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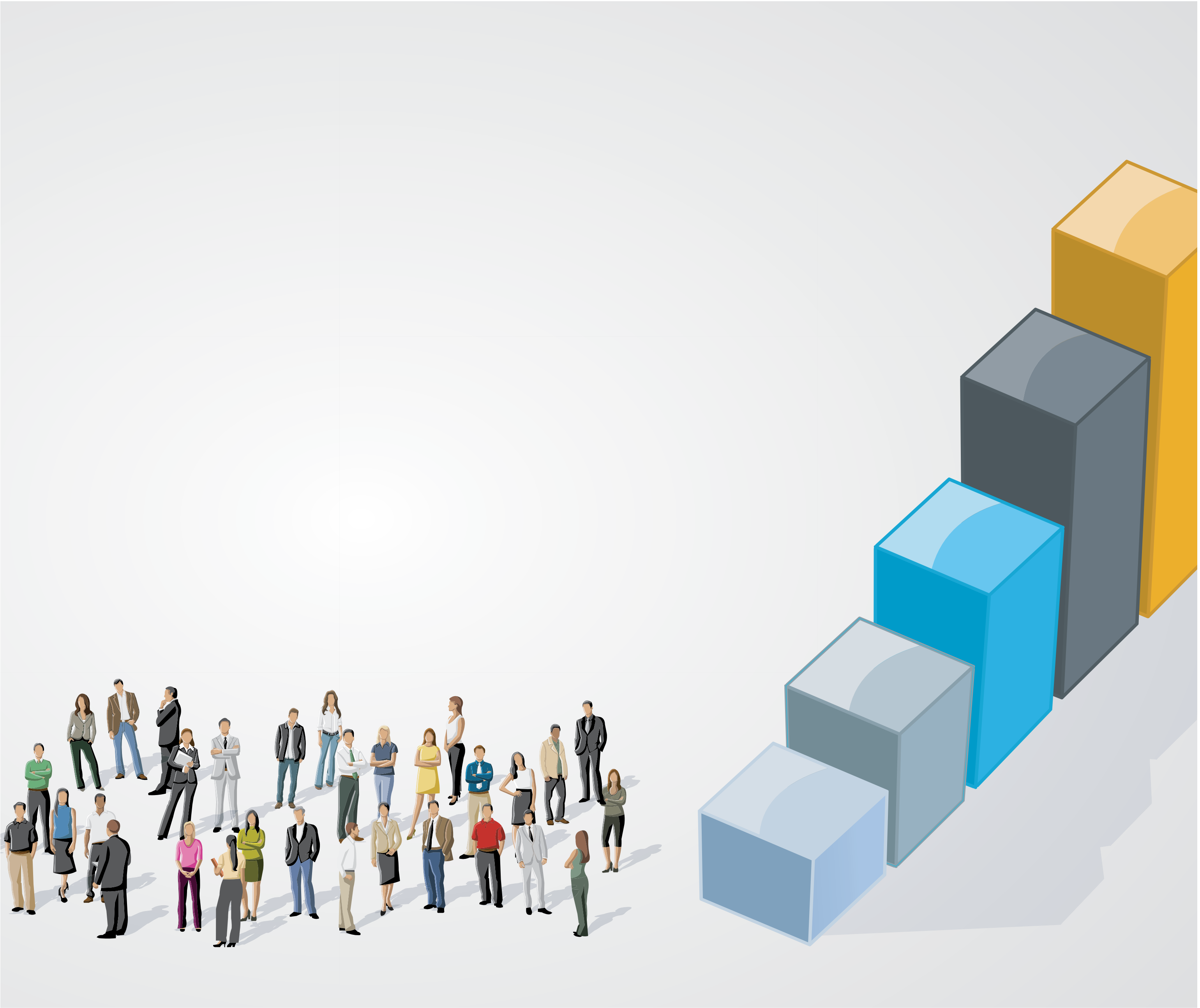
The 2016 Planned Giving Study

