or to reach out to a fellow cohort member with a question or idea. While the two-day gatherings were an expensive element of the project, cohort members noted that the dedicated time in person was crucial because it forced them to step outside of their day-to-day work and focus on development strategy and training for a sustained period. In the second cohort convening, attendees participated in peer-to-peer learning sessions with people with similar jobs (e.g., executive directors, development directors, etc.). This change, which allowed for more candid sharing of shared challenges, received extremely positive reviews.

Following the cohort phase, the steering committee and consultants used the model of dedicated in-person group learning to bring the results of the project to additional organizations within the LGBT movement, leading several intensive workshops, including two full-day sessions, in conjunction with existing conferences in the movement (Creating Change, CenterLink Leadership Summit, and In Our Own Voices).

The **resource library** created through the project included a wide range of templates and samples that organizations could access, tailor, and put to use within their organizations. These tools were based on best practices and crafted in conjunction with the organizations to ensure they met their needs and would be useful both to the cohort and other organizations

within the movement. Beyond the cohort phase, the conference-based workshops mentioned above were designed around equipping participants with these tools and resources, and the resources have also been shared more broadly through webinars with CenterLink and Equality Federation as well as an email/blog post series hosted by Horizons Foundation.

Finally, the in-person learning and availability of tools and resources were most effective when combined with **hands-on, individualized technical assistance** that involved consultants working closely with organizations to consider how best practices applied to their unique situations, to troubleshoot issues as they arose, to help them work toward specific goals, and to provide accountability for follow up. Given the individualized nature of this work, this element of the project is the most difficult and costly to replicate beyond the cohorts involved in phase two.

## Key Recommendations

Based on the findings from the LGBT Giving Project's second phase, and building upon the project's earlier research, Campbell & Company and Metropolitan Group developed a set of recommendations for the field of LGBT organizations, particularly community centers and statewide advocacy groups.

Each of the recommendations provides a brief rationale and includes a table of steps for how organizations at different levels can work toward implementing the recommendation. These may be found at Appendix 3. The recommendations are also largely reflected in the Silver Lining email series distributed via Horizons Foundation in the summer and early fall of 2017. This series is available at <https://www.horizonsfoundation.org/wp-content/uploads/2014/09/Silver-Linings-Toolkit.pdf>.



## Beyond Capacity: Confronting Issues of Diversity, Equity, and Inclusion

One element of the work with the cohorts that continually emerged was the challenge of diversity, equity, and inclusion within their organizations and donor bases and in the movement more broadly. This included the makeup of the cohort representatives themselves: two people of color among the 25 folks who were involved, and none to our knowledge who identified as transgender or gender diverse. Organizations noted—and the donor survey confirmed—that their donor bases were relatively homogenous—largely white, male, cisgender, older, and relatively affluent. Those organizations that had women and/or people of color in key leadership roles had more diverse donor bases from racial or gender perspectives. Specifically, the two centers with women as executive directors (Cleveland and Colorado) had significantly larger proportions of female-identified donors, as shown below.

Gender Identity of CenterLink Donor Survey Respondents			
	Male	Female	A Different Preferred Term
The Pride Center at Equality Park	80%	19%	1%
The LGBT Community Center of Greater Cleveland	56%	41%	3%
The GLBT Community Center of Colorado	46%	52%	2%
William Way LGBT Community Center	62%	34%	4%
<i>National Survey Results (Phase One, 2014)</i>	63%	34%	3%

All of the organizations acknowledged staff and donor diversity as a challenge, and this became an important focus area in the in-person convenings for discussion. By the end of the project, many of the cohort members were in different places in terms of their thinking about what that meant for their work and required of their leaders.

It is also important to note that the LGBT movement more broadly includes a wide array of small and mid-sized organizations led by and/or focused on serving people of color, transgender, and gender-diverse individuals and communities. These organizations have historically been under-resourced and in many cases have more strained capacity than the organizations engaged through the cohort, including many who operate without any paid staff, let alone paid development staff. These organizations may not see themselves reflected in the resources, tools, and trainings coming out of this work and may not be in the same position to meaningfully adopt and implement these best practices. This speaks to a size, structure and capacity disparity between those organizations that were part of the project and the broader movement, a disparity that is inextricably linked to questions of equity within the movement.

Engaging “end-users” (organizations) in research design is important to ensure the resulting research speaks to their needs and is usable based on their capacity.

## Reflections on Phase 2 Design

In evaluating the LGBT Giving Project, the steering committee and consultants developed several recommendations for how they might have approached the project differently based on what they learned:

- Engaging “end-users” (organizations) in research design is important to ensure the resulting research speaks to their needs and is usable based on their capacity. This step might have shifted the first phase of the project to a deeper exploration of organizational capacity issues rather than donor motivations and messaging. Additionally, engaging researchers for phase one with expertise in fundraising and donor engagement may have been beneficial.
- The cohorts mostly functioned by mission (community centers and statewide advocacy groups), and it wasn't until later in the project that cohort members began to work across mission and more by function (ED and DOD). These opportunities proved valuable for deeper discussion of the issues relative to each title.
- Using a competitive application process with clear responsibilities and deliverables for the cohort phase, rather than recommendations from CenterLink and Equality Federation, would have ensured buy-in. Asking boards to review and commit to the project also would have built greater understanding of the goals across the organizations' leadership.
- The project shifted to a more equitable allocation of consulting resources across all cohort members partway through and should have been designed with this approach from the outset.
- Engaging board members in the process, including a representative during in-person convenings as well as through more intentional updates and discussions with full boards, would have been an effective way to build greater organizational commitment to the work and help develop a stronger culture of philanthropy in the process.
- It could have been effective to position the cohort members as “owning” more of what they were learning by asking them to present to the steering committee and/or to present to one another on what they were learning and improving through their technical assistance.
- Beyond dollars raised and number of donors, a more rigorous and regular assessment of cohort member progress would have proven valuable, including, potentially, evaluation against a control group.
- The steering committee met monthly by phone for much of the project and would likely have benefitted from meeting more frequently at times and meeting in person at the beginning of the work and at key points throughout. Involvement from CenterLink and Equality Federation on the committee also would have been beneficial.



## PHASE 3: “SILVER LININGS” MESSAGING RESEARCH

### PHASE 3: “SILVER LININGS” MESSAGING RESEARCH

The results of the 2016 presidential elections triggered significant increases in donations to left-of-center groups. The ACLU, for example, more than quadrupled its number of members in the 15 months after the election. To better understand if there might be similar levers increase LGBT-related giving, the project retained Campbell & Company and Metropolitan Group to conduct a two-fold survey that included two distinct distribution channels—a nationally representative sample of LGBT individuals from research firm GfK’s Knowledge Networks panel (“national survey”), and a channel focused on LGBT individuals with connections to LGBT organizations, distributed through seven partners (“organizational survey”). The surveys were distributed in the summer of 2017. The national survey had 856 respondents, and the organizational survey had 546 respondents. The surveys explored respondents’ activities, emotions, priorities, and motivations since the election; their giving to charitable causes and LGBT organizations specifically; and their reactions to eight sample messages an LGBT organization might use to motivate contributions.

The firms narrowed and refined the tested messages based on the survey results. These updated messages served as the main topic for a series of eight focus groups—two each in San Francisco; New York; Columbus, OH; and Jacksonville, FL. Held in late August 2017, these focus groups invited participants to share more about what they did and did not like about the tested messages, in addition to broader discussion on their cares, concerns, and priorities, particularly since the presidential election.



#### SILVER LININGS FUNDRAISING

REPORT ON LGBT GIVING NATIONAL RESEARCH

UPDATED JANUARY 2018

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Through the research, a single message clearly emerged as the most compelling, a message frame called “Truly Safe,” which is reflected below with slight modifications based on input from the focus groups:

***The prejudice, hatred, and violence toward LGBTQ people that the election of Donald Trump unmasked are stark reminders that our community is still under threat. That’s especially true for transgender people, LGBTQ people of color, and LGBTQ immigrants. The fear and ignorance behind these threats are deeply embedded in this country and won’t go away on their own. We must fight for change, locally and nationally, because none of us will be truly safe until we all are.***

Elements of this message that most resonated with LGBT individuals included:

- The statement’s urgency and clear call to action
- Its focus on the importance of an intersectional movement
- The attention on the need to make change on a local level as well as a national one
- The acknowledgement that the challenges we face today are a reflection of long-standing prejudice

Beyond the tested messages, the survey and focus groups also provided insight into LGBT individuals’ attitudes and priorities since the election, including the following key findings:

- Common cares among LGBT individuals include their health and wellbeing, family, community, education, financial security, safety, and rights.
- Top concerns in the current landscape include LGBT rights, healthcare, and the environment.
- Since the election, individuals who had an existing connection with an LGBT organization have been highly active, with nearly 9 in 10 reporting some form of civic, political, and/or philanthropic engagement, the most common being having contacted an elected official or having donated to a nonprofit organization they had not previously supported. The national sample of LGBT individuals reported significantly less engagement, with just under half having undertaken any of the menu of activities.
- Those who had been more engaged in some way shared that anger and determination have been the primary emotions driving their increased involvement.
- Survey respondents shared that they largely feel less optimistic than they did a year ago that the challenges facing the LGBT community will be resolved in the next few decades, and focus group participants expressed their own discouragement in the wake of the election as well.
- Individuals who were connected to LGBT organizations tended to be more philanthropic overall and more likely to support LGBT causes than the general LGBT population, as would be expected. Among those who had donated to LGBT causes in the past year,



organizational survey respondents had given a median of 50% of their contributions specifically to LGBT organizations, and national survey respondents had given a median of 25%.

- Most donors to LGBT causes had maintained steady giving since the election, but 36% of organizational respondents and 23% of national respondents had increased their giving to LGBT organizations.
- Similarly, most donors said they planned to hold their giving steady in the next two years, but 41% of organizational respondents and 34% of national respondents reported that they plan to increase their giving to LGBT organizations. Among those who had never given to an LGBT organization, 35% said they would consider giving over the next two years.
- Donors who planned to increase or maintain their support for LGBT causes in the future most often cited the following motivations: legislative attacks on LGBT rights, the uncertain political climate, improved financial position and ability to donate, and increased hate crimes against LGBT people.
- Nearly half of the respondents who said that they had never given to an LGBT organization but would consider doing so noted that the main reason they had not given before was a lack of connection or awareness to any LGBT organizations or never having been asked to give.

The results of this research were included in a 44-page report disseminated to all groups who participated in Phase 1 research and summarized in a webinar conducted by the consultants.

The prejudice, hatred, and violence toward LGBTQ people that the election of Donald Trump unmasked are stark reminders that our community is still under threat. That's especially true for transgender people, LGBTQ people of color, and LGBTQ immigrants.

PHASE 4:  
TAKING IT ON  
THE ROAD



## PHASE 4: TAKING IT ON THE ROAD

This phase was focused on fulfilling the Project’s goal of sharing its findings as broadly as possible within the LGBT movement. This was accomplished through a wide range of presentation for executive and development directors, board members, and other staff from LGBT-focused organizations and funders, led the Project consultants, Sarah Anderson of Campbell & Company and Beth Strachan of Metropolitan Group.

They included day-long sessions, a keynote presentation, and four breakout conference sessions. In nearly every case, the sessions were structured around content “modules”—such as crafting a case for support or enhancing donor retention—drawing on the findings of the Project and the tools developed in collaboration with the Phase 2 cohort organizations. The format typically included a mixture of relevant project findings and best practice training, with an emphasis on engaging organizations in small groups in a workshop format where they could learn from one another as they worked through a tool or template that they could then immediately bring back to their organizations, such as a development goal-setting scorecard or a 100 days donor retention plan.

