Donor Behavior: Planned Giving Still In Early Stages

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Study Shows Planned Giving Still In Early Stages
Charities can help shape thinking, giving of donors

BY JOHN J. HAVENS, PAUL G. SCHERVISH AND MARY A. O’HERLHY

Fewer than one-third of Americans (31 percent) have designated a planned gift to charity. And, those who have a plan contribute a larger proportion of income to charity on an annual basis than those who do not.

Slightly more than a quarter of the population (26 percent) said that they are considering a planned gift in some form, with charitable bequests and donating assets the most popular methods of planned giving.

And, more households that donated to charity in 2002 also used one or more vehicles of planned giving, as compared with households that did not donate to charity during 2002.

These are among the results of a study conducted by The NonProfit TIMES and The Social Welfare Research Institute at Boston College. The study was funded, in part, by George Rutherford Associates, Cresskill, N.J., Semple-Bixel Associates, Nutley N.J. and software provider Metalfie of Rochester, Minn. The construction of the study instrument and analysis of the data was independent of the sponsors, which acted solely as funders.

The results show a large opportunity for charities to talk to donors about planned giving and help donors shape the form the gift will take. Just 10 percent of households have discussed future charitable plans with a professional advisor, such as a fundraiser or financial planner, according to study results.

Several trends have heightened interest in a variety of vehicles of planned giving during the past few years. These trends include:

• Growth in personal inter-vivos giving;

• Growth in the amount of charitable bequests;

• Growth in high-income and high-net-worth households;

• Increased interest among the population in financial and estate planning;

• Increased range of options for giving; and:

• More frequent appeals to participate in planned giving by financial and development professionals.

The appeal of planned giving generally has grown as a result of the emergence of a broader, more inclusive concept of planned giving as a form of giving. It’s a form in which biographical and family purposes are integrated at large of planned giving vehicles, narrowly or broadly defined.

To remedy this gap, The NonProfit TIMES engaged the Social Welfare Research Institute at Boston College to design and analyze a national survey of households. Conducted in mid-March 2003 by the Opinion Research Corporation, this national telephone survey interviewed 1,010 participants concerning use of each of nine planned giving vehicles.

The nine vehicles, which constituted the working definition of planned giving, were:

(1) including a bequest to charity

(2) designating a charity as a beneficiary of a life insurance policy or retirement plan, such as an IRA;

(3) establishing a charitable gift annuity with a charitable organization that provides lifetime income to the donor or spouse;

(4) creating a charitable trust (including charitable remainder trust, charitable lead trust, and other fiduciary trusts providing a charitable contribution);

(5) establishing a private or family foundation;

(6) establishing a charitable gift fund or a charitable gift account at a financial institution;

(7) creating a charitable fund at a community foundation or nonprofit organization, such as a donor-advised fund, designated fund, unrestricted fund, or supporting organization;

(8) donating assets (such as stock, real estate, art or a business interest) or selling such assets in a bargain sale to a charitable organization;

(9) establishing a retained-life-estate agreement with a charitable organization.

Participants in the survey were asked whether they or their spouse had ever used one of these vehicles for giving to charity. Those who said they had not used a particular vehicle were then asked if they or their spouse were considering using it.

Summary of findings
The survey results portray the widespread knowledge and prevalence of planned giving vehicles among the general population. More than half the adult population (57 percent) reported either using at least one of the nine vehicles (31 percent) or reported considering at least one of them for future use (26 percent).

Moreover, households that use or are thinking about employing one planned giving vehicle are more likely than not also using or considering the use of other planned giving vehicles.

Another significant finding of the survey is that 95 percent of the population reports being familiar with at least one of the specific vehicles, indicating knowledge of planned giving options is quite pervasive.

The greater the economic wealth of a household, the more likely it is to participate in planned giving. The prevalence of use of the nine planned giving vehicles is greatest among households with very large financial resources. Some 36 percent of households with at least $1 million in net worth, or at least $100,000 in income, reported using at least one of the nine vehicles for giving.