Building Lasting Legacies: New Insights from Data on Planned Gifts



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Executive Summary

Charitable bequests and other planned gifts have historically played a significant role in the funding of higher education institutions. Prominent institutions such as Harvard University, Johns Hopkins University, and the Julliard School have been established as a direct result of bequests, and these gifts continue to have a profound impact today. The field of planned giving has become more sophisticated over time. However, the complexity of various planned giving vehicles and the comparatively long time period required for planned gifts to be formalized make it difficult for researchers to systematically track and examine planned giving behavior. Existing studies, therefore, heavily rely on self-reported survey data or tax returns. This study is one of the first efforts that seek to understand the changing landscape of planned giving and to explore donor life-cycle trajectories at higher education institutions. This whitepaper is the first in what is hoped to be a series of reports based upon data on planned gifts and donors in the field of higher education. The whitepaper discusses findings from five case-study universities located across the U.S. As the study expands the sample to include more universities and colleges in the next phase, this report series will offer richer data and insights into more underexplored, yet important, questions in planned giving.

A landscape view of legacy societies: Top 120 U.S. higher education institutions (see page 17)

According to the *2014 Digest of Education Statistics*, issued by the National Center for Education Statistics at the U.S. Department of Education, the top 120 higher education institutions (by endowment value) reported an endowment ranging from $639 million to $33 billion at the end of fiscal year 2013. A total of 113 of the 120 institutions responded to the Council for Aid to Education’s 2014 Voluntary Support of Education survey. These 113 institutions received a total of $23 billion in charitable donations in 2014 and more than $1.7 billion in charitable bequests. Only 10 of the top 120 institutions did not have a university-wide legacy society as of March 2016. Most (104 institutions) did not require a minimum dollar amount of a planned gift in order to qualify for membership in the society. More than half explained the exclusive benefits of membership as a gesture of recognition and appreciation.

An in-depth view of legacy societies and planned giving: Five case-study universities (see page 19)

This study contains approximately 9,700 planned gifts made to five universities across the U.S. Charitable bequest is the most frequently used planned giving vehicle in this sample, representing about 42 percent of planned gifts. Two case-study universities have information on the year and month when each planned gift was made (or announced to the university). The last quarter of the year received nearly one-third (31 percent) of all planned gifts at these two universities. Another university in the sample tracked the year and month when donors made changes to their planned gifts over time. The largest share of changes occurred during the tax season, with 27 percent of gift changes made in March and 13 percent in April.

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The study sample contains information on dollar amount or type of planned gifts for nearly 6,200 donors. Donors from the Silent and Baby Boomer generations accounted for more than half (54 percent), or 79 percent when excluding those with no information on age. Data from two universities in the sample have basic information on children of donors. Slightly less than half (44 percent) of planned giving donors to these two universities did not have children. Donors without children were more likely than those with children to make charitable bequests versus other types of planned gifts and had a higher median dollar amount of bequests.

Finding 1: The life cycle of a planned giving donor (see page 24)

Our result is consistent with prior literature that donors are more likely to make a planned gift as they age. The likelihood of making a planned gift increased sharply at around 50 years old, or approximately 30 years after graduation. This likelihood began to increase sharply earlier, at roughly 45 years old, when trusts and annuities—planned gifts that usually have age restrictions—were excluded from the analysis.

Finding 2: A comprehensive view of donor-institution relationship (see page 26)

Among planned gift donors with dollar amounts available in the sample, nearly three-quarters (73 percent) were alumni who earned a degree from the institution. Their gifts accounted for 78 percent of all planned gifts received by the five case-study universities, or 73 percent of the total amount of planned gifts. In most cases donors made planned gifts at a similar level on average (with no statistically significant difference), regardless of their relationship with the institution, when controlling for type of planned gift as well as the donor's age, gender, state of residency, and highest degree earned.

Finding 3: The pyramid of planned gifts (see page 28)

The 80/20 rule applies in planned giving. In the study approximately 82 percent of the total amount of planned gifts came from the top 20 percent largest donors, with the top 10 percent largest donors contributing to about two-thirds of the total gift amount. This 80-20 ratio remained roughly the same over time and across the five case-study universities in the sample.

Finding 4: Multiple planned gifts made to the same institution (see page 29)

Location matters in planned giving. Data from three of the five case-study universities allow us to trace and analyze multiple planned gifts made by the same donor. In this subsample about one-fifth (21 percent) of donors made more than one planned gift to the same institution over time. Living within the same state as the university is one of the strongest indicators related to being a multiple planned gift donor. Specifically, donors living in the same state where the university is located were significantly more likely than others to make more than one planned gift over time.

