



# The New Wealth Landscape: How Well Does Planned Giving Serve Your Institution's Top Donors?



**HARVARD**  
Gift Planning

# Welcome to the New Wealth Landscape



**Alasdair Halliday**  
**Director, Harvard**  
**Gift Planning**



**Jane Verrill**  
**Director, Harvard**  
**Gift Planning**

**Questions?**

**[alasdair\\_halliday@harvard.edu](mailto:alasdair_halliday@harvard.edu)**

**[jane\\_verrill@harvard.edu](mailto:jane_verrill@harvard.edu)**

# Hypothesis

**Legacy Wealth Model**



Planning needs



Traditional planned giving toolkit

**New Wealth Model  
HNW & UHNW**



New planning needs



Expanded planned giving toolkit

# Question

**What are *you* seeing?**

Available data

Conversations with  
colleagues

Our experience

**Are your top supporters establishing planned gifts?**

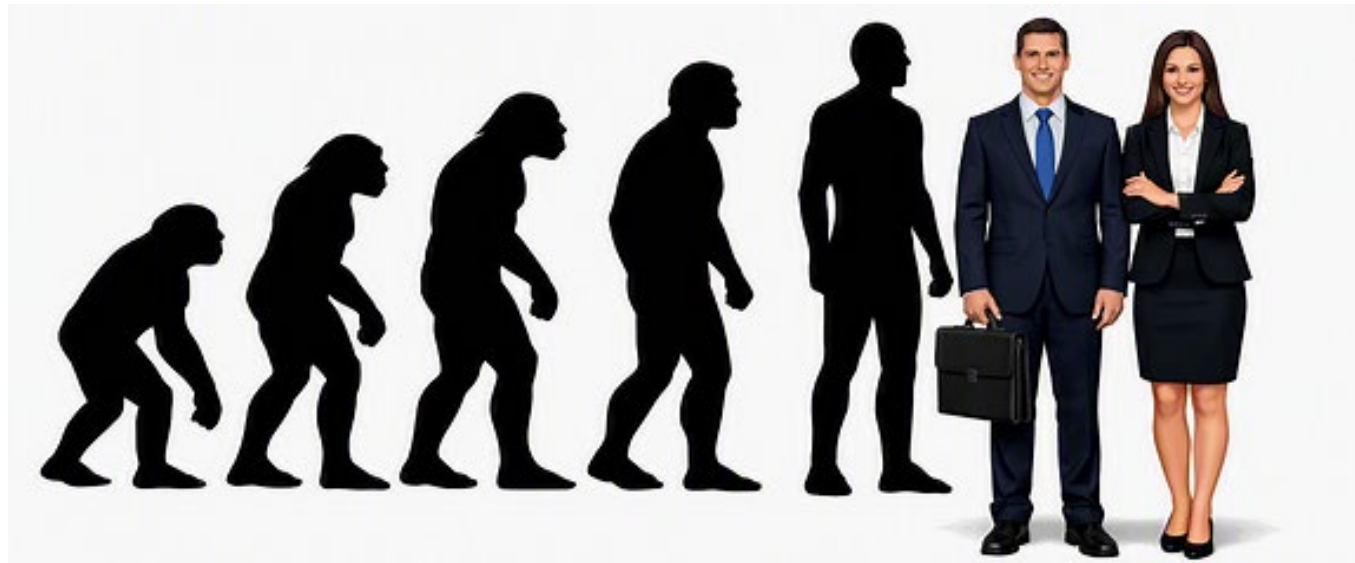
If so, what kinds?

If not, why not?

# Call to Action?

**Evolution takes a village**

Let's start a conversation and evolve together!



# This Isn't Just for the Large Shops

What follows isn't reserved for organizations with abundant resources for designing and accepting every gift structure. It is ***relevant to every organization*** in this room.

**SPOILER ALERT !!**

The ***most important part*** of adapting to the new wealth Landscape is raising awareness.

Raising awareness is something ***every organization*** can do.

# Legacy Model

## Sources of Wealth

- Earned income
- Operating-business ownership
- Investment appreciation
- Inheritance

## Planning Needs

- Reducing income taxes
- Diversifying appreciated assets without triggering capital gains
- Converting accumulated wealth into lifetime income
- Transfer wealth efficiently to heirs and charity

# New Model

## Sources of Wealth

- Entrepreneurial/business equity
- Investment-management ownership
- Investment appreciation
- Inheritance

## Planning Needs

- Asset preservation
- Balancing diversification against concentration upside
- Liquidity
- Wealth or asset transfer

# Legacy Model Needs & PG Solutions

|                                                         | Life<br>Income<br>Gifts | Bequests | Donor<br>Advised<br>Funds | Charitable<br>Lead<br>Trusts |
|---------------------------------------------------------|-------------------------|----------|---------------------------|------------------------------|
| Income tax management                                   | ✓                       |          | ✓                         | (✓)                          |
| Tax-efficient diversification                           | ✓                       |          |                           |                              |
| Tax-efficient conversion:<br>wealth → retirement income | ✓                       |          |                           |                              |
| Tax-efficient estate planning<br>and/or wealth transfer |                         | ✓        |                           | (✓)                          |
| Philanthropy                                            | ✓                       | ✓        | ✓                         | ✓                            |

