



# Empowering Clients to Leave a Legacy:

## *The Business Case for Philanthropy*

Denver Estate Planning Council





**Kelly Dunkin**  
President + CEO  
Colorado Gives Foundation





## A Community Foundation Unlike Any Other

Dedicated to improving the lives of people in Jefferson County and building nonprofit and donor capacity statewide.

Connection of people, ideas and nonprofits so **together we can build resilient, connected and thriving communities, which is good for everyone.**

### Statewide Capacity Builder for Nonprofits and Donors

Investing in:

- Free Digital Fundraising on ColoradoGives.org
- Colorado Gives Day
- Donor Services
- Giving Funds
- Endowments
- Group Giving

### Our Work for a Thriving Jefferson County

Providing millions in grants annually in addition to:

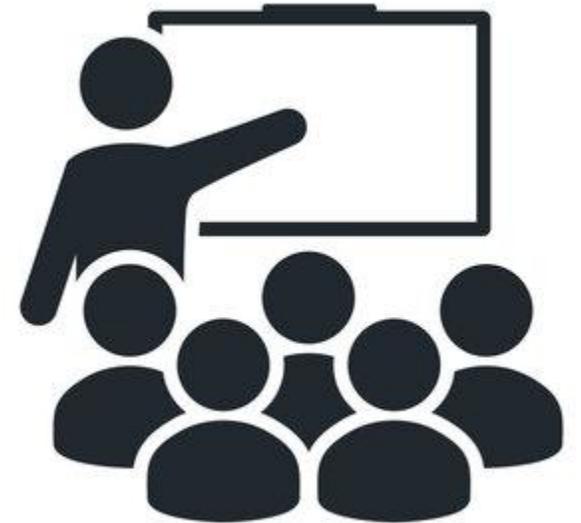
- Convening
- Impact Investing
- Advocacy
- Data and Research

All aligned with our Impact Areas so that all of Jeffco is thriving.



# Learning Objectives

1. Understand why philanthropy is beneficial both for tax advantages and for building stronger relationships with clients.
2. Learn about charitable giving vehicles through real-life client stories.
3. Integrate philanthropic planning into wealth strategies to deliver greater value for both the client and advisor—leading to greater trust, retention, and referrals.





# Trivia Question #1

According to a study by Prince and Grove of high-net-worth clients who fail to sign their legal documents, all the following are true, **EXCEPT**:

- A. 75% found the legal fees too high
- B. 95.6% said their goals were not met
- C. 90.1% found the plans incomprehensible
- D. 93.4% said the attorney made them uneasy





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# Trivia Question #2

To be deductible for income tax purposes, a charitable gift must meet all of the following requirements, **EXCEPT:**

- A. It must be a voluntary transfer.
- B. It must be made to an eligible recipient.
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- D. It must have a positive social impact.





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# Trivia Question #3

Research by gift-planning professionals suggests which of the following attributes is the strongest predictor of a donor later making an estate gift (bequest) to a charity?

- A. Having a donor advised fund established during lifetime.
- B. Donor having given to the charity for 5+ years, and the donor has no children
- C. Donor being over age 75 at the time of first major gift.
- D. Donor's household income exceeding \$1 million annually for at least 5 consecutive years.





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# Why legacy planning and philanthropy matters





# Today + Tomorrow: The Power of Blended Gifts

Giving **now** boosts happiness, well-being and purpose.

**Planned gifts** create a meaningful legacy and lead to increased annual giving during a donor's lifetime.

Together they create **meaningful, sustained impact.**



# Giving made easy and joyful

Community foundations like Colorado Gives Foundation make great partners

- Funds stay local
- Flexible tools
- Community connections
- Excellent customer service
- Expertise to align charitable goals, values and impact
- Continuity and stewardship beyond the client's lifetime





# Helping Clients Donate Can Strengthen Your Business



# Growing Demand for Philanthropic Planning

- 88% of affluent households give to charity.\*
- Wealthy donors account for the majority of individual giving. They gave an average of \$34,917 to charity, which is 13.5 times more than the average donation from the general population, according to [The Chronicle of Philanthropy](#).
- Nearly three quarters (72%) of affluent households indicated their charitable giving would stay the same if tax deductions were eliminated.\*
- [Charities Aid Foundation](#) research showed younger investors (ages 21–41) are particularly drawn to advisors who prioritize philanthropy and are twice as likely as Boomers (ages 60–79) to select advisors who provide charitable planning.\*

\*[Bank of America / Lilly Family School of Philanthropy study](#)



# Discussing Giving Matters

- Conversations around giving help to deepen client relationships, building trust and rapport.
- Having charitable discussions prepares for future generations of clients.
  - \$68T Great Wealth Transfer is underway.
  - Heirs will seek guidance from advisors.
  - Discussions around family values and giving serve as a powerful way to retain heirs.