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Finding 5: Membership of legacy society (see page 30)

Four universities in the study adopted an opt-out approach, which enrolls donors as a member of the legacy society once they make the first planned gift and allows donors to opt out if they choose to. One university followed an opt-in approach instead, which allows planned giving donors to choose whether or not they would like to join the legacy society when they make the first planned gift. This unique subsample, therefore, contains information on both members and non-members of the legacy society. Overall, the findings showed that legacy society members gave significantly larger planned gifts than non-members; yet members and non-members shared many similarities in planned giving.

Methodological Notes (see page 33)

The list of the top 120 higher education institutions was based on data from the *2014 Digest of Education Statistics*, issued by the National Center for Education Statistics at the U.S. Department of Education. Data on planned gifts received by these 120 institutions were gathered from the 2014 Voluntary Support of Education survey by the Council for Aid to Education. Information on legacy societies at these universities was collected from the universities' Web sites, brochures, and newsletters.

Data on planned gifts and donors were generously shared by five U.S. universities, located in different geographic regions across the country. All of these universities are classified as research institutes in the Carnegie Classification of Institutions of Higher Education. Four are public universities and one is a private institution. Four of these five universities have medical schools. The combined sample includes data on planned gifts made from 1972 to 2015 (the exact range varies by university). Both donor-level and gift-level information is included. Please see the data and methodological notes sections of the whitepaper for more details.

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Implications

This study seeks to understand the changing landscape of planned giving and explore donor life-cycle trajectories at institutions of higher education. Findings summarized in this whitepaper offer insights and implications for fundraising professionals to help donors achieve both their philanthropic aspirations and their financial objectives.

1. Leverage various planned giving vehicles to meet the needs of donors

Although the nonprofit sector has witnessed an increased interest in charitable bequests and other planned gifts during the past few decades, planned giving is still not widely understood and practiced by many. For example, slightly more than one-third of high-net-worth households included in a national survey reported having a will with specific charitable provisions in 2013, and only 13 percent reported utilizing planned giving instruments with a specific charitable beneficiary.[1] Of the more than 1.6 million living alumni at the five higher education institutions included in this study, fewer than 1 percent are identified as current planned giving donors in the databases. Although some donors may have not yet notified the university of their planned gifts, this small share suggests a huge potential for planned giving in the field of higher education. As the planned giving landscape evolves, nonprofit organizations have the opportunity to work closely with donors and their advisors (where relevant) in exploring a wide range of options in planned giving. It is essential for nonprofits to understand prospective donors' philanthropic motivations and goals, as well as their family and financial needs, in order to leverage various planned giving tools and to achieve the common charitable mission.

Approximately half of planned giving donors in the study were between 51 and 70 years old when they made their first planned gift to the university. The likelihood of making a planned gift increased with age. Ages 45-50 appear to be the turning point in the possibility of making a planned gift, as the likelihood began to increase sharply at around this age range. As Baby Boomers are entering their prime giving years, they will become the largest donor group in planned giving. Nonprofits should consider the preferences of the Boomers when developing strategies and materials for donor education and engagement. It is also important to take into consideration the changing individual needs and family responsibilities in different life stages that influence financial and charitable giving behaviors.

There are a variety of planned giving instruments: Some vehicles provide future benefits to a nonprofit organization, such as bequests, charitable remainder trusts, retirement plans, or life insurance, while some can offer immediate benefits to a nonprofit, such as charitable lead trusts.[2] Several planned gift instruments also provide income to the donor or designated beneficiaries, for instance, charitable gift annuities, charitable remainder trusts, and charitable

[1] Indiana University Lilly Family School of Philanthropy. (2014). *The 2014 U.S. Trust® study of high net worth philanthropy: Issues driving charitable activities among wealthy households.*

[2] For a comprehensive introduction of planned giving instruments, see Regenovich, D. (2016). Establishing a planned giving program. In E. R. Tempel, T. L. Seiler, & D. F. Burlingame (Eds.), *Achieving Excellence in Fundraising* (pp. 259-289). Hoboken, NJ: John Wiley & Sons, Inc.