Presentations included:

- Equality Federation Leadership Summit (July 27, 2017 in Alexandria, VA)
- CenterLink Leadership Summit (September 16, 2017 in Scottsdale, AZ)—keynote
- Creating Change (January 26, 2018 in Dallas, TX)—breakout
- CenterLink Leadership Summit (September 17, 2018 in Rochester, NY)—day-long institute
- In Our Own Voices—Unity Through Diversity Conference (October 06, 2018 in Albany, NY)—keynote followed by breakout

- Creating Change—Development Institute (January 24, 2019 in Detroit, MI)—day-long institute
- Funding Forward (March 21-22, 2019 in Tucson, AZ)—breakout
- CenterLink Leadership Summit (September 21, 2019 in Los Angeles, CA)—two breakouts on case development and culture of philanthropy.

Based on feedback received through direct evaluations, participants found the content very helpful, rating the presentations around a 4.5 on a scale of 1-5 (where 5 is “very helpful”) and sharing positive feedback such as “This is the kind of nuts and bolts stuff that I came to the [CenterLink] Summit to get.”

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—THE METROPOLITAN GROUP AND CAMPBELL & COMPANY

# LGBT Giving Project

## Significant LGBT Developments

2011	Meeting of LGBT leaders, fundraising experts, and foundation leaders meet to whether the Project is needed	Barack Obama is president Congress repeals the “Don’t Ask/Don’t Tell” law
2012	LGBT executive directors endorse moving forward with the project  Phase 1 qualitative research launched	Voters in four states endorse marriage equality
2013	Phase 1 quantitative research launched  Nearly 7,000 LGBT donors complete lengthy survey of attitudes	US Supreme Court strikes down the “Defense of Marriage Act” ( <i>Windsor</i> )
2014	Research team completes survey of “general population” LGBT individuals	Anti-LGBT forces launch nationwide effort to undermine marriage equality through “religious liberty” claims
2015	Phase 2 begins with two cohorts of LGBT groups working with fundraising consultants	US Supreme Court extends the freedom to marry nationwide ( <i>Obergefell</i> )
2016	Fundraising consultants continue work with the two cohorts Movement Advancement Project (MAP) begins producing detailed analyses of six specific LGBT donor communities  MAP completes report on the development capacities of 35 organizations	Anti-LGBT forces introduce a record 144 anti-LGBT bills in state legislatures  Donald Trump is elected president
2017	Phase 2 work with the two cohorts wraps up and final reports with findings and recommendations completed  MAP completes “deep data dive” reports  Phase 3 “Silver Linings” research begins with baseline surveys and focus groups. Report on findings and recommendations issued  Phase 4 “Taking it on the Road” begins with two presentations	President Trump issues order banning transgender people from serving in the military  Trump administration begins reversing pro-LGBT policies secured under the Obama Administration
2018	Phase 4 “Taking it on the Road” continues	Trump administration continues to reverse pro-LGBT policies secured under the Obama Administration  US Supreme Court waffles on whether private businesses may refuse service to gay couples
2019-2020	Phase 4 “Taking it on the Road” continues  Final Giving Project report issued	US Supreme Court will decide if existing federal laws protect gay and trans people from employment discrimination

APPENDIX 1:

# LGBT Giving Project Timeline

## APPENDIX 2:

# Organizations Submitting Donor Data for Phase 1 Research

- ACLU LGBT Rights Project
- API Equality-LA
- Asian & Pacific Islander Wellness Center
- Basic Rights Education Fund
- Bolder Giving
- COLAGE
- DignityUSA
- Empire State Pride Agenda
- Equality California
- Equality North Carolina
- Equality Ohio
- Equality Pennsylvania
- Equality Utah
- Equality Virginia
- Fair Wisconsin
- Family Equality Council
- Freedom to Marry
- Gay & Lesbian Elder Housing
- Gay & Lesbian Victory Fund
- Gay City Health Project
- Gay-Straight Alliance Network
- Georgia Equality
- GLAAD
- GLAD
- Horizons Foundation
- Immigration Equality
- Indiana Youth Group
- Keshet
- Los Angeles Gay & Lesbian Center
- Lambda Legal
- Lyon-Martin Health Services
- LYRIC
- MassEquality
- More Light Presbyterians
- National Black Justice Coalition
- National Center for Lesbian Rights
- National Center for Transgender Equality
- National Gay and Lesbian Task Force
- New York City Anti-Violence Project
- New York LGBT Community Center One Colorado
- Our Family Coalition
- PFLAG
- PFund
- Pride Foundation
- PROMO
- Q Center
- SAGE
- SF LGBT Community Center
- SoulForce
- The Center Orange County
- Transgender Law Center
- Trevor Project
- Utah Pride Center
- William Way LGBT Community Center
- Williams Institute

**Women (N = 2,277)**

- ***Opinion of LGBT organizations:*** LGBT women were more likely than LGBT men to have a “very favorable” opinion of LGBT organizations; however, they were far more likely to think LGBT organizations are too male-dominated. They were also more likely to state that they stopped donating to an LGBT organization because the organization failed to prioritize lesbian issues. This suggests that an organization’s ability to highlight LGBT women in leadership positions in the organization (among both staff and board) and/or demonstrate a commitment to programs that impact LGBT women may increase a female-identified donor’s likelihood of giving.
- ***Reaching women donors:*** The most untapped method for reaching women donors is reaching out to them at a center where services are provided. A third of women (35%) had not been solicited this way but would donate if they were. Contrary to the perception of some that women are not event attendees, two-thirds (65%) had made event donations, comparable to email solicitations (67%) and in response to a personal ask (67%)
- ***Issue priorities:*** The highest issue priorities among all LGBT women were the following: “Challenging and changing laws to improve the lives of LGBT people”; “Ending workplace or employment discrimination”; and “Working for equal rights in general.” Employment issues were ranked particularly high among single women, whereas relationship recognition and family issues were highest among married women.
- ***Planned giving:*** Similar to the overall survey sample, LGBT women were motivated to make LGBT-related planned gifts for two main reasons: 1) to help future LGBT generations; and 2) to continue their commitment to the LGBT community. Both of these motivations speak more to LGBT women’s deep connection to LGBT people and causes rather than a sense of personal legacy (which was rated lower by women and the survey sample as a whole).

Organizations may want to consider framing their planned giving programs as “sustainable giving.” This framing aligns with the commitment among LGBT women to sustaining the work of LGBT organizations and to staying involved in the community for the long term.

**High Household Wealth (N = 2,014)**

“High household wealth” was regarded as wealth of \$750,000 or more.

Among the findings:

- ***National causes:*** High household wealth donors (HHWD) were more likely to give to organizations with a national focus and with political goals. This may be due to the reality that larger national organizations have the capacity to do more and “higher touch” outreach.

- ***Stopping giving:*** The main reasons cited by HHWD for decreasing or ending donations were (a) an impression that the organization was run inefficiently or seemed ineffective; and (b) receiving too many asks for donations. It's possible that HHWD may have higher expectations for efficiency and personalized asks because they are frequently solicited by larger, perhaps non-LGBT organizations with dedicated major gifts departments that engage very smoothly with them. Over-solicitation of WWHD may contribute to the impression of an organization being run inefficiently.

Organizations are encouraged to increase personalization and, once a donation is secured, ensure that another ask does not too quickly follow and have other non-ask “touches” with these donors (such as an invitation to a non-ticketed event). They should also demonstrate how funds are used along with tangible outcomes.

- ***Methods of making asks:*** Most traditional methods used to obtain a donation—mail, events, email, and personal asks—were more successful with HHWD than other donors. For example, 79% had contributed by mail (vs. 60% for other donors); 78% via fundraising events (vs. 62% for other donors), 76% via email (vs. 68% for other donors), and 74% through personal asks (vs. 66% for other donors). (The exceptions were street solicitations and phone calls.) The survey also suggests a substantial opportunity for increasing donations from HHWD through personal one-on-one solicitations. Nine in 10 respondents indicated a willingness to donate if contacted by someone they know.

### Rural Donors (N = 684)

- ***Liberal leanings:*** Just as many LGBT people in rural areas identified as “liberal” or “very liberal” as urban donors (84% vs. 84%). This suggests that organizations do not need to “tone down” their appeals that focus on progressive values and use liberal messages to reach rural donors.
- ***HHNW households:*** The proportion of rural households reporting household wealth over \$1 million (21%) was similar to their urban peers (23%). Given their comparable levels of household wealth, rural LGBT people should not be overlooked by LGBT organizations as a source of donations. They may also be a worthwhile population to solicit for planned giving to LGBT organizations, including real estate.
- ***Marriage/partnerships:*** Rural donors are more likely to be married or in a domestic partnership (48% vs. 42% urban) and have children (29% vs. 21% urban). This indicates appeals based on protecting marriage equality and family safeguards may be successful.
- ***Less “activist”:*** Rural donors are less responsive to “The Activist” archetype<sup>1</sup> (39% vs. 44% urban). This suggests appeals to rural donors should use other identity frames.
- ***Personal asks:*** Rural donors have a greater preference for one-on-one methods of solicitation, but *not* phone calls or street solicitations.
- ***Privacy:*** Rural donors are less out than their counterparts, which suggests that mailings to them should not inadvertently out them by having “gay” or “LGBT” printed on the outside envelope.

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<sup>1</sup> “The Activist: We will only create change in America if we fight back against intolerance and hate.”

## LGBT People of Color (N = 783)

This report was based on the responses of 783 individuals who self-identified as LGBT people of color, comprising about 12% of total respondents. Of these, 154 identified as African American/Black (20%), 202 identified as Hispanic/Latinx (26%), 108 identified as Asian/Pacific Islander (14%), and 225 identified as mixed race (29%). *Given that other data show that people of color make up at least one-third of the total LGBT population (vs. 12% of the survey respondents), the report's finding could not be interpreted as representative of all LGBT communities of color.* The low representation of people of color may be due to the overall lack of engagement of LGBT people of color as donors to the participating organizations.<sup>1</sup>

Similarly, the relatively low numbers of respondents from different sub-groups (African Americans, Latinx communities, Asian/Pacific Islanders, and mixed-race people) made it impossible to draw statistically meaningful comparisons across these groups and required that the majority of the analysis be based on LGBT people of color as one group.

- ***Portion of giving LGBT causes:*** LGBT people of color were slightly more likely to devote a majority of their charitable giving to LGBT causes (53% for POC relative to 48% for non-POC). This finding strongly indicates that, contrary to what some may assume, LGBT organizations should be affirmatively reaching out to LGBT donors of color—and potential donors of color—because they generally place high priority on giving to LGBT causes.
- ***View of LGBT nonprofits:*** LGBT people of color were somewhat less likely than white LGBT people to have a “very favorable” opinion of LGBT organizations. Overall, 87% of LGBT people of color viewed organizations “very” or “somewhat” favorably, relative to 91% of non-POC respondents. Among the chief concerns were that LGBT organizations are often male-dominated and too focused on winning same-sex marriage. This is consistent with the survey finding that LGBT people of color were more likely to prioritize diversity (gender, racial, socioeconomic status) in staff, leadership, and board service and less likely to identify winning same-sex marriage rights as an issue priority.

These findings suggest that organizations seeking to increase giving among LGBT people of color may consider prioritizing inclusion and diversity in staff and board positions and/or demonstrate a commitment to programs that impact diverse populations. Organizations might also want to highlight programs and policy initiatives that are intersectional in purpose and execution i.e., programs that elevate the needs of people of color, women, transgender people, low-income people, and people with disabilities and are led by people in these communities. Finally, organizations should consider how a lack of diversity among volunteer leadership, in the development department, and among senior staff may discourage LGBT people of color from donating to the organization. This is especially important given that LGBT people of color said they were more likely to donate when approached with a personal ask.

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<sup>1</sup> Of the 56 organizations that participated in the survey, less than five had a specific organizational focus on a community of color. In addition, according to a 2015 Blackbaud report, Black and Latinx individuals are underrepresented as donors to nonprofits in general, likely because many organizations utilize fundraising models that predominantly cater to and look for white donors (as opposed to Black and Latinx donors being less generous than white donors).

- **Issue priorities:** LGBT people of color were much more likely to list social service provision as an issue priority. In fact, LGBT people of color were more likely to support organizations to the extent that they prioritize community services, including services for LGBT youth and LGBT older adults specifically.