**Build loyalty** by talking to clients about philanthropy.

Fidelity Charitable research shows clients who receive charitable planning are **more loyal and likely to recommend** their advisor compared to those who don't.

Advisors who offer charitable planning:

**67%**

Advisors who don't offer charitable planning:

**49%**



# Talking about philanthropy increases assets under management

*90% of clients said they would like to discuss philanthropy with their advisor*

## Questions to Consider:

1. What does this mean for maintain your client base
2. What does this mean for business growth?
3. What can you do to include philanthropy and charitable giving more into your meetings and annual conversations?

*Source: The Philanthropic initiative, tpi.org*



# Talking about philanthropy increases assets under management



- Enhances client satisfaction, retention and referrals
- Increases collaboration among professional advisors for holistic planning
- Develop lifelong, trusting relationships between advisor and client



# Talking about philanthropy can grow your business

Three out of four advisors say discussing philanthropy with clients is good for their business because...

1. Presents more comprehensive & holistic approach to managing client's wealth (24%).
2. Demonstrates greater interest in clients' charitable goals and aspirations (18%).
3. Shows clients they are interested in more than just their clients' money (13%).
4. Provides insights that help advisors better serve their clients (13%).

*Source: The U.S. Trust Study of the Philanthropic Conversation, [ncfp.org](http://ncfp.org)*



**Jeremy Stern, MS, CAP®**  
Major Gifts Officer  
Colorado Gives Foundation





# Helping clients strengthened advisors' business

Philanthropy in wealth planning helps advisors:

- Better understand their clients
- Learn about their goals and dreams
- Deliver tax savings, clients appreciate





# The Personal Connection

Everybody has a passion. It's your role to find out their 'why'

- ✓ Family interests
- ✓ Personal values
- ✓ Traumatic experience
- ✓ Asked by a friend

How clients received wealth?

Listen to what Inspires them?

You can connect your clients to a nonprofit's mission





# Considerations Advisors Should Include in their Legacy Gift Planning



# What's a Legacy Gift?

"A legacy gift is a donation that a person arranges as part of their overall financial or estate planning, typically to be distributed after their death. These gifts can take many forms, including bequests, life insurance, retirement assets, and charitable trusts."

Source: [National Council of Nonprofits](#)

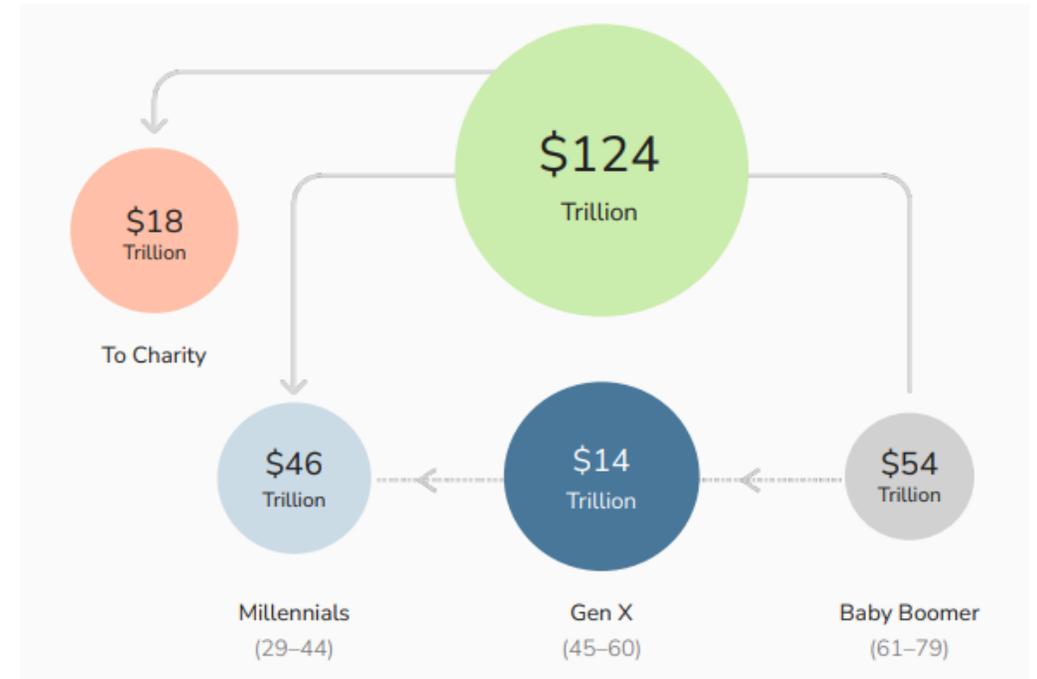




# Unique Characteristics in Generations

- Greatest Gen, Baby Boomers, Gen X, Millennial, Gen Z, Gen Alpha
- Similarities/Differences
- Future Considerations
- Baby Boomer Generation is leaving trillions of dollars to nonprofits