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lead trusts. It is also common that a planned gift is structured to include both current outright gift and deferred gift components. In this study the charitable bequest is the most common planned giving vehicle, representing 42 percent of all planned gifts; other planned giving vehicles are also used widely across the universities included. These instruments offer fundraisers opportunities to meet the diverse needs of donors while helping donors fulfill their philanthropic passion.

In addition, by describing different types of planned gifts and their benefits in marketing materials, nonprofits can increase the awareness of these gift types among individual constituencies in a cost-effective way. Many nonprofits may face barriers in dedicating resources to planned giving fundraising, with concerns about the length of time associated with the maturity of gifts and future financial uncertainty; however, investing in a strong planned giving program can help build the organization's long-term sustainability and better prepare for periods of economic uncertainty in the future.

2. Pay attention to the donor pyramid when developing planned giving strategies

When devising a planned giving strategy, fundraising professionals should note that the donor pyramid for planned giving is similar to the donor pyramid for an annual campaign or a capital campaign. This study confirms that the 80/20 rule also applies in planned giving: a majority of planned gift dollars came from a smaller percentage of major donors. Planned giving is an integral component of major gift fundraising. As in all major gift development, a successful planned giving program requires nonprofits to build a deeper relationship with donors and to identify the core values shared by donors and the organization.

3. Understand the donor-institution relationship in planned giving

As with all charitable giving, relationship cultivation is central to success in planned giving development. In this study most planned gift donors were alumni of the university that received their planned gifts. Alumni and spouses/parents of alumni together contributed about 82 percent of all planned gifts, or 79 percent of the dollar value. This supports the notion that most planned gifts are made by donors who already have a strong relationship with the university. When looking at the dollar amount of a planned gift, we found no significant difference between gifts made by alumni and gifts made by other donors in most cases after controlling for gift type and individual characteristics. This suggests that it is important for planned giving officers to take a comprehensive view of prospective donors' relationships with the institution, rather than focusing on alumni only. Fundraisers should not assume a lower level of "giving ability" just because a prospective donor initially had a lower level of "linkage" with the institution. This is particularly important for planned giving development, as decision-making on planned gifts often involves not only donors but also donors' family members from different generations.

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4. Relationship building is still at the core of planned giving

While the complexity of various planned giving vehicles and legal terms can seem daunting, relationship building with current and prospective donors is still at the core of planned giving. In the study about 21 percent of planned giving donors made more than one planned gift to the same institution in their lifetimes. This fact alone highlights the importance of ongoing communication and relationship building with donors. After a donor makes the first planned gift, nonprofits can take the opportunity to strengthen the donor's identification with the organization through various stewardship strategies. Moreover, donors from local communities are central in charitable giving, and this applies to planned giving as well. Donors living in the same state where the university is located were significantly more likely to make more than one planned gift to the same institution.

Taken together, these findings suggest that nonprofits should pay close attention to long-term stewardship of donors, especially when more donors from younger generations are starting to make planned gifts today. Planned giving typically involves thoughtful planning by the donor and sometimes by the donor's family as well. Therefore, a planned gift reflects the donor's strong commitment and sense of loyalty to the organization. This is in fact the beginning of a relationship; stable infrastructure and well-established processes are required to nurture donors and their families over the long term. Cultivating a long-term relationship with an individual donor is more than being a good steward of a gift that has been made; it is more about building trust and helping the donor to preserve the legacy for the future.

5. Build meaningful engagement with planned giving donors through legacy societies

One key finding from the study is that legacy societies have the potential to help nonprofit organizations build significant relationships with planned giving donors. Legacy societies provide a mechanism for nonprofits to recognize and thank donors for their legacy gifts during their lifetime as well as to steward these donors over time in an organized, meaningful way. In this study most universities used an opt-out approach that enrolls planned giving donors as legacy society members automatically and lets donors choose whether they want to opt out. One university adopted an opt-in approach to legacy society membership development, allowing planned giving donors to choose whether or not they would like to join the legacy society when they make the first planned gift. This opt-in approach provides a unique opportunity to examine the similarities and differences in planned giving behavior among members and non-members. The findings from this university suggest that legacy society members, accounting for nearly 70 percent of planned giving donors, made larger planned gifts than non-members, after controlling for other characteristics of gifts and donors.