Organizations may want to highlight the direct social services they provide in outreach to LGBT people of color, if possible. Organizations that do not provide social services may want to highlight ways in which their work has impacted the availability and provision of those services (through litigation, funding, partnership, or other avenues).

- **Transgender concerns:** LGBT people of color were more likely to support increasing services to transgender people. They also were more likely to support organizations that increase their focus on transgender issues. Conversely, they were more likely to report stopping gifts for failure to prioritize transgender issues (29%).

This finding suggests that an organization's ability to highlight transgender people in leadership positions (both staff and board) and/or show a commitment to programs and advocacy that impact transgender people may increase the likelihood of giving from LGBT people of color.

- **Racial identity:** LGBT people of color were more likely to state that their racial identity is an "equally or more defining aspect" of their identity than their LGBT identity (53% vs. 11% for non-POC).

This finding suggests that organizations that are able to demonstrate a commitment to racial justice could increase donor engagement among LGBT people of color. Whenever possible, organizations also should consider emphasizing services that address racial disparities, as well as advocacy for intersectional policy initiatives.

LGBT people of color still are a minority of LGBT people generally, so events and gatherings that are not intentionally or specifically focused on race and ethnicity may be seen as "white" events and may not appropriately reflect the experiences and priorities of LGBT people of color.

- **Religion:** LGBT people of color were more likely to be members of a number of specified religious groups.

Organizations should explore ways to expand donor outreach to include churches and religiously affiliated groups, particularly those that primarily serve people of color. Organizations also may want to consider ways to highlight interfaith programs and services at their organizations.

## Transgender People (N = 412)

The relatively small sample size of transgender people (412 respondents, representing 5% of the total), presented limitations on the confidence that could be placed in the findings. Therefore, this report was meant to be a starting point in exploring ways to hopefully increase organizations' outreach to and engagement of transgender people.

- ***Population differences:*** Transgender respondents were younger, had lower incomes, and had lower levels of household wealth than cisgender respondents; they also tended to give smaller amounts to LGBT organizations. Transgender respondents were more likely to give when presented with message frames that speak to community involvement and sustainability.

These findings suggest that organizations seeking to increase giving among transgender people could explore the development of campaigns that highlight the importance of small, monthly donations. In outreach efforts, organizations could frame small monthly donations as a critical way to be involved and to guarantee the long-term success of critical programs.

- ***View of LGBT groups:*** Transgender respondents were more likely to have a “Very Favorable” opinion of LGBT organizations; however, they also were far more likely to think LGBT organizations are too male-dominated. Compared to cisgender respondents, transgender respondents also were far more likely to endorse efforts by LGBT organizations to prioritize diversity among staff and leadership and to focus on issues that affect transgender people.
- ***Stopping giving:*** It was notable that transgender people stopped giving for starkly different reasons than those cited by other population subgroups. Almost all other groups stated that their top reasons for stopping giving were related to issues such as over-solicitation and a perception that an organization was ineffective. Transgender people, on the other hand, placed far more emphasis on the degree to which an organization focuses on transgender issues and diversity when making decisions about whether to continue their support.

The above two findings suggest that organizations reaching out to transgender donors should prioritize diversity in board and staff positions and/or demonstrate a commitment to programs that impact transgender people, people of color, women, and youth. Organizations also should consider using local transgender people as spokespeople for their campaigns.

- ***Children:*** Transgender respondents were more likely than cisgender respondents to have children (36% vs 22%). This is consistent with findings from the 2015 U.S. Transgender Survey Report, which showed that 38% of transgender respondents were parents, with 18% reporting that they currently have at least one dependent child. Also, transgender respondents were more likely to respond to message frames emphasizing the need to help protect future generations.

These findings suggest that transgender people may be motivated to donate to organizations that have programming for families and that specifically include transgender families in their programming.

- ***Portion of giving to LGBT:*** Although transgender people gave smaller total amounts to LGBT organizations compared to cisgender people, *they were more likely to devote a majority of their overall charitable giving to LGBT causes.* Forty-four percent of transgender people gave a majority of their charitable giving to LGBT causes, whereas only 33% of cisgender LGB people gave a majority to LGBT causes.

This suggests that transgender people prioritize support for LGBT organizations over other charitable causes. To the extent that organizations develop message frames and programming that reflect the concerns and priorities of this subpopulation, transgender people can be a reliable and sustainable source of donations. One route to further develop and strengthen giving relationships with transgender donors may be to encourage existing donors to make personal asks of their community connections.

### Millennials, GenXers, and Older Adults

This report focused on differences across three age groups of LGBT donors: LGBT Millennials (ages 18 to 34; N=934), LGBT Gen Xers (35 to 54; N=2,769), and LGBT Older Adults (ages 55 and up; N=2,920). It aimed to identify the feelings and actions of members of these age groups as donors to LGBT organizations.

- ***Method of contact:*** Mail was the most successful method to solicit donations from LGBT Older Adults; email and an ask made by someone they knew personally were less successful for members of this subpopulation. In contrast, LGBT Millennials were most likely to donate online or through social media, email, and an ask made by someone they knew personally. Gen X respondents were most responsive to an ask made by someone they knew personally and through email.

In an increasingly digital age and with the relatively low cost of digital communications, organizations should consider maintaining contact with donors in the method or methods that have proven successful in the past. Organizations can modernize their giving platforms to appeal to younger donors but also maintain their other methods (e.g., mail) to appeal to older donors.

- ***Message frames:*** Older LGBT people were more likely to donate because they are motivated by the “Stronger together” message frame, which speaks to the importance of their ties to community. Because older people are more likely to be retired or working part-time, organizations may be able to strengthen ties with Older Adults through volunteer opportunities—and increase donations by doing so.

- ***Issue priorities:*** The highest issue priorities among LGBT Older Adults and GenXers were “Ending workplace or employment discrimination,” and “Challenging and changing laws to improve the lives of LGBT people.” Millennials were more likely to rank “Increasing acceptance for transgender people.”

Compared to LGBT Older Adults and Gen Xers, Millennials were far more likely to support efforts by LGBT organizations to prioritize diversity among staff and leadership and to focus more on issues that affect transgender people. Millennials were also more likely to indicate that transgender rights are an issue priority.

When contacting Millennials, organizations should consider prioritizing inclusion and diversity and emphasize political agendas that center on transgender people. Given the date of the survey (before some of the recent, high-profile national attention to transgender issues), this finding may suggest that the Gen X and Older Adult respondents were less familiar with transgender people (research shows that older adults are less likely to personally know a transgender person in comparison to younger populations.) Therefore, organizations may benefit from educational initiatives aimed at increasing familiarity with transgender people among LGB Older Adults.

- ***Bisexual population:*** Millennials were far more likely than Older Adults and Gen Xers to identify as bisexual; 30% of Millennials identified as bisexual vs. 13% of Gen Xers and 8% of Older Adults. The research also found that bisexuals are less likely than lesbian or gay people to be “out” to their family, friends, and co-workers. (Only 28% of bisexuals reported being “out” to all or most of the important people in their lives, compared to 71% of lesbian women and 77% of gay men.)

For these reasons, relying on traditional outreach methods (e.g., trading or purchasing LGBT organizations’ mailing lists) may not be the most effective strategy for reaching bisexual people. Organizations should explore alternative ways to contact bisexual donors that also minimize the risk of outing bisexuals.

APPENDIX 4:  
 Key Recommendations  
 for LGBT  
 Community  
 Centers and  
 Statewide  
 Advocacy  
 Groups

Based on the findings from the LGBT Giving Project’s second phase, and building upon the project’s earlier research, Campbell & Company and Metropolitan Group developed the following set of recommendations for the field of LGBT organizations, particularly community centers and statewide advocacy groups.

**Expand involvement in fundraising among your leadership, including the board and non-development staff.**

Engaging board members, executive leadership, and program staff in the fundraising process is crucial to fostering a culture of philanthropy within any organization. Widespread involvement is especially important for smaller organizations with limited development staff, as it broadens the circle of donors the organization can reach with more personal engagement, and it helps insulate against the impact of turnover by providing donors with multiple personal connections within an organization.

Different leaders in your organization bring different strengths and perspectives to a donor relationship. The executive director can speak to the overall vision and direction, while program staff offer insight into a particular area of your work or the impact a gift had on an individual program participant. Board members can talk about the passion that fuels their support and ask donors to join them with a gift. As the “choreographer-in-chief” of this activity, the director of development helps keep donor relationships moving forward and works with other leaders within the organization to coordinate their involvement.

	Essential	Above Average	Advanced
Board Fundraising Expectations	Set clear fundraising expectations for all board members, including a give/get policy (if you have one) as well as other expectations, such as hosting a house party or introducing prospects.	Ensure fundraising expectations are discussed with prospective board members, explored during orientation for new board members, and assessed and discussed in reviewing current board members.	Meet with board members individually each year to set goals for how they will engage in fundraising that year, including a range of activities that draw on each board members’ strengths, interests, and relationships.
Development Planning	Involve the board in reviewing and monitoring progress on the annual development plan.	Include updates on development in every board meeting, ideally with discussion or action, not only a report out.	Expand the board’s role in development planning, including helping staff craft a multi-year vision for development and set strategy and priorities.



	Essential	Above Average	Advanced
Board Fundraising Activity	<p>Use relationship mapping or peer screening to encourage board members to open doors to prospects.</p> <p>Have board members call to thank existing donors.</p>	<p>Regularly involve board members in cultivation and solicitation meetings with current and potential donors.</p>	<p>Invest in cultivation and solicitation training for board members (and senior staff).</p> <p>Have the board call donors who can upgrade gifts or new donors who have not made second gifts.</p>
Senior Staff Fundraising	<p>Develop a donor portfolio for the executive director or CEO.</p>	<p>Regularly involve senior staff in personal cultivation and solicitation meetings with prospects and donors.</p>	<p>Develop portfolios for key senior staff beyond the CEO, and meet regularly to identify potential donors and advance strategies for donors they know.</p>

**Maximize potential among donors who already know and support you.**

Many organizations put their core base of supporters into a fundraising “maintenance mode” in the interest of not wanting to rock the boat, soliciting them for the same gift amounts from previous years and asking them in the same ways. However, loyal donors often have potential to give more and would gladly do so if asked. Additionally, because longtime donors (particularly donors who have given for five years or more) have high retention rates, asking these donors to step up to higher levels of giving is a low-risk strategy that can help maximize the support you already have in front of you.

	Essential	Above Average	Advanced
Upgrading Current Donors	<p>Include an explicit request for an upgraded gift in donor appeals, customizing the ask string to represent a 50% upgrade from the donor's last gift (with a write-in space if the donor wants to give at a lower level).</p>	<p>Incorporate a second-ask program into your appeal calendar, specifically asking donors who have already given for the year to consider a second gift; include a strong case for what additional support will help accomplish and be sure to thank them for the gift they've already made.</p> <p>Encourage loyal donors to sign up for monthly recurring giving, making a case for how the steady revenue will enable your organization to better serve your community.</p>	<p>Introduce or revisit giving circles/clubs to recognize and engage donors, with multiple tiers that motivate donors to increase their giving over time. Instead of "trinkets," use benefits that engage or educate donors, such as invitations to special events and opportunities to hear "insider information" from leadership.</p> <p>Working with the board or a key donor, create a matching gift pool to double the impact of all upgraded gifts within a certain period.</p>
Major Gift	<p>Develop a top 25 prospect list of current individuals or couples who could likely make major gifts (or a larger list for larger organizations).</p> <p>Carve out time for major gifts by holding a prospect strategy meeting with development and the executive director at least every two weeks to review the priority prospect list and assign next steps for outreach.</p>	<p>Conduct wealth screening (through a vendor such as Target Analytics or Wealth Engine) to determine the giving capacity of current supporters and prospects. Use wealth screening results to reexamine and refresh existing portfolios, determining whether staff who have portfolios are managing the "right" prospects and making appropriate progress in advancing relationships.</p> <p>Involve board members and staff leadership in cultivation and solicitation meetings with major gift prospects.</p>	<p>In cultivating prospects for major gifts, explore potential for planned gifts as well, where appropriate.</p>



**Tread cautiously on acquisition.**

Paid acquisition is a long-term investment, but for the stability and growth of your organization, you'll need to keep bringing in new supporters. Approach acquisition (and the subsequent cultivation and stewardship of those donors) strategically, and take advantage of today's political urgency.