Surprisingly, usage remains strong at all levels of income and wealth. Of households with less than $30,000 in net worth and less than $20,000 in income, 27 percent reported using at least one of the planned giving vehicles.

The survey data indicate that households that are using a planned giving vehicle to carry out charitable giving have a higher average wealth ($376,806 vs. $213,967) and a somewhat higher average income ($59,772 vs. $53,140), compared with households that are not currently engaged in planned giving with these vehicles.

In addition to being strongly related to the level of economic resources, the use of planned giving vehicles is strongly related to particular demographic characteristics. Planned giving is more prevalent among households headed by individuals who are married or widowed, older, college educated, retired, or white-collar professionals.

Although planned giving is more common among these groups, a relatively large fraction of all demographic

Table 1: Prevalence of Use for Nine Vehicles of Planned Giving

<table>
<thead>
<tr>
<th>Type of Vehicle</th>
<th>Households Using</th>
<th>Households Considering</th>
<th>Households Using or Considering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any of the Vehicles Below</td>
<td>31%</td>
<td>26%</td>
<td>57%</td>
</tr>
<tr>
<td>Charitable Bequest</td>
<td>6.8%</td>
<td>19.3%</td>
<td>26.1%</td>
</tr>
<tr>
<td>Charity as Beneficiary</td>
<td>4.7%</td>
<td>8.6%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Charitable Gift Annuity</td>
<td>3.6%</td>
<td>12.9%</td>
<td>16.5%</td>
</tr>
<tr>
<td>Charitable Trust</td>
<td>5.4%</td>
<td>10.8%</td>
<td>16.2%</td>
</tr>
<tr>
<td>Charitable Foundation</td>
<td>6.2%</td>
<td>13.9%</td>
<td>20.1%</td>
</tr>
<tr>
<td>Charitable Gift Fund: Financial Institution</td>
<td>2.5%</td>
<td>7.9%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Charitable Fund: Community Foundation or Nonprofit</td>
<td>9.3%</td>
<td>9.3%</td>
<td>18.6%</td>
</tr>
<tr>
<td>Donated Assets</td>
<td>10.5%</td>
<td>13.2%</td>
<td>23.7%</td>
</tr>
<tr>
<td>Retained Life Estate</td>
<td>3%</td>
<td>6.3%</td>
<td>9.3%</td>
</tr>
</tbody>
</table>

Source: Calculated at the Boston College Social Welfare Research Institute based on survey data collected by Opinion Research Corporation International for The NonProfit TIMES.
Methodology  --  How this was tabulated

This report is based on data obtained in a national telephone survey of 1,010 respondents aged 18 and older conducted by the Caravan Division of Opinion Research Corporation International (ORCI) of Princeton, N.J., from March 13 through March 16, 2003. The survey was conducted for The NonProfit Times using a module of questions developed at the Social Welfare Research Institute at Boston College.

The main questions in the module asked if the respondents or their spouses had used at least one of 10 vehicles of planned giving, and if they had not, whether they were considering a particular vehicle, or if asked, whether they would consider using any of the vehicles.

Additional questions were asked about their charitable giving during the calendar year 2002, their current net worth, how financially secure they perceived themselves to be, and whether or not they had consulted with professional advisors about their long-term plans for charitable giving. The survey obtained selected demographic information about the respondent and the respondent’s household.

ORCI cleaned the survey data and formatted it for transmittal and analysis at the Social Welfare Research Institute. In addition, ORCI calculated a response weight based on the national population distribution by age, gender, race, and region.

The findings in this report are based on survey data weighted by the ORCI response weight. It should be noted that the weight does not adjust for variations between the sample and the population due to income or wealth. The weighted sample distributions differ from population distributions by both income and wealth.

Since prevalence of use and consideration of vehicles of planned giving are positively related to income and wealth, the effects of the downward bias on wealth are likely to be offset by the upward bias on income, with the net effect on prevalence likely to be small.