For donors, belonging to a legacy society may provide them with a deeper sense of community and identification with the organization. Nonprofits can foster the relationship with donors through the legacy society and create a meaningful and fulfilling experience for donors. Meanwhile, establishing a legacy society can enhance the awareness of the nonprofit's planned giving program among prospective donors.

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6. Leverage the potential power of data to improve practices in planned giving

Planned giving research is largely limited by the lack of data on actual planned gifts and historical information at the donor and gift levels. This study is one of the first efforts to analyze data on planned giving tracked by higher education institutions over time. It offers a unique opportunity to examine some underexplored yet important questions in planned giving. Tracking such data requires extensive resources from institutions; however, good data can help us better understand planned giving behavior and better inform practices in the field. For example, tracking data on marital status and couple donors together can shed light on the dynamics of household decision-making on planned giving. Recording multiple relationships that a donor has with the institution will provide insights into donor cultivation and stewardship. Keeping records of planned gifts and outright gifts made by the same donor in one database will improve our understanding of the correlation between these two types of charitable gifts made to a single organization over time. Many organizations invest valuable resources in conducting prospect research and tracking donor and gift information each year. This offers a huge potential for rigorous research on planned giving to better inform practices in this sophisticated field.

Looking ahead

There are many important, emerging questions in the field of planned giving. This whitepaper offers insights into some of them. Future research can shed light on more questions by using data on planned giving transactions. Some of these questions include:

- What factors influence the return on investment (ROI) in planned giving programs?
- How do gender and other demographics affect planned giving behavior; for instance, do female donors behave differently from male donors, and if yes, how?
- How do institutional marketing and stewardship strategies regarding legacy society membership affect planned giving?
- How do fundraisers effectively attract planned gifts and outright major gifts from the same donor?

With the rich information included in the unique data from universities and colleges, the next phase of the study will attempt to investigate some of these critical questions in planned giving.

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Introduction

When a young English clergyman died near Boston, Massachusetts, in 1638, few would have predicted that his bequest of 800 pounds and a personal library would give rise to one of the most prestigious and advanced academic institutions of our time. Harvard College was named in honor of John Harvard, whose bequest allowed the fledgling college to ensure its longevity. Prominent institutions such as Harvard, The Smithsonian, Johns Hopkins University, and the Julliard School have been established as a direct result of bequests—and these gifts continue to be an important factor in charitable giving today. Planned gifts, including charitable bequests, touch many areas of life within the nonprofit world, especially higher education, as these gifts constitute a significant part of institutional endowments.

Charitable bequests made up approximately 8 percent of all charitable gifts in 2014 (Giving USA Foundation, 2015). They have shown a steady historical growth rate—rising from approximately $10 billion in 1974 to $28 billion in 2014 (both in inflation-adjusted 2015 dollars). Despite the impact of the Great Recession, charitable bequests are predicted to increase in the coming years, catalyzed by wealth transfer from one generation to the next (Havens & Schervish, 2014). This wealth transfer will be largely driven by the Baby Boomer generation retiring during the next 10 to 20 years, and Boomers will become the largest donor group in planned giving. In addition, as the younger Millennial generation is stepping onto the economic stage, this young group brings new perspectives and approaches to philanthropy. These generational changes all have implications for donor engagement in planned giving.

In 1924 Cornell University established the first formal program of charitable bequests at U.S. higher education institutions in order to encourage alumni and others to include the university in their wills (Palmer, 1937). Cornell University received more than $6 million in bequests within the first decade after that. By the mid-1930s, at least 30 higher education institutions in the U.S. established formal bequest programs. The landscape of planned giving has become more sophisticated since then. Despite the importance of planned giving, the complexity of quantifying and tracking planned gifts makes it difficult for researchers to systematically examine this type of charitable giving.

This study seeks to understand the changing landscape of planned giving and explore donor life-cycle trajectories. The study draws on data from legacy societies at institutions of higher education, which offer a unique opportunity to examine factors associated with planned giving behavior, to investigate how the likelihood of making a planned gift changes as a donor ages, and to analyze planned gifts made by legacy society members and non-members. The study further explores multiple planned gifts made to the same institution by the same donor. Findings from the study offer implications to help nonprofit professionals better understand the patterns and shifts in planned giving behaviors over time.