	Essential	Above Average	Advanced
Base-building	Engage new stakeholders through social media, activism, and event attendance.	Conduct a paid social media campaign with embedded calls to action to both grow your social media channel and to drive people to your web site/ email opt-in.	Test a paid base-building program (such as an action campaign with Care2.org).
Strategic Ask	<p>Conduct multi-channel (email, targeted direct mail, social media, phone) campaigns at least twice a year to engage new donors.</p> <p>Link to your donation form in the first three paragraphs of your message. Share heartfelt, compelling stories that tap into your reader's values. Include a large "donate" call to action and button.</p>	<p>Leverage Give OUT Day, Giving Tuesday, and other public, collaborative fundraising days for lowcost acquisition. Promote (at little cost) via your website, email and social media.</p> <p>Coordinate appeals and donation landing page language and look and feel.</p>	<p>Test the ROI of renting or exchanging lists with valuesaligned organizations for acquisition appeals.</p> <p>In digital channels, include brief but compelling video stories to either reinforce the solution your organization offers or to show why another donor has chosen to support your organization.</p>
Tap Your Networks	Encourage your supporters to host their own events on your organization's behalf.	Market a turn-key eventhosting tool kit to key stakeholders, offering support and materials commensurate with the potential for the event.	Launch a crowdfunding project to benefit your programs that your supporters can easily promote.



**Do everything in your power to get a second gift from a first-time donor.**

Compared to repeat donors, first-time donors are notoriously difficult to retain. Longtime donors have a roughly 60% retention rate on average, compared to 23% for first-time donors. Although it remains to be seen, the current influx of new donors in the wake of the election could drive first-time donor retention even lower because many donors may have given in a moment of anger, fear, or passion, which they may not sustain when the next giving cycle rolls around.

If you want to retain your new donors, it is crucial to ensure that they feel valued and have opportunities to learn more about your organization before you ask them to give again.

	Essential	Above Average	Advanced
Acknowledgement	Ensure that your gift acknowledgement process is timely and accurate, with acknowledgement letters ideally sent within 48 to 72 hours.	Develop a mailed or electronic new donor welcome packet that provides an overview of your organization, calendar of upcoming events or similar information, and simple gift such as a sticker, if appropriate.	Develop protocols for additional acknowledgement beyond the basic letter based on the gift level, such as a hand-written note from the executive director or a phone call from a board member. Ensure that the gift threshold for more time-consuming activities is high enough to not create a bottleneck of notes to write or calls to make.
Engagement	Invite new donors to an event, if feasible, within two months of their gift.	Provide new donors with discounted ticket rates to one or more events.  Host a new donor conference call or webinar to introduce new supporters to leadership.	Host a (free) new donor welcome event, such as breakfast or tour, with an opportunity to hear from leadership.
Renewal	Ask first-time donors for a second gift within four months, expressing gratitude for the first gift and stressing the impact of continued support; suppress the donor from other appeals until one year after the first gift.	In the second-ask appeal, encourage the donor to sign up for monthly giving or give at whatever level is needed to join the next giving circle tier.	Have board and staff call firsttime donors who have not given again one year later.



## Commit to becoming a more welcoming organization.

The LGBT Giving Project research showed that current donor bases (and many staff and board rosters) of LGBT organizations are homogenous with intersecting privileged identities (mostly male, gay, white, and relatively high income). Right now many in the LGBT community are looking for expertise from leaders in the movement, connection to one another, and opportunities to make a difference, especially at the intersection of other marginalized communities. Consider how your organization can help fill those roles in ways that align with your mission, draw on your existing community connections, and enhance your visibility in the community.

Taking a more inclusive approach to development increases the effectiveness of fundraising and unlocks new resources. By recognizing, respecting, and intentionally engaging people across sexual orientation, gender identity, and cultural backgrounds and committing to relevant, authentic engagement, you can build relationships, capacity, and long-term investment. Effective, inclusive development brings additional perspectives and talents to the table to develop innovative and sustainable solutions to our biggest challenges.

	Essential	Above Average	Advanced
Assessment	Understand the makeup of your key stakeholder groups, including your staff, board, donors, and clients/ program participants. If information on race, gender, gender identity, sexual orientation, age, and other identities is not readily available, consider conducting a survey to better understand your audiences.	If you have identified areas where your organization is not in alignment (for example, if your board does not reflect the diversity of the community you serve), begin discussing these issues internally and with external stakeholders. Be transparent about where you are in your process and what your shortcomings are.	Identify assumptions, preconceived beliefs, or history within your own organization that might undermine your efforts to engage new groups. Assess your progress and next steps for creating a more culturally responsive organization using the tool linked below from the Center to Advance Racial Equity and Portland State University <sup>1</sup> .
Building Relationships	Identify organizations that are working in communities you hope to engage, and show up—consistently—in support of their work long before you ask for anything in return.	Serve as a partner and collaborator to existing organizations or individual efforts that support the communities you hope to engage, ideally efforts that are led by the people impacted (such as trans-led efforts or people-of-color-led work).	If you invite someone to engage in a deeper way with your organization, such as by joining the board, avoid tokenism or “checklist diversity.” Recruit new members in cohorts, offering formal and informal outreach and social engagement, and, if needed, conducting cultural competency training with the board in advance.

<sup>1</sup> [http://www.centertoadvanceracialequity.org/download/i/mark\\_dl/u/4012696615/4617392279/Integrated%20Protocol%20-%20Dec%202014.pdf](http://www.centertoadvanceracialequity.org/download/i/mark_dl/u/4012696615/4617392279/Integrated%20Protocol%20-%20Dec%202014.pdf)



	Essential	Above Average	Advanced
Fundraising	In donor communications and appeals, engage in a way that is sensitive to individuals who hold multiple oppressed identities.	Use donor surveys, cultivation conversations, or focus groups to understand what motivates your donors from different background and what areas of your work they are most interested in supporting; where there are significant distinctions, segment fundraising appeals accordingly to the degree possible.	With any staff or board members engaged in fundraising, consider coaching or training that specifically explores discomfort around money and power dynamics.

**Jointly develop a fundraising plan with metrics that go beyond dollars.**

Creating clearly defined roles and goals for development boosts job satisfaction and provides clearer priorities and expectations for staff and the board. A simple dollar goal that represents a certain percentage increase over the prior year is unlikely to give the development team a clear sense of its day-to-day strategy. When organizations establish more robust development metrics that go beyond the bottom line, staff have a clearer sense of what they need to do to be successful, and they are also more likely to emphasize building relationships with donors rather than focusing on dollar signs.

Additionally, it is crucial that organizations invite development leadership to the table both for development planning and broader organizational planning. This supports a more transparent, inclusive culture and a sense of shared responsibility for your organization’s success, and it provides the development team with a deeper understanding of the organization’s vision, which can be helpful in donor cultivation.

	Essential	Above Average	Advanced
Development Planning	With senior leadership, create a development scorecard with SMART goals across a range of areas (see sample in Appendix B).	With board and senior leadership, establish a fundraising revenue goal informed by projections (anticipated asks in portfolios, wealth screening data, likely retention rates for annual donors, etc.) rather than driven by a straight percentage increase or defined by a budgetary need.	As part of creating the development scorecard, chart a multi-year vision and set of goals for the development operation; this could include longer-term goals such as reducing reliance on foundation funding or building major gift revenue to a certain level over several years.



	Essential	Above Average	Advanced
Organizational Planning	Include development leadership in all executive team (or similar) meetings.	Involve development leadership as an integral part of any organizational strategic planning.	In strategic planning, provide opportunities for donors to offer input, such as through participation on a committee, focus groups or surveys, or a more formal donor feasibility study.

**Focus on recruiting and retaining high-performance development staff, and position your organization to weather turnover when it happens.**

Building and maintaining a strong development department (whether one person or a full team) brings many benefits to your organization. A stable, high-performing staff generates more revenue because your organization is not pulling back on fundraising activity during periods of vacancies in the department. When development staff have built strong relationships with key donors and volunteers, an organization’s ability to retain those staff members provides continuity for these stakeholders, sustaining their connection and boosting their confidence in the organization. Finally, staff who are satisfied and fulfilled in their roles and feel valued bring passion to their work that permeates the culture of the organization.

Although turnover is common in the field, use the strategies below to recruit and retain a strong team.

	Essential	Above Average	Advanced
Defining Roles and Expectations	Set clear fundraising goals for the development team, working collaboratively with development leadership to create these goals and metrics. Then, require accountability to these goals.	Revisit position descriptions to ensure that they align with how team members spend their time and to avoid any blurred lines between roles that can lead to confusion or frustration.	Hold non-development staff—and the board—accountable to their fundraising responsibilities and expectations to help carry the weight of development activity.

	Essential	Above Average	Advanced
Invest in Development	<p>Ensure that the development team has the database and other systems necessary to reliably and capably perform their work.</p> <p>Give development a stake in the organization's future by involving the director in executive team meetings.</p>	<p>Invest in professional development and training for development staff.</p> <p>Review compensation data for the field and evaluate your compensation structure, recognizing that paying more to retain someone strong will likely cost less than having to replace them.</p>	<p>Conduct an ROI analysis of various fundraising revenue streams and determine not only where additional investment may have the most impact but where programs should be scaled back or cut.</p>
Position for Sustainability	<p>Move as quickly as possible to fill any vacancies that occur to minimize the period with a lower level of fundraising activity.</p> <p>If turnover in a senior role occurs, use the hiring of the new staff member as a reason to meet with key donors.</p>	<p>Involve multiple staff and/or board members in key donor relationships to provide continuity in the event of turnover.</p> <p>Ensure that donor interactions are carefully tracked in the database to preserve institutional memory.</p>	<p>Create succession plans for key development roles (and other senior staff).</p>

### Use your database system wisely.

Organizations that understand and maximize use of their database systems are better positioned to use the rich data in the system to inform more strategic decision making. Tracking donor information and activity helps you identify and prioritize top prospects and preserve crucial information on the history of the donor relationship in the event of turnover. Tracking trends and key metrics highlights opportunities for growth or areas that are underperforming and may need revamping. Finally, ensuring that you have clean, updated data reduces the potential for errors that could harm a donor relationship.

	Essential	Above Average	Advanced
Tracking and Reporting	<p>Ensure that your system— and team members working on the system— can manage the fundamental tasks necessary for fundraising operations, including recording all gift transactions and documenting donor relationships and information (ideally including sexual orientation and gender identity).</p> <p>Beyond dollars raised, regularly capture and analyze metrics such as donor retention, upgrading rate, percent of donors making recurring gifts, and lapsed donor renewal.</p>	<p>Proactively use the database system to set reminders for activities, especially with key donors, such as following-up after a solicitation or event.</p> <p>Track the best practice metrics (see previous column) by appeal to understand which perform best.</p> <p>Use the database to capture donor scoring or prospect ratings (such as from a wealth screening), target ask amounts, and cultivation/solicitation strategies.</p>	<p>Consider conducting split (A/B) tests on donor appeals to test different approaches— such as distinct messages, formats, or follow-up strategies— to determine which approaches most appeal to donors. Use the database to capture and analyze results, and adapt strategies as appropriate based on the findings.</p>



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# Data Collection

Philanthropy can be more effective when foundations reflect the full diversity of the communities we hope to serve and impact. Lesbian, gay, bisexual, transgender, and queer (LGBTQ) people are a crucial part of the tapestry of our communities, and a growing number of foundations are seeking to ensure that their institutions are welcoming and inclusive of LGBTQ people.

An important first step toward inclusiveness is collecting data on the sexual orientation and gender identity of the staff and trustees of foundations. This brief guide provides some best practices for foundations exploring the inclusion of sexual orientation and gender identity for the first time. Funders for LGBTQ Issues has assisted a number of foundations with demographics tracking, and these guidelines are intended to help you do include sexual orientation and gender identity in a way that is both sensitive and evidence-based, as well as to answer common questions and concerns that may arise at your institution.