(Source FreeWill and Cerulli Associates)





# Your Role

- Client often does not know where to turn
- You can help connect them to the appropriate experts
- Lead the team providing both financial and philanthropic advice





# Charitable Giving Strategies: Practical Solutions



# Philanthropic Tools to Consider

- **DAFs: Charitable Giving Account / One-Stop Shop**
- **Charitable Remainder Trusts & Charitable Lead Trusts**
- **Testamentary Gifts Through Beneficiary Designations**
  - Qualified Charitable Distributions from IRAs
  - Donor Advised Fund
  - Life Insurance
- **Complex vs. Cash Assets**
  - Most Common option
  - Asset types to consider
  - Process for conversion
- **Planning during lifetime, partnering with community foundations**





# Donor Advised Funds (DAFs)

*When and Why to recommend DAFs*





# Ten Benefits of a Donor Advised Fund at Colorado Gives Foundation

1. Immediate Tax Deduction
2. Flexible Giving
3. Invest for Growth
4. Give Anywhere
5. Recurring Gifts
6. Family Involvement
7. Online Account
8. Privacy Option
9. Strong Service & Philanthropic Experts
10. Local Community



# Five Scenarios

*Deepen client relationships, create value beyond money, and leave a meaningful legacy*



# Meeting clients' needs without the administrative burden

## Background:

- Joan is 76 years old with a passion for the outdoors.
- Strong cash flow. Doesn't need \$30,000 RMD.
- Identified 15 nonprofits to support.
- Research, verify and cut checks.

## Solution:

- Financial advisor sent 1 check for \$30,000.
- Nonprofits immediately receive funds.
- Greatly reduced administrative burden.
- Joan and her advisor were happy!

## Charitable Giving Vehicle:

- Qualified Charitable Distribution (QCD) option through ColoradoGives.org





# Giving made simple with a Donor Advised Fund

## Background:

- Felix is a successful business owner who cares about education & the arts.
- Sold business and has large tax bill looming.
- Wants share values of generosity with daughters.

## Solution:

- Opened a DAF to reduce tax liability and give back to community that made him successful.
- Named daughters as successors on his Donor Advised Fund.

## Charitable Giving Vehicle:

- Donor Advised Fund: flexible giving vehicle, tax efficient, engage family in giving





# Seeking more than just transactional giving

## Background:

- Family has a long charitable legacy in Denver.
- Private Foundation and DAF held at another institution.
- DAF lacked mission-aligned investment and local expertise.
- Advisor managed foundation's assets, though not DAF.

## Solution:

- Opened an Advisor Managed Fund at Colorado Gives Foundation.
- Advisor brought \$13M under their management. Mirrored investment strategy with foundation.
- The Family is grateful to create meaningful change in a strategic way.

## Charitable Giving Vehicle:

- Advisor Managed Fund: invest assets, view clients' accounts, branded



# Too much work, not enough impact

## Background:

- Operating as private foundation required significant time and money for administration, legal compliance, and tax reporting.
- Leadership wanted focus more on community. Less on overhead.
- Board members were busy with consistent turnover.

## Solution:

- Converted private foundation to DAF with lower administrative burden.
- Advisory Committee recommends grants on own timeline without annual payout pressure.
- Continued engagement without need for formal governance or board structure.
- Access to philanthropic advising and local expertise to help future giving.

## Charitable Giving Vehicle:

- Private or Family Foundation conversion to DAF





# Longterm legacy options

## Background:

- Donors want to support specific cause and nonprofit
- Animal Welfare & Cats are of upmost interest to couple and sister
- Has ideas though might not meet the needs of the nonprofit
- Prepare during their life with the assistance of their attorney

## Solution:

- Establish fund during lifetime so fund can be named in will and trust
- Understand donors' goals though a compassionate lens, taking time to learn about their "why."
- Partnered with nonprofit to meet demand for now and in the future

## Charitable Giving Vehicle:

- Customized Donor Endowments to meet the long-term desires for will & estate planning. Can support nonprofit, cause, Impact Areas or Foundation's general fund





# You know your clients. We know giving.

## Charitable Giving Vehicles:

- Advisor Managed Funds
- Donor Advised Funds (can be branded)
- Qualified Charitable Distributions
- Private Foundation to DAF
- Legacy Giving
- DAF, QCD for Colorado Gives Day and End of Year Giving



Scan to sign up for our newsletter.

***Giving made easy and joyful!***



# Questions ?



# Thank You

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[ColoradoGivesFoundation.org](http://ColoradoGivesFoundation.org)

# 50

years of  
making  
good  
happen  
together