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Background

To our knowledge, this is one of the first studies that analyzes planned gifts and donors through the lens of legacy societies at institutions of higher education. A growing body of work has provided insights into various factors that affect charitable giving. A close examination of this literature, however, shows that much less is known about the levels and strategies of planned giving, the use of various vehicles, and the practices of donor engagement through legacy societies. In this section we first describe the function of legacy societies and review existing literature on planned giving and charitable bequests. We then provide an overview of giving to higher education institutions and highlight gaps in research on planned giving and legacy societies in the field of higher education.

Legacy Societies

Legacy societies are a common method of recognizing planned giving donors to a nonprofit organization, as they offer an opportunity to acknowledge, thank, and engage donors for their future contributions during their lifetimes (Tempel & Seiler, 2016). Typically, a legacy society aims to recognize donors during their lifetimes, to cultivate donors in ways that might lead to an increase of the legacy, and to encourage new donors (Regenovich, 2016; Opray, 2010). Many of these societies are open to all individuals who make a planned gift to an organization and often have membership rosters to signal to donors, as well as to the larger public, the significance of planned gifts (Regenovich, 2016). Through membership, legacy societies offer donors the possibility to become more engaged with the organization and thus give them a sense of ownership (Smith, 2006). Legacy societies have become more commonly integrated with the overall fundraising strategy of an organization.

Charitable Bequests

Charitable bequests, as an important planned giving vehicle, play a crucial role in the U.S. nonprofit sector. In 2014 bequests to nonprofit organizations reached $28 billion, accounting for about 8 percent of the total estimate for charitable giving and nearly 10 percent of total individual donations (Giving USA Foundation, 2015). Charitable bequests increased approximately 180 percent during the past 40 years, from about $10 billion in 1974 (in inflation-adjusted 2015 dollars).

A growing number of studies have examined the profile of charitable bequest donors. Drawing on the rich scholarship on inter vivos charitable giving, literature has identified both shared characteristics and those specific to charitable bequests. Studies show that, as with inter vivos giving, wealth is an important factor in understanding charitable bequests (James, 2013; Schervish & Havens, 2003). In general, bequest donors tend to be well educated (Krauser, 2007) and attend religious services more frequently (The Center on Philanthropy at Indiana University, 2009). Some factors, however, have a specific impact on charitable bequests, such as an unmarried or widowed status (Routley, Sargeant,

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& Scaife, 2007; Chang, Okunade, & Kumar, 1999; Johnson & Rosenfeld, 1991), absence of children (James, 2009), and residence in the same location for a period ranging from two to seven years (Sargeant, Hilton, & Wymer, 2006a).[3]

Motivations for charitable bequests can be largely classified into three broad categories: family and finances, psychological factors that fall under the umbrella notion of generativity, and organizational competencies of the receiving organization. Family and financial motivational factors include the lack of family needs (Sargeant, Wymer, & Hilton, 2006b), a desire to limit family inheritance (Sargeant & Shang, 2008; Sargeant et al., 2006a; James, 2014), and perceptions of financial security (Schervish, Havens, & Whitaker, 2006). Also, family connections to a charitable cause or the feeling of "spite" (namely, a desire not to leave wealth to relatives who treated donors poorly) can influence decisions on charitable bequest giving (James, 2015; Sargeant et al., 2006b).

The notion of generativity points to the wish to achieve immortality through posthumous gifts (Routley & Sargeant, 2015; James, 2014), the hope to leave an enduring legacy (James & O'Boyle, 2014), the desire to make a difference (Sargeant & Shang, 2008), the "need to live on"—namely a desire to be remembered (Sargeant et al., 2006a, b), a sense of gratitude (Schervish & Havens, 1999), and an ability to identify with others (Schervish & Havens, 2003). In addition, James (2014) finds that statements about donors are powerful in increasing survey respondents' desire to consider making a charitable bequest. Lastly, organizational factors include organizations' performance, professionalism, and communication quality, which all increase donors' willingness to bequeath by building confidence in the receiving organization's capacity and commitment to honor donor intent (Sargeant et al., 2006a, b; Sargeant & Jay, 2004).

However, most prior studies heavily rely on self-reported survey data or tax returns due to data limitations. Unlike regular charitable gifts, planned gifts usually require substantial documentation and a longer time to be formalized. This unique feature of planned gifts makes it difficult for researchers to track and study actual planned giving behavior. As Russell N. James, III (2009) notes, the intrinsic difficulties of analyzing charitable bequests are largely because data are often based on bequest intentions rather than received gifts, not considering the possibility that donors may revoke gifts.