# New Model Needs & PG Solutions

|                                                           | Life<br>Income<br>Gifts | Bequests | Donor<br>Advised<br>Funds | Charitable<br>Lead<br>Trusts |
|-----------------------------------------------------------|-------------------------|----------|---------------------------|------------------------------|
| Asset preservation                                        |                         |          | (✓)                       | (✓)                          |
| Balancing diversification<br>against concentration upside |                         |          |                           |                              |
| Liquidity without asset<br>liquidation or salary          |                         |          |                           |                              |
| Tax-efficient wealth transfer                             |                         |          |                           | (✓)                          |
| Philanthropy                                              | ✓                       | ✓        | ✓                         | ✓                            |

# The Path Forward

## Innovation

Exploring



Implementing

## Emphasis

Gift Structures that align with the new wealth model

# CRT Innovations

Complement to liquidity loans for  
lifestyle / investment / diversification

**Securities-backed lines of credit....."SBLocs"**

***Buy, Borrow, Die***

***Market risk***

***Mortality risk***

# CRT Innovations

Still in the lab

## The Strategy

A term-of-years CRT generating ***tax-efficient income*** to ***service and retire a liquidity loan***

***Reduce market and mortality risk*** for the donor and heirs

# CLT Innovations

## Risk Management

Ramped payout rate

## Philanthropic Purpose

Endowed Fund CLAT

Construction CLAT

# Emphasis - What

**Lead Trusts**



Wealth Transfer / Gift tax relief

Diversification / Income tax relief

**Private Business Interests**



Income tax relief

Liquidity / Availability

Preserve asset growth

# Emphasis - How

## Partnering with Major & Principal Gift Colleagues – 3 steps



Build enthusiasm among MGO/PGO colleagues with success stories



Encourage simple pitch for donors



Explore deeper dive with advisors

# The Goal: A More Responsive Planned Giving Toolkit

|                                                           | Life<br>Income<br>Gifts | Bequests | Donor<br>Advised<br>Funds | Charitable<br>Lead<br>Trusts | Outright<br>Gifts of<br>Private<br>Business<br>Interests |
|-----------------------------------------------------------|-------------------------|----------|---------------------------|------------------------------|----------------------------------------------------------|
| Asset preservation                                        |                         |          | (✓)                       | ✓                            | ✓                                                        |
| Balancing diversification<br>against concentration upside | ✓                       |          |                           |                              |                                                          |
| Liquidity without salary or<br>asset liquidation          | ✓                       |          |                           |                              | ✓                                                        |
| Wealth or asset transfer                                  |                         |          |                           | ✓                            |                                                          |
| Philanthropy                                              | ✓                       | ✓        | ✓                         | ✓                            | ✓                                                        |

# Continuous Improvement

*The Wealth Landscape is Evolving. So Too Must We.*

**We need to understand  
how wealth is...**



**Acquired**



**Held**



**Managed**

**The goal is...**



**Periodic refresh on wealth  
practices and planning  
needs**



**Innovation to align  
planned giving structures  
with donor needs**



**Key Takeaway:** The opportunity to participate in continuous improvement is open to ***all shops big and small***

# Raising Awareness

*Recognize the Opportunity. Start the Conversation.*

STEP **1**

Planned giving officers help **educate and support** major gift officers

STEP **2**

Major gift and planned giving officers **raise relevant possibilities** with donors in simple terms

STEP **3**

Gift officers, donors, and advisors **engage to explore strategy** in depth

# You Are Not Alone

*Expertise is a Team Sport. No Organization Needs to Do This Alone.*



**PGGNE  
Community**



**Outside  
Experts**



**Donors'  
Advisors**

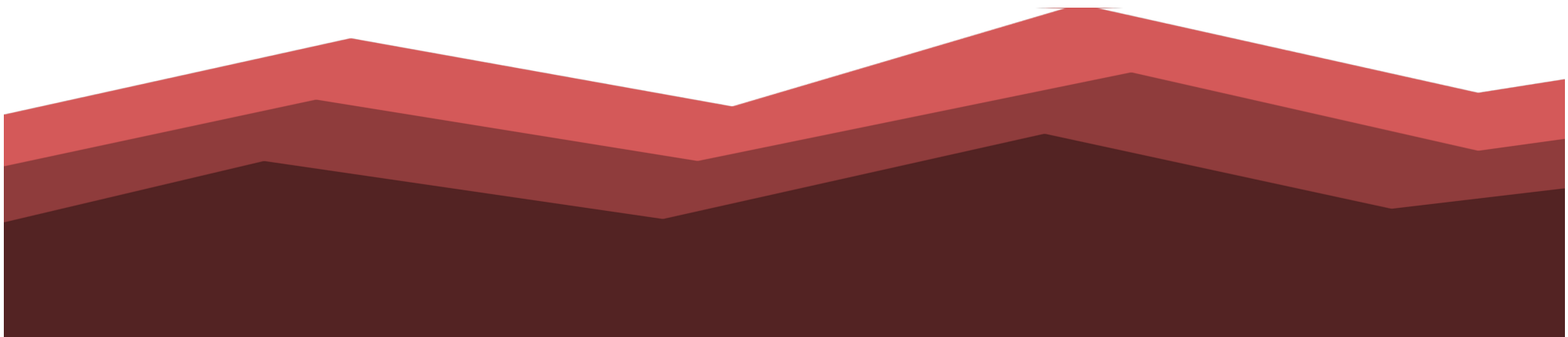


**The Goal:** Not to know everything, but to *know  
where to turn* when opportunities arise

# The New Wealth Landscape

*A Hypothesis and an Invitation.*

If this resonates with you, ***let's start a conversation***  
about how to tackle this opportunity





**Thank You!**



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