## Why should funders collect data on sexual orientation and gender identity?

We recommend collecting data on sexual orientation and gender identity for the same reasons many surveys and institutions collect data on race, ethnicity, and gender:

- LGBTQ people, like other minorities and marginalized groups, face disparities in economic status, health, and other outcomes. Collecting data on sexual orientation and gender identity helps identify what those specific disparities are—which is a crucial first step to addressing those disparities.
- For institutions seeking to reflect the communities we serve, sexual orientation and gender identity are important aspects of that diversity. Collecting data on the sexual orientation and gender identity

of staff, boards, and grantees will provide a baseline and a measure of progress for both individual institutions and the philanthropic sector as a whole.

## What are the best practices for collecting data on sexual orientation and gender identity?

Drawing on an expert panel and evidence-based research, the Williams Institute of the University of California – Los Angeles (UCLA) School of Law has developed two best practices guides: [one for asking questions about sexual orientation](#) and [another for asking questions about gender identity](#). Making use of these best practices in your survey instruments will help maximize the accuracy of your data collection efforts.

Based on the research in these documents, we recommend adding two questions to your current surveys or systems for tracking the demographics of your staff and board: one question on sexual orientation and one on gender identity.

## Why separate sexual orientation and gender identity?

Sexual orientation and gender identity are two distinct categories. Sexual orientation is defined by one's emotional, romantic, or sexual feelings toward other people. Gender identity is defined by one's personally held sense of being male, female, a combination of both, or neither. Transgender people have a gender identity that does not necessarily match the sex that they were assigned at birth. Some transgender people identify as gay, lesbian, or bisexual, but others identify as straight or heterosexual. We recommend collecting data on sexual orientation and gender identity as distinct categories since it allows for more precise analysis, including the degree to which transgender people are represented.

A number of LGBTQ organizations offer helpful guides to terms related to sexual orientation and gender identity. Examples include PFLAG's [glossary of terms](#) and ["An Ally's Guide to Terminology"](#) from GLAAD and the Movement Advancement Project.

## Can you provide sample language for asking about sexual orientation?

Yes! Based on the Williams Institute research cited above, we recommend including this simple question as part of the demographics section of your survey instrument:

Do you consider yourself to be:

1. Heterosexual or straight;
2. Gay or lesbian; or
3. Bisexual?

This language is recommended because research has found these terms are the most easily understood by the most people, and therefore yield the most accurate results.

Some research studies – particularly those related to health – ask additional questions about sexual behavior in addition to the above question about sexual identity. Since some people engage in same-sex behavior but not identify as gay, lesbian, or bisexual, these questions are especially useful for assessing

health risk factors. In the context of philanthropy, with a goal of assessing LGB inclusiveness in the industry, sexual identity is generally the pertinent question.

## Can you provide sample language for asking about gender identity?

Yes! Based on the Williams Institute research cited above, we recommend a two-step approach to collecting data on gender and gender identity, by including the following two questions in the demographics section of your survey instrument:

### *Assigned Sex at Birth*

What sex were you assigned at birth, on your original birth certificate?

1. Male
2. Female

### *Current Gender Identity*

How do you describe yourself?

1. Male
2. Female
3. Transgender male
4. Transgender female
5. Gender non-conforming
6. Nonbinary\*
7. Other gender identity

\* *Nonbinary* is a term that refers to people whose gender is not completely and exclusively male or female. It is an umbrella term inclusive of all genders other than female/male or woman/man, and can be used as an adjective (e.g. Jesse is a nonbinary person). Not all nonbinary people identify as transgender, and not all transgender people identify as nonbinary. Some nonbinary identities include agender, gender fluid, and genderqueer.

This two-step process has been found to be the most sensitive for attaining data on gender identity. If a two-step question is not practical for your institution, we recommend the following question:

Some people describe themselves as transgender when they experience a different gender identity from the sex they were assigned at birth. For example, a person assigned male at birth, but who identifies as female or lives as a woman. Do you consider yourself to be transgender?

1. Yes, transgender, male to female
2. Yes, transgender, female to male
3. Yes, transgender, gender non-conforming, or nonbinary
4. No

## I understand the value of collecting data on sexual orientation and gender identity, but also want to respect people's privacy—especially of employees. What if they don't want to come out?

Respecting privacy is a valid concern. No one should be forced to come out about their sexual orientation or gender identity if they don't wish to. One way to collect data on sexual orientation and gender identity while protecting the privacy of your employees is to conduct your survey anonymously, so that it is not tied to names or individual records of employees or trustees. Online tools such as Survey Monkey offer an easy method for anonymous data collection. This also protects people's privacy about other aspects of their identity – for example, some people may prefer not to publicly reveal their religion or their disability.

Another option for protecting privacy is to allow respondents to answer “prefer not to answer” for sexual orientation, gender identity, and other questions. The main drawback to including a “prefer not to answer” option is that those data points will be discarded, leading to a smaller overall dataset on those questions for your institution (and for the sector).

Whatever method your institution uses to protect the privacy, we recommend treating sexual orientation and gender identity the same as any other identity category. Allowing respondents to mark “prefer not to answer” for sexual orientation and gender identity but not for other categories singles out LGBT people and can potentially feel stigmatizing to LGBT people.

Finally, people sometimes overestimate the degree of sensitivity around asking about sexual orientation and gender identity. Studies have found that response rates are high for survey questions on sexual orientation. In fact, respondents are more likely to answer a question about sexual orientation than some other more commonly asked survey questions, such as income level.

## Who else tracks sexual orientation and gender identity?

A growing number of surveys now track data on sexual orientation and gender identity. The majority of states now track sexual orientation and gender identity for the Behavioral Risk Factor Surveillance System, the largest continuously conducted health survey in the world. The Youth Risk Behavior Surveillance System and National Health Interview Survey also include questions on sexual orientation and sexual behavior.

In 2014, Guidestar and the D5 Coalition **launched a new initiative to improve data collection on diversity in nonprofits and foundations**. The program allows nonprofits and foundations to voluntarily share demographic data on their board and staff in Guidestar's public, searchable database of thousands of nonprofit and foundation profiles. Funders for LGBTQ Issues was among the organizations consulted on the system, which allows organizations to share their overall data on gender/gender identity and sexual orientation. A growing number of foundations collect data on sexual orientation and gender identity, and share that information transparently through Guidestar.

## I feel it's important to collect data on sexual orientation and gender identity, but other staff or board members have concerns. What should I do?

If your institution is exploring asking about sexual orientation and gender identity for the first time, it's quite normal for questions or concerns to arise from your colleagues on the staff or the board. We recommend introducing the topic of data collection on sexual orientation and gender identity at a staff meeting or board meeting and giving people the opportunity to ask questions. It may be helpful to share resources with your colleagues, such as this issue guide, or excerpts of the research referenced above. Give people time to ask questions and offer feedback on any changes to your data collection system before you implement it. Having a process helps people feel more comfortable and also provides an opportunity for mutual learning and sharing of perspectives.

Finally, feel free to reach out to the staff of Funders for LGBTQ Issues. We've worked with a number of funders as they've begun collecting data on sexual orientation and gender identity, and we're happy to help!

## Basics



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## Mission

Funders for LGBTQ Issues works to increase the scale and impact of philanthropic resources aimed at enhancing the well-being of lesbian, gay, bisexual, transgender and queer communities, promoting equity, and advancing racial, economic and gender justice.

## Search



January 18, 2021

# LGBTQ Planning – What Skills Do Planners Need to Properly Serve the Modern Family

by Steven Kriz and Martin M. Shenkman

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The full PDF in which this article appears can be found in [BIFOCAL Vol. 42, Issue 3](#).

## Respect LGBTQ Rights

### Introduction

Tremendous strides have been made in same-sex estate planning through Supreme Court cases and many other developments. However, the statistics of difficulties facing the LGBTQ community are alarming. And, it is clear more work needs to be done.

The modern family has evolved and changed over time. The attorney's role as advisor is to really know client families. It is difficult to competently advise families if the practitioner is not knowledgeable about modern family structures.

## Case Study Illustrating LGBTQ Planning Issues to Consider

Mother goes to an attorney to draft documents to benefit her daughter and her daughter's unborn child. The attorney drafts the documents using the traditional definition of descendants, assuming that the daughter is carrying the child. A few years later, the attorney receives a call, informing her that

mother had just passed away and daughter had tragically pre-deceased her. The attorney is confident that mother's documents will benefit the daughter's surviving child. However, during the course of the estate administration, the attorney finds out that daughter's partner is a transgender male and is actually the person who carried daughter's child to gestation. Daughter and partner were never married, daughter never adopted child, is not genetically related to child, and daughter is not named on the child's birth certificate. Mother's sister, who has long disapproved of daughter's relationship, sues, asserting that she is the rightful heir of mother's estate. The court finds in favor of mother's sister.

## Some Sobering Statistics

The LGBTQ community is much larger than most realize. Many practitioners also have many more LGBTQ clients than they realize as well. As of May 2018, nearly 4.5% of the US population identifies as LGBTQ. Approximately 5.1% of women and 3.9% of men identify as LGBTQ. There are wide differences among the generations too. Roughly 12% of millennials identify as LGBTQ. Looking back at older generations, those stats decrease; perhaps because of people's discomfort with claiming an identity. It's also possible the statistics are higher because of societal acceptance levels.

Planners should keep in mind that if 12% of millennials identify as LGBTQ, we may have a significant number of older clients who may be LGBTQ but not identify as such. Nonetheless, a much larger percentage of clients than we realize may, in fact, have these issues to address as, down the line, there may be an assignment who identifies as LGBTQ. Across the board, the nuclear family has been redefined. Family dynamics are changing, including a two-partner work force. Understanding the dynamics and vocabulary as related to the LGBTQ community is key to properly providing estate planning services to this large client base.

## How Firms Can Address LGBTQ Planning

One way a firm can build more confidence and a feeling of openness for LGBTQ clients is to incorporate questions that pertain to the LGBTQ

community into standard estate planning organizers. Clients who see inclusion and demonstrated sensitivity on a client intake form may feel more comfortable being open and honest about their needs and wishes. This could include, for example, asking about their preferred pronoun. With regard to pronouns, remember that it is not only the client's pronoun who should be considered, but also those of people they name. If a client sees pronouns on the e-mail signatures of professionals in the firm, a client may be more likely to be forward about their own pronouns and the pronouns of their loved ones. This is as simple as updating your email signature block to add something like "Pronouns: he/him/his." For each and every client, it is good practice to make sure to verify everyone's pronouns. This is important since even persons who are not part of the LGBTQ community may not have names, given or sobriquets, that traditionally match their gender. Names are not enough.

A study showed that 6% of transgender people reported having a negative experience with an attorney based on their transgender status. In fact, some have also felt that way with the medical profession as well. It is vital to educate planners to be thoughtful about the psychological impact of discrimination that clients and their families experience. For example, in the case study above, the mother did not share her full picture. Practitioners need to examine and reflect about why she didn't feel comfortable speaking more openly. What questions could the attorney have asked to ensure a better outcome the next time a similar situation arises?

Practitioners need to learn and gain comfort with the terminology as well. It's perfectly fine to ask your client to help clarify their needs. Practitioners do not have to be an expert in LGBTQ needs to provide excellent service; but they should have a basic understanding of the fundamentals so as to be able to implement the client wishes. Dialogue, communication, and a vested interest in serving all clients' needs are critical.

## Understanding Terminology

A foundation for better helping LGBTQ clients is an understanding of some of the terminology involved.

Sex is the physical traits that you were born with and typically, people look at sex as being one of three categories: female, intersex, or male.

Cisgender means if your physical traits match how you identify, then you would be considered a cisgender person. A transgender person is an umbrella term and there are varying degrees. Essentially, if your sex does not align with how you identify, and how you express yourself to the outside world, that person is considered a transgender person. Intersex is used to describe a wide range of natural, biological variations between male and female and accounts for 1-2% of people, which is itself a significant community.