The analysis in this report was restricted to the 873 respondents who were (1) heads of household and (2) either aged 30 or older or were high school graduates. These restrictions were placed on the analysis to eliminate uninformative or misleading responses.

The analysis was further restricted to only nine of the ten vehicles of planned giving included in the survey. The pooled income fund vehicle was dropped from the analysis because it appears that respondents confused it with commercial mutual funds.

It is possible that some other respondents in the survey may have given inaccurate responses to some of the questions. In a survey like this, which is limited to a relatively small number of questions, the results are necessarily less precise than would be the case with, say, a large national survey that asks many detailed questions.

As one validation of the responses, however, the results were compared with the prevalence of charitable bequests from the current survey (6.8 percent of households) and results obtained from the 2000 Survey of Donor Conducted by the National Committee on Planned Giving (5.6 percent of households). These percentages are fairly close, but show an increase in the rates of charitable bequests.

Even allowing for some margin of error, however, the findings of this survey will be seen throughout the report, are in general terms so large as to allow confidence that they reflect the broad and growing popularity and interest of the entire population – and not just the wealth holders – in vehicles of planned giving.

Table 2: Percent of Households Using Planned Giving Vehicles

<table>
<thead>
<tr>
<th>Type of Vehicle</th>
<th>Charitable Bequest</th>
<th>Charitable Gift Annuity</th>
<th>Charitable Trust</th>
<th>Charitable Foundation</th>
<th>Charitable Gift Fund: Financial Institution</th>
<th>Charitable Gift Fund: Community Foundation or Nonprofit</th>
<th>Donated Assets</th>
<th>Retained Life Estate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable Bequest</td>
<td>100%</td>
<td>15%</td>
<td>18%</td>
<td>18%</td>
<td>17%</td>
<td>41%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>Charity as Beneficiary</td>
<td>10%</td>
<td>100%</td>
<td>12%</td>
<td>11%</td>
<td>11%</td>
<td>23%</td>
<td>9%</td>
<td>6%</td>
</tr>
<tr>
<td>Charitable Gift Annuity</td>
<td>9%</td>
<td>8%</td>
<td>100%</td>
<td>13%</td>
<td>15%</td>
<td>9%</td>
<td>16%</td>
<td>10%</td>
</tr>
<tr>
<td>Charitable Trust</td>
<td>10%</td>
<td>12%</td>
<td>20%</td>
<td>100%</td>
<td>16%</td>
<td>28%</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Charitable Foundation</td>
<td>15%</td>
<td>15%</td>
<td>27%</td>
<td>19%</td>
<td>100%</td>
<td>35%</td>
<td>17%</td>
<td>12%</td>
</tr>
<tr>
<td>Charitable Gift Fund: Financial Institution</td>
<td>15%</td>
<td>13%</td>
<td>7%</td>
<td>13%</td>
<td>14%</td>
<td>100%</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>Charitable Fund: Community Foundation or Nonprofit</td>
<td>31%</td>
<td>19%</td>
<td>43%</td>
<td>22%</td>
<td>26%</td>
<td>42%</td>
<td>100%</td>
<td>25%</td>
</tr>
<tr>
<td>Donated Assets</td>
<td>31%</td>
<td>13%</td>
<td>28%</td>
<td>20%</td>
<td>20%</td>
<td>23%</td>
<td>28%</td>
<td>100%</td>
</tr>
<tr>
<td>Retained Life Estate</td>
<td>8%</td>
<td>20%</td>
<td>25%</td>
<td>11%</td>
<td>13%</td>
<td>23%</td>
<td>15%</td>
<td>11%</td>
</tr>
</tbody>
</table>

Source: Calculated at the Boston College Social Welfare Research Institute based on survey data collected by Opinion Research Corporation International for The NonProfit Times.
As noted previously, there are more households currently using charitable trusts than charitable gift annuities, but there is more interest in charitable gift annuities than in charitable trusts. If new growth follows interest, charitable gift annuities will grow faster than charitable trusts in the near-term, but there will be growth in the use of all vehicles of planned giving.

