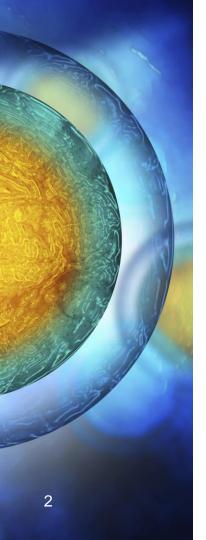


Pete Sommerfeld, Senior Philanthropic Advisor, OHSU & Doernbecher Foundations March 15, 2019

in a Campaign



Introduction

- What to expect from this presentation.
- What not to expect from this presentation.





Should Planned Gifts Be Included in a Campaign?

- Short answer: Yes!
- Why?
 - Open a broader conversation.
 - Include a larger audience.
 - Increase the likelihood of blended gifts.
 - Deferred gifts are not consolation prizes.





How Should Planned Gifts Be Included in a Campaign?

- Everywhere but capital projects.*
- Endowing positions and projects.
- Funding projects with long time horizons.
- Funding projects with future start dates.





How Should Planned Gifts Be Counted and Reported in a Campaign?

- Definitions.
 - Counting and reporting.
 - Accounting.
 - Valuation.
 - -Crediting.

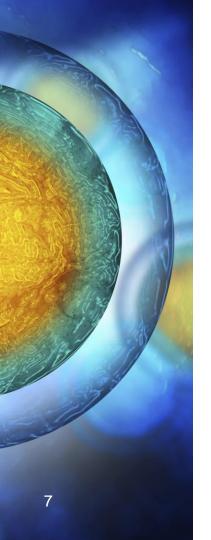




Frequently Used Counting Methods

- Face value.
- Setting limits.
- Minimum ages.
- Discounted value.
- Note: levels of documentation.





NACGP Suggested Guidelines

- History of guidelines.
- Trisected goal:
 - Outright goal.
 - Irrevocable deferred goal.
 - Revocable gift goal.





Basic Principles Behind the Guidelines

- Be clear, transparent and easily understandable.
- Provide a mechanism for comparison.
- Take into account the considerations of the donor.
- Focus on counting and reporting.





Basic Principles Behind the Guidelines II

- Recognize that IRS charitable deduction calculations were not created for the purpose of counting planned gifts.
- Recognize that campaigns are usually finite often with multi-year timeframes.







—Phil Knight



Case Study: The Knight Cancer Challenge

- The Goal: Raise \$500 million in two years.
- Spoiler alert:
 - We met the goal!!!
 - -\$508 million in 21 months.

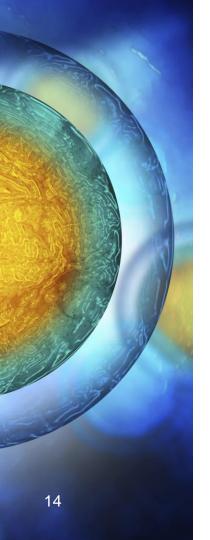




Where Did Those Dollars Come From?

- Foundations.
- Corporations.
- Individual donors.
- State of Oregon.





Breakdown by Percentage

- Government
 - 41%
- Foundation
 - 10%
- Corporate
 - 6%
- Other (Schools, community groups, kids)
 - 1%





Breakdown of Individual Giving

- Outright gifts and pledges (People, DAFs, Estates).
 - -15%
- Deferred irrevocable gifts (CRT, CGA, CLT).
 - -23%
- Deferred revocable gifts.
 - -4%





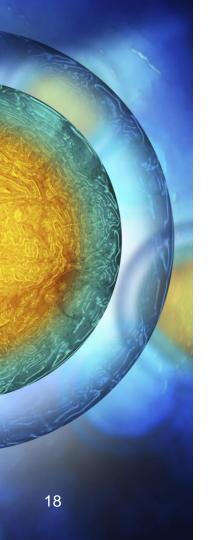
Anatomy of an Anonymous Gift

- Charitable Lead Unitrust
 - Funded with \$20,000,000 of zero basis Nike
 Corporate Stock
 - 20 Year Term, 8% Pay Out
 - How Was It Counted?









Questions for Discussion

- Does your organization have a standard counting practice for planned gifts received during a campaign?
 - Face value (minimum age), discount value, % or \$
 limits, revocable gifts, documentation required
- Has today's presentation given you pause as to the advisability of continuing that practice?
- If so, what steps will you need to take to initiate that change?





Pete Sommerfeld sommerfe@ohsu.edu 503.220.8328