Gender identity and expression can present a diverse and multilayered range and may be non-binary. Non-binary is the adjective describing a person who does not identify exclusively as man or woman. Some people who are non-binary identify as transgender, but it's not exclusive. Queer is a term that sometimes can be used interchangeably with LGBTQ. Younger millennials may embrace the term queer, while older generations may feel the term has a negative connotation. Also, keep in mind a person may identify inside of themselves in one way, and present something else outwardly and publicly.

Use of gender-neutral terms in document drafting can be helpful; partner or spouse instead of husband and wife; child instead of son or daughter, etc. Gender neutrality also helps if, for example, a client or a named person might be transitioning gender. This is the process in which a person starts to align their gender expression. They show themselves outwardly to reflect what they feel inside of themselves. They may now have a “dead” name. A Dead name is a term used to describe the name that the person was assigned at birth that the person no longer wishes to use. This is important to keep track of for clients who may have a beneficiary who changes their name or gender. Documents may need to be amended to reflect the changes. In some cases, it's best to redraft an entire document set, rather than an amendment, which could “out” the person to various institutions. It's critical to fully inform the client and consult with them about their preferred course of action. Addressing names can have very important impact on the planning and drafting. Another reason to correct names in all the documents is to reduce the chance of violence or angry reactions that many LGBTQ people are subjected to by others.

There are other terms to become familiar with and understand. A Lesbian is a woman who is emotionally, romantically, or sexually attracted to a member of the same gender. Gay is a term to describe a person who is emotionally, romantically, or sexually attracted to a member of the same sex. A Bisexual is a person who is emotionally, romantically, or sexually attracted to more than one sex, gender, or gender identity, though not necessarily simultaneously, in the same way, or to the same degree. Asexual is a lack of sexual attraction or desire for other people. Pansexual describes someone who has a potential for emotional or sexual attraction to people of any gender; not necessarily simultaneously, in the same way, or to the same degree.

One overall theme that is important to keep in mind is that there is a wide variety of how people see themselves and/or express themselves. For some people these characteristics are fixed; for others, fluid.

As alluded to earlier, in Coming Out terminology, “closeted” describes a person who has not disclosed their sexual orientation or gender identity. Coming out is a process in which a person first acknowledges, accepts, or appreciates their sexual orientation or gender identity and begins to share that with others. Living openly is a state in which LGBTQ people are comfortable and open about their sexual or gender identity. There can be a range to be cognizant of, as well. Coming out is a process, and some people may not be out at all times. Many LGBTQ people are in a constant state of coming out. Keep in mind that gender identity and expression do not equal sexual orientation.

## Words and Phrases to Avoid

It's good practice to use the term “orientation.” Orientation is preferred over “sexual orientation” or “sexual preference”, which have negative connotations because most people do not see their orientation as a choice. Use of the term “homosexual” is not preferred. Use of terms like “gay” or “transgender lifestyle” are also not preferred; after all, we all have different lifestyles regardless of gender or orientation. Qualifiers are also no longer necessary when referring to marriage between consenting adults. Ask the client how they prefer to be

addressed. For example, a cisgender male might feel offended not to be addressed as “him” or “his.” Signal to clients you are open and driven to serve both their planning and personal needs. It is fine to ask clients, “How would you like me to refer to you?” If you make a pronoun error, simply apologize and be sensitive moving forward.

## Financial Planning Considerations for LGBTQ Clients

When it comes to financial planning considerations, people tend to forget is that, despite marriage equality, LGBTQ people still face discrimination in other realms of life. Advisors might consider having a conversation with their LGBTQ clients about investments to determine whether the client prefers a portfolio that invests in LGBTQ-friendly publicly traded companies. Sadly, studies have found that LGBTQ borrowers are more likely to be denied loan applications as a result of discrimination. Financial plans must contemplate the impact of costly family planning on the financial goals and the cash flow. The needs of the client (location, for example) also plays a role. Many LGBTQ people live in urban communities among like-minded people, which can often result in a higher cost of living. For the above reasons financial modeling should not rely on national average figures for expenses as that might material underestimate actual costs.

In addition to the financial planning considerations discussed above, plans for transgender people might also include conversations about the increased risk of unemployment resulting from discrimination. In fact, a 2015 study found that transgender individuals are three times more likely to be unemployed and twice as likely to be living in poverty. Something else to consider is the cost of treatments for transgender individuals. Keep in mind that these plans shouldn't only contemplate the financial lives of LGBTQ clients. You might also consider these factors in cases where your clients plan to support LGBTQ children or other family members.

## Life Insurance Considerations

Generally, identifying as an LGBTQ person does not impact eligibility for life insurance. However, there are two points regarding life insurance to highlight. First, there are now life insurance companies that will provide coverage for those living with HIV/AIDS, which is a very important development.

For transgender applicants, there may be a question regarding gender. Life insurance applications will ask about an applicant's gender. Underwriters use this information to determine mortality rates with actuarial tables which have traditionally corresponded with one's sex assigned at birth. While some companies continue to use this model and there are now others that will quote life insurance policies based on one's present gender identification. When discussing life insurance with clients, these are some considerations that need to be addressed.

## Drafting Legal Documents

If a client or a loved one is in the process of transitioning, or your client is part of the LGBT community but hasn't identified, we want to be inclusive and to make sure that we're taking all the right steps. When drafting legal documents, consider whether the terminology used is gender neutral throughout the documents. If all client documents are treated with neutrality, it creates inclusivity and flexibility. It also makes it easier to draft documents for all clients.

Many trusts are dynastic and practitioners are well aware of the benefits of asset protection and estate tax planning offered by long term trusts. It is often ideal to have trust as for as long as state law permits. Incorporating supplemental or special needs into these dynastic trusts builds flexibility should a future need arise.

If a beneficiary in a future generation has needs related to their LGBTQ identity, this can be planned for and considered. And as discussed above, with each successive generation the proportion of people identifying as LGBTQ appears to be increasing. It should be done no differently than how planners routinely add supplemental needs provisions. From a planning and drafting

standpoint, this can be conducted in the same fashion as a default standard or boilerplate provision for supplemental needs. You can devise the standard of all boilerplate provisions for future LGBTQ beneficiaries, even if there are none on the horizon today.

In addition to the pronouns question, it helps to know the relationships at play. In the illustration above involving “Mother” for example, the legal definition of “descendant” was based on traditional assumptions and cultural norms. Clarification can be beneficial to all clients, not just those who identify with, or whose beneficiaries identify with, the LGBTQ community. Some firms require more than just the names, dates of births, and the family tree. They seek more robust relationship information. It’s also important to discuss a “dead” name or one that may occur in the future. You may consider including the former name and outlining the legal name change or preferred name, if appropriate. You can build this into your process.

This process is newer and evolving and doesn’t yet really deal with any future descendants’ who may have a dead name or other preference. We have seen this model in the cases of charity or organizational beneficiaries. Added verbiage can indicate that if the charity changes its name, the bequest to the charity should not lapse, because it’s not uncommon in the charitable world to have a name change. It’s remarkable that we haven’t done the same thing for human beneficiaries. We can make simple changes to the boilerplate to account for this eventuality.

Another issue that could arise is with regard to gender-specific gifts. Sometimes, clients want to make specific gifts to a person who may not yet be born. For example, a client wants an engagement ring to be inherited by her first-born daughter, but the client doesn’t have any children yet. The client subsequently has two female children. The first child transitions from female to male later life. Then, the second child, being female, claims the ring should belong to her. Another client may make a gift of \$100 to each of their “then-living grandsons”. What happens if one of those people transitions to female? Is that person included?

There are a lot of questions about this. It's advised to be as specific as possible. When clients want to make gender-specific gifts, ask what that means to them and present the range of possibilities in order to reflect their intended meaning.

Some cases may merit making a lot of modifications in a document in order to really address many of the different points covered above. If a practitioner or draftsman is not comfortable addressing them, or is not familiar with how to address them, it could be difficult and complicated. The cost associated with multiple modifications may not be practical for clients with financial constraints.

Designing systems that offer an easier way for practitioners who are not familiar with drafting for some types of custom issues may prove less expensive. Creating a custom set of provisions for LGBTQ clients may be useful. For example, someone analogous to a trust protector who acts in a non-fiduciary capacity could be empowered to make changes to language in a document to prevent lapses or problems. Alternatively, that person could be given limited or special powers of appointment.

If someone has a relationship with a minor who's akin to being a child, but has not been legally adopted, or is not legally their child but they want them treated as their child, that needs to be made clear in their documents. If not, that person, such in the case of "Mother" in the case study above, would fail to become a beneficiary.

Alternatively, the trust protector with special or limited power of appointment could add that person as a beneficiary as somebody who is treated, for all intents and purposes, by the decedent testator, as a child. Aim to craft a provision and mechanism to you complete many of these tasks in a single clause. Even if you take the long (and better, more preferred) way of drafting specific modifications from the document as a whole, adding this type of provision may be a great backstop; in case something is missed, overlooked, or if an unanticipated circumstance arises.

In general, the definition of descendant is changing, even outside of the LGBTQ community. People are not necessarily married, but still have kids. Planning for all contingencies is prudent and helpful.

There are many different ways and forms that constellate families. There are clients who may have a child with their partner but those people may never get married and may never have adopted the child, but the relationship is there.

Many clients may face a cost dilemma. Gender-confirmation surgery is expensive. Adoption is expensive. A trust may provide for the classic standard distributions for health and education, but may not contain a further definition. For example, what if a beneficiary hopes to adopt a child and the fees are \$40,000? The question becomes whether the trust is permitted under its definitions to distribute for the purposes of those costs. Even if the trustee does make the distribution, it's not unimaginable for another beneficiary to contest such distributions.

For a client who is going through the gender confirmation, the cost can be a challenge. It's important to indicate what constitutes "health and medical" distributions. Another question may be that of funding for a surrogate pregnancy. The Tax Court has included gender confirmation surgery as a deduction allowed under Code Section 213. Clients could make a limited gift to a loved one for gender confirmation surgery, under Code Section 2503, but the Tax Court has said that a surgery that is cosmetic is not a deductible expense. Clients who contemplate making a gift to help with adoption or other family planning costs may be disappointed to find that it is not considered health care under Code Section 213.

## Conclusion

The size and scope of the LGBTQ community more than merits and requires planning firms to be aware of the many specific matters to address when drafting documents, and when executing financial, estate, and insurance planning insurance planning for members of the community.

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## **ORG NAME**

### **GIFT ACCEPTANCE POLICY (the “Policy”)**

#### **POLICY STATEMENT**

The mission of NAME OF ORGANIZATION is to increase philanthropy and grant making to meet the needs of the LGBTQ+, and straight-allied communities in HOMETOWN.

ORG NAME strongly encourages the solicitation and acceptance of gifts and grants that enable it to fulfill its mission.

Gifts may be sought from individuals, corporations, and foundations; however, they may be sought only for purposes and programs that have appropriate administrative approval.

The Board of Directors of ORG NAME reserves the right to sole and exclusive authority to accept or reject a gift.

When appropriate, ORG NAME will seek advice of professional counsel in matters relating to acceptance of gifts.

ORG NAME encourages all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

ORG NAME values and will protect its integrity. Gifts that may expose ORG NAME to adverse publicity, require expenditures beyond resources available to ORG NAME, or involve ORG NAME in unexpected responsibilities because of their source, condition, or purposes or are not consistent with the mission of ORG NAME may not be accepted.

ORG NAME is unable to accept gifts that may directly or indirectly subject it to any material restriction or condition that would prevent it from freely and effectively employing the transferred assets, or the income derived therefrom, in furtherance of its tax-exempt purposes. Gifts received by ORG NAME must not inhibit it from accepting gifts from other donors.

ORG NAME cannot accept gifts that involve unlawful discrimination based upon race, sex, age, national origin, color, handicap, sexual orientation, or any other basis prohibited by federal state, and local laws and regulations. Nor can ORG NAME accept gifts that obligate it to violate any other applicable law or regulation.