**Prevalence for multiple vehicles**

Table 1 indicates that 31 percent of households use at least one of the nine vehicles of planned giving, but many households use more than one vehicle. Approximately 18 percent of all households use only one vehicle of planned giving, another 7 percent use two vehicles, and 6 percent use three or more vehicles.

For households that use at least one of the nine vehicles, the corresponding percentages are 58 percent using only one vehicle, 23 percent choosing two vehicles, and 19 percent availing of three or more vehicles.

Table 2 contains data on the relationships among the use of vehicles. Each row of this table contains the percentages of households that use each vehicle of planned giving as a percentage of households that use the vehicle in the first column.

For example, the table shows that 15 percent of households that have included a charitable bequest in their wills have also established a charitable beneficiary of their life insurance, pension plan, etc. Another way to understand the content of this table is that it gives the odds that a household that uses a given vehicle of planned giving will also utilize each of the other vehicles of planned giving.

Based on this interpretation, the table indicates that a household that has placed a charitable bequest in a will has a 15 percent chance of having designated a charity as a beneficiary, an 18 percent chance of having established a charitable gift annuity, an 18 percent chance of having established a charitable trust, etc.

The table gives a different perspective on the planned giving vehicles. In general terms, it indicates that households that use any given vehicle of planned giving are a good deal more likely (three to four times more likely) to use one of the other vehicles as compared with the simple frequency of use presented in Table 1 (ranging from 2.5 percent to 10.5 percent of the population of households).

Although not very popular among the population at large, retained life estates are relatively popular among households that are already using other vehicles of planned giving. Once a household chooses one or other vehicles of planned giving, retained life estates are much more likely to be part of its portfolio of planned gifts.

The pattern is similar for a charitable gift fund at a financial institution. The survey indicates that this is the least popular vehicle of planned giving (2.5 percent). Yet among households that are using other vehicles of planned giving, the prevalence of charitable gift funds increases to values of 9 percent to 43 percent, depending on the specific other vehicle with which it is combined.

Charitable funds and accounts at charitable foundations and nonprofits, 20 percent use or are considering two vehicles, and 40 percent use or are considering three or more vehicles. This implies that 60 percent of households that are using or considering any given vehicle are also using or considering at least one additional vehicle.

Table 3 reflects both the complexity and breadth of interest in vehicles of planned giving among households. Table 1 shows that more than half (57 percent) of households are using or considering using at least one vehicle of planned giving. Table 3 indicates that when a household has used or is interested in using any vehicles of planned giving, there is a high chance that it will also be using or at least interested in other vehicles, as well.

Charitable gift funds at financial institutions and retained life estates are on the receiving end of much of this interest. Some 2 percent of households that have set up or are considering a retained life estate also have created or are considering a charitable gift fund at a financial institution. And, 71 percent of households that have made or are considering a charitable gift fund in a will are considering a gift fund at a commercial provider.

When it comes to retained life estates, 45 percent of households that already own or are considering a commercial charitable gift fund are interested in setting up a retained life estate. That figure is greater for households that have created or are considering a charitable fund or account at a community foundation or non-profit organization; among these households, a majority of 63 percent are interested in using a retained life estate as part of their planned giving.

The financial resources of the household are composed of wealth and income. Household income can come from several sources: wage and salary, self-employment, unearned (interest, dividend, rent, and capital gain), transfers from government (welfare, SSI, food allowances, etc.), transfers from individuals (alimony, child support, and gifts), and retirement (Social Security, other government pension

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**Table 3: Percent of Households Using or Considering Vehicles of Planned Giving**