Higher Education and Planned Gifts

Institutions of higher education have traditionally received substantial support from both individual and institutional donors. In 2014 charitable contributions to U.S. colleges and universities went up by nearly 11 percent, reaching about $37 billion (Council for Aid to Education, 2015). Giving from all sources increased in 2014, with an inflation-adjusted growth rate of 7.5 percent from alumni donors and 3 percent from non-alumni individual donors. Charitable bequests totaled approximately $2.7 billion in 2014, accounting for about 17 percent of all individual charitable gifts made to higher education institutions (Giving USA Foundation, 2015). Among the 1,019 institutions reporting to the Council for Aid to Education's Voluntary Support of Education survey, the three largest bequests alone represented nearly 12 percent of total individual giving that these institutions received in 2014 (Council for Aid to Education, 2015). These data stress the important role of charitable bequests for the higher education subsector, which received the second-largest share of charitable dollars in 2014 (Giving USA Foundation, 2015).

[3] For a comprehensive review of literature on the profile and motivations of charitable bequest donors, see The Center on Philanthropy at Indiana University (2009).

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Private donations have traditionally played an important role in the development of institutions of higher education in the U.S. Efforts of colleges and universities to attract donations are as old as America's historic centers of higher education themselves (Cutlip, 1965; Palmer, 1937; Cook & Lasher, 1996). In a recent monograph, however, Noah D. Drezner (2011) points out the relatively recent origins of "fundraising as an organized venture" (p. 5). Traditionally, universities and colleges have raised money via annual funds, campaigns, and planned giving instruments. These are fundraising methods that have been used beyond the domain of higher education. Bequests are one of the key instruments in planned giving (Drezner, 2011). Donations through bequests have historically played a significant role in supporting education institutions from early Colonial days (Palmer, 1937). The historical precedence established by William of Durham's bequest in 1249 that founded University College Oxford and by John Harvard's gift of nearly 800 pounds made to Harvard University remains strong today. Although planned giving to institutions of higher education has a long history, scholars have not systematically examined the role of legacy societies at such institutions in particular.

In the twenty-first century a new (or renewed) paradigm of major gifts has emerged that radically alters the relationships between donors, development officers, and receiving institutions (Hodge, 2016). Donors aim to transform and create rather than just passively donate (Schervish, 2005). This emphasis on "gifts of significance" and donors' underlying intentions to leave a legacy explain the particular focus on institutions of higher education, which represent a "critical gateway to greater opportunities" (Frumkin & Kaplan, 2010, p. 98).

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Data

This study represents a first attempt to map the almost unexplored territory of legacy societies in planned giving. Existing literature has not examined planned gifts through the lens of legacy societies. This study thus represents the first systematic data collection and analysis of planned gifts made to higher education institutions in the U.S.

The study first reviewed charitable bequests received by the top 120 U.S. higher education institutions in the fiscal year of 2014 and examined the basic characteristics of their legacy societies. This list of 120 institutions is based on data from the *2014 Digest of Education Statistics*, which is issued by the National Center for Education Statistics at the U.S. Department of Education. Data on charitable giving and bequests came from the Voluntary Support of Education survey by the Council for Aid to Education. Information on university legacy societies was collected from universities' Web sites, brochures, and newsletters.

This study then examined data on planned gifts and donors from five case-study universities located in different geographic regions in the U.S. We received data between the summer of 2014 and the fall of 2015 from these five universities. The sample includes data on planned gifts made from 1972 to 2015 (the exact range varies by university). The combined data set contains both donor-level and gift-level information—for example, age, graduation class and residence of donor, amount and type of planned gifts, and year when the gift was made (or announced to the university). In addition to this common set of data, each university also has some additional, unique data offering rich information on donors (such as gender, marital status, and degree) or gifts (such as restrictions of gifts or outright gifts made by planned giving donors). Further, one university has information on both legacy society members and non-members.

Compared with survey data or tax records, this sample has unique advantages, capturing both the trend in planned gifts over time and detailed information on each gift and donor. The uniqueness of the data in this study offers a great opportunity to explore planned giving behavior among actual donors.