These policies and procedures govern the acceptance of gifts and provide guidance to prospective donors and their advisors when making gifts to ORG NAME. The provisions of these policies shall apply to all gifts received by ORG NAME for any of its programs or services.

ORG NAME encourages philanthropic creativity; therefore, this policy is to be interpreted liberally so that prospective donors may enjoy the greatest freedom possible in formulating their gifts.

## **GUIDELINES**

### **Definition**

A gift is defined as any transfer of personal or real property made voluntarily and without consideration.

### **Types of Gifts and Valuation**

#### **Cash**

Cash gifts can take the form of currency, coin, checks, money orders, or bank drafts. Cash gifts are acceptable in any form. Checks should be made payable to ORG NAME/PAYEE. Gifts of cash are valued at their U.S. monetary worth.

#### **Publicly Traded Securities**

Marketable securities may be transferred to ORG NAME account maintained at a brokerage firm or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt. In some cases, marketable securities may be restricted by applicable securities laws. In such instance, the final determination on the acceptance of the restricted securities shall be made by the Ad Hoc Gift Committee.

Gifts of securities are credited at the mean between the high and low market value on the date the donor relinquishes control to ORG NAME. Neither losses nor gains realized by the sale of the securities after their receipt affect the gift value credited to the donor. Any brokerage fees incurred and changes in values resulting from liquidation are considered gains, losses or operating expenses or earnings.

#### **Tangible Personal Property**

Tangible personal property may be accepted as a gift, provided that (1) such property is saleable and (2) the donor agrees that the property can be sold at ORG NAME's discretion.

As of the date of this Policy, to be eligible for federal income tax charitable deduction, tangible personal property gifts of \$5,000.00 or greater require an independent qualified appraisal as defined by the IRS. New property, of \$5,000.00 or more, require a recent bill of sale, or appraisal from the seller, or independent qualified appraisal. Used gifts, of

\$5,000.00 or more, require an independent qualified appraisal. If an independent appraisal is needed, the donor pays for it.

If the claimed value of all tangible property contributed, at the time of the donation, exceeds \$500 (regardless of their individual values), the donor must complete the appropriate parts of IRS Form 8283, and attach it to his or her federal income tax return.

ORG NAME is responsible for filing IRS Form 8282 for gifts of tangible personal property valued at \$5,000.00 or more and disposed of within two years of the date of the gift.

### **Life Insurance**

Gifts of life insurance may be accepted without special approval if the insurance policy is fully paid and in cases where the donor intends for the policy to be cashed in immediately for its cash surrender value. ORG NAME must be owner (not just beneficiary) of the policy.

Gifts of life insurance with a cash value of at least \$10,000 and which are partially paid, or on which no payments have been made at the time of gift, will be reviewed for acceptance. The donor is expected to make a written pledge to continue paying the premiums on the policy. If no payment is received from the donor within ninety (90) days of the premium payment due date, whole life policies will be cashed in for the cash surrender value and term life policies will be allowed to lapse.

The value of paid-up life insurance gifts will be recorded and reported at cash surrender value rather than face value of the policy, in accordance with CASE/NACUBO guidelines.

### **Real Property**

All proposed gifts of real estate must satisfy the requirements of ORG NAME's separate Policy and Guidelines Relating to Gifts of Real Estate. Please see Appendix A.

### **Closely Held Stock**

All proposed gifts of closely held stock (including LLC stock and partnership interests) must satisfy the requirements of ORG NAME's separate Policies and Guidelines Relating to Gifts and Partnerships Interests and Gifts of Closely Held Stock. See Appendices B and C.

### **Retirement Plan Assets**

Donors may name ORG NAME as the beneficiary of retirement plan assets as a way to establish or add to a component fund within ORG NAME.

## **S Corporation Stock**

The acceptability of a gift of an S Corporation stock will depend on the ultimate financial liability of the ORG NAME and the amount of management attention required. Each case will be evaluated prior to acceptance. It is the donor's responsibility to obtain any necessary appraisals of securities (*Subject to ORG NAME Fundraising Committee and Board of Directors review*).

## **Life Tenancy**

Donors may deed their real estate including personal residence, vacation property, etc., to the ORG NAME and continue to live in the property for the rest of their lives. During the time of occupancy, the donor is responsible for insurance, taxes, upkeep, and maintenance. Real estate given in this manner must be owned free and clear by the donor. Other rules governing gifts of real estate apply. In addition, proceeds from the eventual sale of the property will be applied for charitable purposes as documented by the donor.

## **Confidentiality**

All agreements with donors and all information concerning donors and prospective donors shall be held in strict confidence by ORG NAME, subject to any legally enforceable requests for information made by regulatory bodies and/or courts or as otherwise authorized by the donor or its estate, provided that ORG NAME may share such information with its directors, agents, representatives, and other third parties (collectively, "Representatives") in furtherance of this Policy, provided such Representatives are bound by similar confidentiality requirements. All other requests for donor information will be allowed only if permission is obtained from the donor prior to release of such information.

**ORG NAME  
POLICY AND PROCEDURE  
FOR POTENTIAL GIFTS OF REAL ESTATE**

**APPENDIX A**

**I. AUTHORITY TO NEGOTIATE**

The INSERT BOARD LEADER TITLE and/or ORG NAME'S INSERT TITLE OFFICER will have the overall authority to handle inquiries, negotiate with donors, assemble documentation, retain appraisers, surveyors, realtors, and other technical consultants, and execute agreements on behalf of the ORG NAME.

**II. EVALUATION OF POTENTIAL GIFTS**

Property and Report Form: Upon initial inquiry, potential donors will be asked to complete a property inquiry form and return it to ORG NAME with appropriate maps and documentation.

- A. Liens, Mortgages and Encumbrances: Property, which is subject to liens, unpaid mortgages, deeds of trust, judgment liens, unpaid taxes or assessments, mechanics' liens or other encumbrances will be accepted only in exceptional circumstances and upon advice from ORG NAME legal counsel. If accepted, the property which is subject to encumbrances will be evaluated as a "bargain sale" (a bargain sale is an arrangement whereby a donor offers property to ORG NAME for an amount less than its current fair market value).
- B. Field Evaluation: Following an offer of a gift of real estate, a member of the ORG NAME Board or an authorized representative will visit the property. A representative may be a local realtor or any other person that the President may deem appropriate. The purpose of the visit will be to determine the nature and type of the property and to identify any potential problems not evident from initially supplied information that would hinder or prevent the sale of the property.
- C. Market Evaluation: Whenever practicable, arrangements will be made to have a realtor analyze the property to evaluate the existence of a market for such property. The President may, at his/her opinion, request that the donor provide such an evaluation from a realtor acceptable to the President.
- D. Expense Budget: The ORG NAME Manager will prepare a budget outlining all the projected expenses associated with the acceptance of all proposed gifts of real estate.

### **III. RESPONSIBILITIES OF THE DONOR**

- A. The donor will be responsible for obtaining a qualified appraisal complying with IRS regulations for the purposes of establishing the value of the gift for federal income tax purposes, including the preparation of Form 8283 – Noncash Charitable Contributions. See Treas. Reg 1.170A-13a.
- B. The donor must obtain, at the donor's expense, an environmental audit satisfactory to ORG NAME. No property will be accepted if there is a likelihood of any liability which could attach to ORG NAME as a result of it taking title to the property.
- C. The donor must furnish ORG NAME with evidence of title which shows that title to the property is free and clear except for current real estate taxes and restrictions of record which would not create any economic burden on ORG NAME.
- D. It is the donor's responsibility to prepare the deed and other instruments that are necessary to transfer the property to ORG NAME. All proposed transfer instruments must be reviewed by ORG NAME's legal counsel prior to acceptance by ORG NAME.
- E. Prior to acceptance of the property, ORG NAME and the donor must agree in writing on arrangements for paying expenses associated with the property, such as commissions, real estate taxes, utilities, insurance, and maintenance costs. ORG NAME will not advance funds for the payment for such expenses.
- F. Donors will be encouraged to discuss contemplated bequests of real estate before finalizing their wills. Property that is bequeathed to ORG NAME will be evaluated in accordance with the Policy and Procedure like all other gifts of real property.

### **IV. PROCEDURE FOR ACCEPTING REAL ESTATE**

- A. After the requirements of the Policy and Procedure have been satisfied, the President will have the authority to accept or refuse a gift of real property.
- B. The President may refuse any offered gift of real property that is judged not to be in the best interests of ORG NAME.
- C. Prior to or upon transfer of title to ORG NAME, the donor and the President will sign an agreement (approved by legal counsel) stating the terms of the gift, which shall specify that there are no restrictions on the Foundation's right to sue or convey the property.
- D. ORG NAME will not seek exemption from real estate taxes for real estate gifts.

## **V.     MARKETING AND SALE OF REAL ESTATE**

- A.     After accepting a real estate gift, arrangements will be made to sell the property through a qualified real estate professional.
- B.     While it is anticipated that in most circumstances the sale price will equal or exceed the appraised value of the property, the terms of the sale should take into account current market conditions, availability of financing and other factors. Any offer that is below 70 percent of the appraised value must be approved by the President and ORG NAME legal counsel.
- C.     In the case of a sale within two years of the date of the gift, ORG NAME will report the actual sales proceeds to the IRS on Form 8282-Donor Information Return.

## **VI.    REAL ESTATE GIFTS BY BEQUESTS**

- A.     Upon becoming aware that ORG NAME has been named to receive a gift under a will that has been admitted to probate or any trust agreement, the ORG NAME Manager will contact the executor, trustee, or other legal representative of the estate, and determine if the gift consists of land or, if ORG NAME is a residuary beneficiary of the estate, whether the residue passing to ORG NAME will contain any land.
- B.     If ORG NAME will or may receive land in satisfaction of the gift, the President will ask the executor or other legal representative to conduct an environmental study similar to the one that would be required for an inter-vivos gift. If the executor, trustee, or other legal representative has not made the study and if it does not do so, ORG NAME should make its own study or decline to accept the gift.

## **VII. WHAT ORG NAME WILL NOT DO**

- A.     Except in extraordinary circumstances, ORG NAME will not pay for legal assistance, appraisals or other services on behalf of the donor.
- B.     ORG NAME will not establish or corroborate the value of any property for the purpose of substantiating the donor's income tax charitable deduction.

**ORG NAME**  
**CHECKLIST OF DESIRED ITEMS IN CONNECTION WITH CONSIDERATION  
OF ACCEPTANCE OF REAL ESTATE DONATION**

1. Exact legal name of donor and federal identification number.
2. Description of property (copy of deed)
3. Description of any buildings or structures located on the land.
4. Boundary survey of property with location of all structures, easements, and encumbrances appearing on the face of the survey.
5. Information regarding existing zoning status.
6. Information on all ingress/egress for the property.
7. Description of prior use of the property.
8. Description of use of surrounding property, with specific disclosure of any storage tanks or potential environmental factors affecting the property.
9. Disclosure of any contemplated or anticipated condemnations, right-of-ways or other actions by municipalities that may affect the subject property.
10. Phase I environmental report on the property, including environmental report on any structures located on the real estate.
11. Evidence of title, such as title examination and report, title insurance commitment, or schedule describing any liens, encumbrances or title matters affecting the property.
12. Copy of appraisal showing the fair market value of the property current within sixty days.
13. Disclosure of amount of existing real estate taxes, insurance premiums, and assessments attributable to the property.
14. Discussion with proposed donor regarding any special arrangements for donor's fund or other sources to address ongoing expenses for taxes, insurance, assessments, maintenance, grass cutting, security, utilities, and similar items.