<table>
<thead>
<tr>
<th>Type of Vehicle</th>
<th>Charitable Bequest</th>
<th>Charitable Gift Annuity</th>
<th>Charitable Trust</th>
<th>Charitable Foundation</th>
<th>Charitable Gift Fund: Financial Institution</th>
<th>Charitable Fund: Community Foundation or Nonprofit</th>
<th>Donated Assets</th>
<th>Retained Life Estate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable Bequest</td>
<td>100%</td>
<td>67%</td>
<td>59%</td>
<td>58%</td>
<td>49%</td>
<td>71%</td>
<td>56%</td>
<td>61%</td>
</tr>
<tr>
<td>Charity as Beneficiary</td>
<td>34%</td>
<td>100%</td>
<td>38%</td>
<td>37%</td>
<td>30%</td>
<td>45%</td>
<td>35%</td>
<td>33%</td>
</tr>
<tr>
<td>Charitable Gift Annuity</td>
<td>37%</td>
<td>47%</td>
<td>100%</td>
<td>57%</td>
<td>45%</td>
<td>63%</td>
<td>49%</td>
<td>39%</td>
</tr>
<tr>
<td>Charitable Trust</td>
<td>36%</td>
<td>45%</td>
<td>57%</td>
<td>100%</td>
<td>48%</td>
<td>64%</td>
<td>46%</td>
<td>39%</td>
</tr>
<tr>
<td>Charitable Foundation</td>
<td>37%</td>
<td>45%</td>
<td>56%</td>
<td>60%</td>
<td>100%</td>
<td>56%</td>
<td>50%</td>
<td>38%</td>
</tr>
<tr>
<td>Charitable Gift Fund: Financial Institution</td>
<td>29%</td>
<td>36%</td>
<td>41%</td>
<td>29%</td>
<td>100%</td>
<td>32%</td>
<td>29%</td>
<td>45%</td>
</tr>
<tr>
<td>Charitable Fund: Community Foundation or Nonprofit</td>
<td>40%</td>
<td>49%</td>
<td>58%</td>
<td>53%</td>
<td>46%</td>
<td>56%</td>
<td>100%</td>
<td>48%</td>
</tr>
<tr>
<td>Donated Assets</td>
<td>56%</td>
<td>59%</td>
<td>57%</td>
<td>57%</td>
<td>46%</td>
<td>67%</td>
<td>61%</td>
<td>100%</td>
</tr>
<tr>
<td>Retained Life Estate</td>
<td>22%</td>
<td>36%</td>
<td>38%</td>
<td>37%</td>
<td>31%</td>
<td>42%</td>
<td>32%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Source: Calculated at the Boston College Social Welfare Research Institute based on survey data collected by Opinion Research Corporation International for The NonProfit Times.
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planned giving vehicles. Approximately 25 percent of households with incomes less than $100,000 and wealth (net worth) less than $500,000 are using at least one vehicle of planned giving and another 24 percent are considering a planned giving vehicle, which makes a total of 77 percent of households that are using or considering one or more vehicles of planned giving.

<table>
<thead>
<tr>
<th>Net Worth</th>
<th>Less than $300,000</th>
<th>$300,000 to $999,999</th>
<th>$1,000,000 or more</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Using</td>
<td>Considering</td>
<td>Using</td>
<td>Considering</td>
<td>Using</td>
</tr>
<tr>
<td>Less than $50,000</td>
<td>24.8%</td>
<td>31.4%</td>
<td>56.2%</td>
<td>47.2%</td>
</tr>
<tr>
<td>$50,000 to $99,999</td>
<td>34.5%</td>
<td>27.7%</td>
<td>52.6%</td>
<td>41.0%</td>
</tr>
<tr>
<td>$100,000 or More</td>
<td>21.2%</td>
<td>39.6%</td>
<td>60.8%</td>
<td>47.3%</td>
</tr>
<tr>
<td>All</td>
<td>27.2%</td>
<td>31.2%</td>
<td>58.4%</td>
<td>43.3%</td>
</tr>
</tbody>
</table>

Source: Calculated at the Boston College Social Welfare Research Institute based on survey data collected by Opinion Research Corporation International for The NonProfit Times.

The demographics

The prevalence of the use of planned giving vehicles varies with some demographic characteristics, for example, with age, marital status, retirement status, occupation, and size of household, but not with others, among them, education, home ownership, employment status among non-retired, dual income status, and gender among unmarried adults. The age and marital status, occupation, and education increases. Only 15 percent of adults with less than a high school education are considering planned giving vehicles as contrasted with 28 percent of adults with a college degree and 53 percent of adults with an advanced degree. Home ownership exhibits a pattern similar to education. Rates of use of vehicles of planned giving are similar between homeowners and renters. However, renters exhibit more interest in planned giving vehicles (35 percent) as compared with homeowners (25 percent). This relationship may, however, reflect differences among households beyond home ownership, for example, differences in financial resources and lifecycle characteristics.

Charitable giving and planned giving

More households that donated to charity in 2002 also used one or more vehicles of planned giving, as compared with households that did not donate to charity in 2002. Approximately 32 percent of households that gave to charity in 2002 used one or more vehicles of planned giving, as compared with 15 percent of households participating in planned giving.
The impact of the financial planner on charitable giving has not been studied systematically here, and the survey does not support detailed analysis. We can, however, begin to elucidate the relationship between professional advice concerning longterm household plans for charitable giving and the use of vehicles of planned giving.

First, only 10 percent of households sought and obtained professional advice about charitable giving; and they are concentrated among relatively wealthy households, with $300,000 or more net worth, and to a lesser extent among relatively high income households, with $50,000 or more annual income. The other 90 percent of households have not sought advice.

Seeking professional advice about long-term giving plans does lead to planned giving: most households that consult a professional are now using one or more vehicles of planned giving (58 percent). However, even among households using vehicles of planned giving, 80 percent are doing so without having received professional advice.

Anecdotal evidence, reports from financial planners and development officers, as well as statistical evidence on foundations and charitable remainder trusts indicate increased interest and growth in the use of vehicles of planned giving among households.

What this evidence omits is both the depth and extent of interest and usage of planned giving vehicles not only among affluent households, but also among the entire population. In addition to households in the later stages of the lifecycle and households with large amounts of income and wealth, a substantial proportion of households in all demographic categories, all stages of their lifecycle, and all amounts of income and wealth, currently use or are considering using vehicles of planned giving.

We have identified no surprising or dramatic indicators that identify households engaged in or interested in planned giving. What we can say is that such households tend to be concentrated at higher levels of income and wealth, are more advanced in the lifecycle, and are more committed to inter-vivos charitable giving than are average households.

Charitable bequests, family and other private foundations, and donated assets are the most popular of the nine vehicles for planned gifts. Retained life estates and charitable gift annuities are the least popular. A planned-giving strategy that involves multiple vehicles of giving is common among households that have already committed to at least one planned gift. It is curious, however, that most households that have created a planned gift have done so without professional advice.

The considerable interest shown in planned gifts among all households, but especially among young adults and households early in the lifecycle, bodes well for fundraisers, development officers, and charitable organizations. Interest, however, tends to be inversely related to use, reflecting we suggest, a decision-making process in which the donor or potential donor first gathers information and then decides on a course of action.

The pervasive interest in these vehicles should, however, enhance fundraising efforts and lead to greater amounts of planned giving in the future.

Implications

The major implication of the 2003 Survey on Planned Giving Vehicles is that there is a substantial number of people for whom charitable giving is a strategic activity and the indications are that there is an even greater number for whom it will become so in the future. The stakes for philanthropy are high and are increasing not just in the aggregate as a quantitative and cultural force nationally, but also at the individual household level, where charitable giving is a qualitative and biographical force of individual and family identity formation.

Growth in the prevalence and potential for planned giving, which we understand as the self-reflective allocation of assets over time to achieve a conscientious array of charitable aspirations, is perhaps the leading emergent trend in philanthropy today. The findings from the planned giving survey are congruent with the following trends and implications:

1. During the past two decades research has shown that it is important to consider planned giving in its broader sense, as including any gift that combines a strategy of financial allocation with a strategy of charitable effectiveness. The survey findings on the interaction of the broader range of planned gifts—not just those that depend on the donor’s death for their realization, but also vehicles of substantial inter-vivos giving—with each other and with annual charitable giving, support the notion that planned givers consciously create a philanthropic strategy during their lifetimes, where financial resources are translated into effective philanthropy.