ORG NAME

REAL PROPERTY INQUIRY FORM

Owner(s) \_\_\_\_\_ Phone \_\_\_\_\_

Owner's Address \_\_\_\_\_

\_\_\_\_\_

Property Location \_\_\_\_\_

\_\_\_\_\_

Land area (acres or sq. ft.) \_\_\_\_\_

Building area (sq. ft. each floor) \_\_\_\_\_

Zoning \_\_\_\_\_

Replacement cost of building \_\_\_\_\_

Current property insurance coverage \_\_\_\_\_

Date of acquisition/form of acquisition \_\_\_\_\_

Current cost basis (includes improvements)

\_\_\_\_\_

Principal balance of mortgage \_\_\_\_\_ Current market value \_\_\_\_\_

Assessed value for real estate taxes \_\_\_\_\_

Real estate taxes \_\_\_\_\_

Land value \_\_\_\_\_ Building value \_\_\_\_\_

Most recent appraisal (date) \_\_\_\_\_ Appraised value \_\_\_\_\_

Appraiser \_\_\_\_\_

Occupancy status after transfer of title to ORG NAME:

Unimproved (no buildings) \_\_\_\_\_

Unoccupied (building, but not occupant) \_\_\_\_\_

Occupied (building with occupants) \_\_\_\_\_

**THE ORG NAME**  
**POLICY AND PROCEDURE**  
**FOR POTENTIAL GIFTS OF CLOSELY HELD STOCK**

**APPENDIX B**

**I. AUTHORITY TO NEGOTIATE**

The INSERT BOARD LEADER TITLE and ORG NAME TITLE will have the overall authority to handle inquiries, negotiate with donors, assemble documentation, and execute agreements on behalf of the ORG NAME.

**II. GENERAL GUIDELINES**

There are excellent tax incentives for contributing stock of a closely held corporation to ORG NAME. If some or all the stock can be contributed to ORG NAME before the terms of a sale of the corporation are completed, considerable financial resources can be made available for charitable purposes at the lowest after-tax cost to the donor.

Sometimes donors will be interested in giving closely held stock to ORG NAME even if the business is not likely to be sold. Typically, the donor contributes stock, and the stock is later sold for cash. In such instances, ORG NAME will not guarantee or pre-arrange such sale or make any other agreement that might imply or cause a material restriction to be imposed upon the contribution.

As a general rule, gifts of securities are sold as soon as possible, usually on same days as the gift. In the case of gifts of closely held corporations that are not readily marketable at the time of the gift, it should reasonably appear that the stock will be sold or converted into income-producing property within a specific time frame, not to exceed three to five years.

**III. RESPONSIBILITIES OF THE DONOR**

- A. The donor will be responsible for obtaining a qualified appraisal complying with IRS regulations for the purposes of establishing the value of the gift for federal income tax purposes, including preparation of Form 8283-Noncash Charitable Contributions. See Treas. Reg. 1.170A-13(a).
- B. It is the donor's responsibility to prepare the appropriate instruments that are necessary to transfer the stock to ORG NAME. All proposed transfer instruments must be reviewed by ORG NAME's legal counsel prior to acceptance.

- C. During the period before the sale of the closely held stock, there should be assurance from the donor that adequate cash will be available to pay any administrative fees, either from the investment itself or from further contributions from the donor. All paid dividends will be used to offset all, or a portion of administrative fees charged in the same year ending with the anniversary date of the gift.
- D. ORG NAME's legal counsel shall review any shareholder, buy-sell or other arrangements that impose any restrictions or limitations upon the sale or transfer of the stock.

#### **IV. PROCEDURE FOR ACCEPTING CLOSELY HELD STOCK**

- A. After the requirements of this Policy and Procedure have been satisfied, the President will have the authority to accept or refuse a gift of closely held stock.
- B. The President may refuse any offered gift of closely held stock that is judged not to be in the best interests of ORG NAME.
- C. Prior to or upon transfer of the stock to ORG NAME, the donor and ORG NAME will sign an agreement (approved by legal counsel) stating the terms of the gift, which shall specify that there are no restrictions on ORG NAME's right to use or convey the property.
- D. In negotiating the sale of closely held stock, a fair market value (price per share) will be established at the time of sale. No warranty is given by ORG NAME that the valuation will be acceptable to the IRS. In some cases, ORG NAME may obtain an independent appraisal of the value of the stock prior to agreeing to a proposed sale of stock.
- E. In addition, the donor will be advised that if the property listed on IRS Form 8283 is sold, liquidated, or otherwise disposed of within two years of receipt, ORG NAME is required to file a separate report within 125 days with the IRS on IRS Form 82820-Donee Information Return and disclose facts about the disposition. See Treas. Reg. 1.6050L-I.

#### **V. WHAT ORG NAME WILL NOT DO**

- A. Except in extraordinary circumstances, ORG NAME will not pay for legal assistance, appraisals, or other services on behalf of the donor.
- B. ORG NAME will not establish or corroborate the value of any property for the purpose of substantiating the donor's income tax charitable deduction.
- C. In many cases, upon the subsequent sale of closely held stock, there will be a stock purchase agreement setting forth the proposed terms and conditions of sale. ORG NAME will not join or participate in the issuance or warranties and representations and in indemnification agreements.

**THE ORG NAME  
POLICY AND PROCEDURE  
FOR POTENTIAL GIFTS OF PARTNERSHIP INTERESTS**

**APPENDIX C**

**I. AUTHORITY TO NEGOTIATE**

The BOARD TITLE and ORG NAME TITLE will have the overall authority to handle inquiries, negotiate with donors, assemble documentation, and execute agreements on behalf of the ORG NAME.

**II. GENERAL GUIDELINES**

Contributions of partnership interests to ORG NAME raise several issues that bear on the advisability of accepting the contribution. These issues include (1) exposure to creditors' claims and contingent liabilities, (2) possible exposure to the unrelated business income tax (UBIT), (3) possible adverse effects on ORG NAME's tax-exempt status; and (4) the nature of the partnership's activities. The purpose of this Policy and Procedure is to assure that these issues are addressed prior to the acceptance of a contribution of a partnership interest.

- A. **Type of Interest:** ORG NAME will only accept contributions of limited partnership interest. ORG NAME will not accept general partnership interests, due to the exposure to claims of creditors and other liabilities.
- B. **Nature of Activity:** ORG NAME will only accept interests in passive, investment-type partnerships, such as those holding rental real estate, stocks, bonds, and other investments. ORG NAME cannot accept interests in partnerships that carry on an active, for-profit business. In addition, ORG NAME will not accept contributions of limited partnership interests where the nature of the partnership's activities is not consistent with the mission and objectives of ORG NAME.
- C. **Sale or Liquidation:** It should appear reasonably certain that the partnership will be sold or liquidated, and its assets distributed within a specific time frame, not to exceed three to five years.

**III. RESPONSIBILITIES OF THE DONOR**

- A. Documentation – The following documentation must be submitted to the ORG NAME Manager before a proposed gift of a partnership interest can be accepted:
  - Partnership Agreement:** A copy of the partnership agreement. ORG NAME's legal counsel will review the limited partnership

agreement to determine the nature of the interest being contributed and the activities of the partnership and whether there are any potential liabilities associated with holding the limited partnership interest, such as capital calls or contingent liabilities.

**Income Tax Return** – A copy of the most recent federal income tax return for the partnership (Form 1065) and the most recent Schedule K-1 that the donor has received from the partnership. The Schedule K-1 will be reviewed to determine the nature of the income generated by the partnership (active versus passive).

**Appraisal** – If requested, a qualified appraisal complying with IRS regulations for the purposes of establishing the value of the gift for federal income tax purposes, including preparation of Form 8283 Noncash Charitable Contributions. See Treas Reg. 1.170A-

13(a). **Description of Activities** – A description of the activities in which the partnership engages. If the partnership owns real property, this description should include a description of the property, its location, and the current use(s) of such property.

**Transfer Instrument** – A copy of the proposed instrument that will be used to transfer the partnership interest to ORG NAME. The transfer instrument should include a warranty that the interest is free and clear of all claims and liens. The proposed transfer instrument will be reviewed by ORG NAME's legal counsel prior to acceptance.

**Confirmation of Sale or Liquidation** - A written statement from the general partner of the partnership, confirming the likelihood that the partnership will be sold or liquidated, and its assets distributed within three to five years following the date of transfer.

**Administrative Expenses** – Prior to acceptance of the partnership interest, ORG NAME and the donor must agree in writing on arrangements for paying expenses associated with the partnership interest. It is expected that the donor will agree that to provide assurance that adequate cash will be available to pay for any UBIT and ORG NAME's associated administrative costs (accounting expenses and tax return preparation). In some cases, partnerships will not distribute sufficient cash to pay the tax, and in these cases, the donor should agree to contribute additional cash to pay the tax and associated costs of holding the partnership interest.

- B. **Advance Approval:** The required documentation should be submitted to ORG NAME sufficiently in advance of the anticipated date of the gift as to allow ORG NAME adequate time to evaluate the proposed gift. For gifts that are to be made at or before the end of the calendar year, the required documentation should be submitted prior to December 15.
- C. **Bequests:** Donors are encouraged to discuss contemplated bequests

before finalizing their wills. Partnership interests that are bequeathed to ORG NAME will be evaluated in accordance with this Policy and Procedure like all other gifts of partnership interests.

#### **IV. PROCEDURE FOR ACCEPTING PARTNERSHIP INTERESTS**

- A. Acceptance: After the requirements of this Policy and Procedure have been satisfied, the President will have the authority to accept or decline a gift of a partnership interest.
- B. Declination: The President may decline to accept any offered gift of a partnership interest that is judged not to be in the best interests of ORG NAME.
- C. Acceptance Agreement: Prior to or upon transfer of the interest to ORG NAME, the donor and ORG NAME will sign an agreement (approved by legal counsel) stating the terms of the gift, which shall specify that there are not restrictions on ORG NAME's right to use of convey the property.
- D. IRS Form 8282: The donor will be advised that if property listed in IRS Form 8283 is sold, liquidated, or otherwise disposed of within two years of receipt, ORG NAME is required to file a separate report within 125 days with the IRS on IRS 8282-Donee Information Return.

#### **V. WHAT ORG NAME WILL NOT DO**

- A. Donor Expenses: Except in extraordinary circumstances, ORG NAME will not pay for legal assistance, appraisals, or other services on behalf of the donor.
- B. Corroboration of Value: ORG NAME will not establish or corroborate the value of any property for the purpose of substantiating the donor's income tax charitable deduction.

Organizational logo was removed

**Planned Gift Intention Form**

Please use this form to share the details of your estate plan intentions with NAME of ORGANIZATION. In recognition of your disclosure, we will be honored to invite you to join the Legacy Society, ORG NAME select group of donors who have created a future gift intention to support the organization. This form is for informational and archival purposes only. Your estate is not legally bound by submitting this form. This form is held in the strictest of confidence and will be used to inform and to help with assuring integrity towards administering your true intentions for your gift when it is provided to ORG NAME.

Name: \_\_\_\_\_ Email: \_\_\_\_\_ Date of Birth: \_\_\_\_\_  
Phone: \_\_\_\_\_ Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Name of advisor with contact info: \_\_\_\_\_  
In your absence, whom may we contact about your gift? \_\_\_\_\_

**GIFT SPECIFICS**

As evidence of my/our desire to provide a legacy of support for the community through ORG NAME, I/we wish to formally inform the ORG NAME that I/we have been named in my/our estate plan(s). The type of gift(s) is/are (please check all that apply):

Charitable Gift Annuity       Insurance Policy       Bequest  
 Charitable Lead Trust       Charitable Remainder Trust       Retirement Plan  
 Retained Life Estate       Property (e.g. real estate)  
 Other (please specify: \_\_\_\_\_)

Please select one: The gift is revocable: \_\_\_\_\_      The gift is irrevocable: \_\_\_\_\_

I/we designate the gift to be used for:

Unrestricted Support (where need is greatest as determined by ORG NAME Board of Directors)

OR

The following purpose: \_\_\_\_\_

**(ORG NAME) LEGACY SOCIETY**

In recognition of your intended gift, it is our sincere pleasure to induct you as a member of Organizational Name’s Legacy Society (please check one).

Yes, you may publicize my/our name(s) as members of the Legacy Society, which serves as motivation for others to consider planned gifts in support of the agency.

I/We prefer that our intentions to remain anonymous.

\_\_\_\_\_  
Donor(s) Signature(s)

\_\_\_\_\_  
Date