2. The fact that those who participate in some form of planned giving tend to participate in other forms suggests the view that there is a shift of identity when donors begin to think about their material capacity and philanthropic purpose in a more systematic way and begin to map the asset composition, timing, and purposes of their gifts.

As such, the training of fundraisers and development goals should revolve more around helping donors through this identity shift from giver to planned giver, that is, someone whose more elaborate approach to connecting the assets, timing, and purposes of gifts is mutually formative for themselves and their beneficiaries.

3. There is much room for advancing planned giving in its many forms: only one-third of households is currently employing one or more vehicles to carry out their charitable giving but an additional quarter of all households is interested in making their giving more systematic. In introducing donors to planned giving, the relatively high prevalence of charitable bequests suggests that this vehicle may be an entrance point for developing planned giving identities among donors.

4. As income and wealth continue to grow, more households will achieve a sense of financial security and more individuals will see themselves capable at the present or in the future of doing something more systematic and formative for the people and causes they care about. At the same time the portfolios of all households, but especially wealthy households, will increase in financial complexity with respect to assets and the set of options concerning their tax treatment. In this complex financial environment individuals making substantial donations are and will be even more inclined to use forms of charitable giving that provide the most financially congenial contribution strategy, such as the nine vehicles at the heart of this survey.

5. A mere 10 percent of households has discussed future charitable plans with a professional adviser, such as a fundraiser or financial planner. If it is carried out in an engaging and donor-oriented fashion, gift planning linked to financial giving should be a growth industry. As wealth, financial security, and financial complexity grow, individuals are and will be even more inclined to seek out assistance.

As such, financial advisers and development officers have an unprecedented opportunity to help donors combine the complexity and quantity of their financial capacity with the complexity and quality of their charitable aspirations.

6. Financial planners and fundraisers need to be sensitive to the fact that, as with all giving, but with planned giving in particular, donors’ biographical history and prospects are constituted in tandem. Just as the assets of a planned gift were accumulated in connection to the biographical activities and purposes of a donor, so too will they be distributed.

Planned giving is not only biographical formation, it is also family formation. A planned gift invites and often entails the involvement of family members, especially, though not exclusively, through foundations and donor advised funds, which often are intergenerational.

Table 6: General Prevalence of the Use of Planned Giving Vehicles by Inter-Vivos Giving and Financial Security

<table>
<thead>
<tr>
<th>Participation in Charity</th>
<th>Using</th>
<th>Considering</th>
<th>Using or Considering</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Charitable Giving - 2002</td>
<td>16.1%</td>
<td>22.9%</td>
<td>39.0%</td>
</tr>
<tr>
<td>Given to Charity - 2002</td>
<td>31.8%</td>
<td>27.9%</td>
<td>59.7%</td>
</tr>
<tr>
<td>Contribution Amount</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nothing</td>
<td>16.1%</td>
<td>22.9%</td>
<td>39.0%</td>
</tr>
<tr>
<td>Less than $1000</td>
<td>24.3%</td>
<td>27.9%</td>
<td>52.2%</td>
</tr>
<tr>
<td>$1000 to $2499</td>
<td>31.7%</td>
<td>26.1%</td>
<td>57.8%</td>
</tr>
<tr>
<td>$2500 to $4999</td>
<td>34.6%</td>
<td>36.2%</td>
<td>70.8%</td>
</tr>
<tr>
<td>$5000 or More</td>
<td>49.1%</td>
<td>23.4%</td>
<td>72.5%</td>
</tr>
</tbody>
</table>

Source: Calculated by the Boston College Social Welfare Research Institute based on survey data collected by Opinion Research Corporation International for The NonProfit Times.