The analysis here includes bequest intentions, realized bequests, and deferred gifts because the data often do not contain enough detailed information allowing a clear separation of these types of planned gifts.

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Findings from a Landscape View of Legacy Societies:

Top 120 U.S. Higher Education Institutions

According to the *2014 Digest of Education Statistics* issued by the National Center for Education Statistics at the U.S. Department of Education, the top 120 higher education institutions (by endowment value) reported an endowment ranging from $639 million to $33 billion at the end of fiscal year 2013. Among these top 120 institutions, 113 institutions were included in the 2014 Voluntary Support of Education survey by the Council for Aid to Education, receiving a total of $23 billion in charitable donations in 2014 (see Table 1). These institutions received more than 6,900 charitable bequests in total, reaching more than $1.7 billion, and nearly 3,500 deferred gifts with a total value of around $282 million.

Table 1 Planned gifts received by top 120 higher education institutions, 2014

	By All Institutions	By Individual Institution			
	Total	Average	Median	Min	Max
Dollar Amount of Total Donations Received ($ in millions)	$23,108	$204	$118	$7	$1,795
Number of Bequests Received	6,935	61	44	7	362
Dollar Amount of Bequests Received ($ in millions)	$1,725	$15	$7	$0.009	$98
Number of Deferred Gifts Received (other than bequests)	3,491	31	21	0	259
Dollar Amount of Deferred Gifts Received (present value, $ in millions)	$282	$2	$0.8	0	$60

Source: *2014 Voluntary Support of Education* (VSE) survey, Council for Aid to Education
Note: Seven of the top 120 institutions were not included in the 2014 VSE survey and were thus excluded from the table.

Only 10 of the top 120 institutions did not have a university-wide legacy society as of March 2016. We then reviewed information on the Web sites of the 110 universities regarding five key dimensions of legacy societies: the name and founding year of legacy society, membership eligibility, membership benefits, and number of members in the legacy society.

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About 62 percent of the 110 institutions provided an explanation of the legacy society's name. Most of these legacy societies bear the name of a visionary leader or donor in the university's history, the founding year of the institution, or an important landmark for the university. One-fourth (25 percent) of institutions mentioned the founding year of its legacy society, which ranges from 1978 to 2003 and thus shows the relative novelty of this fundraising mechanism in some universities.

Most (104 institutions) did not require a minimum dollar amount of a planned gift in order to qualify for membership in the society. About 55 percent of these societies explained the exclusive benefits of membership as a gesture of recognition and appreciation. These benefits included, for example, a commemorative pin, invitations to university special events, or a complimentary subscription to newsletters related to planned giving and financial management. In most cases these benefits serve to maintain the connections between donors and the institutions, and newsletters serve as a tool to inform donors of the outcome and impact of gifts. Around 28 percent of institutions published an honor roll of their planned giving donors on their Web sites or mentioned the total number of their legacy society members, ranging from 500 to nearly 5,000 members. The honor rolls or membership rosters that are publicly acknowledged online show institutions' appreciation for the gifts.

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Findings from an In-Depth View of Legacy Societies and Planned Giving:

Five Case-Study Universities

This study analyzed data on planned gifts and donors from five case-study universities located in different geographic regions in the U.S., including two located in the Midwest, one in the Northeast, one in the South, and another in the West. All are classified as research institutes in the Carnegie Classification of Institutions of Higher Education; four are public institutions and one is a private institution. Four of these five universities have medical schools. One university has multiple campuses, with student enrollment ranging from about 4,000 to nearly 50,000 on each campus. The other four universities had an average of roughly 26,000 students enrolled.

Our sample contained information on dollar amounts or type of planned gifts for nearly 6,200 donors. Approximately 7,600 planned gifts in the sample had information on gift type. Table 2 below presents the average and median amounts of these gifts.

Table 2 An overview of planned gifts at five case-study universities

Number of Donors with Gift Amount or Gift Type Available	6,197	
Number of Gifts with Gift Type Available	7,614	
Average Gift Amount (n = 5,540)	$427,609	
Median Gift Amount (n = 5,540)	$89,171	
	Bequests	**Other Planned Gifts**
Number of Gifts with Gift Amount Available	2,243	3,297
Average Gift Amount	$777,547	$325,045
Median Gift Amount	$137,637	$81,799

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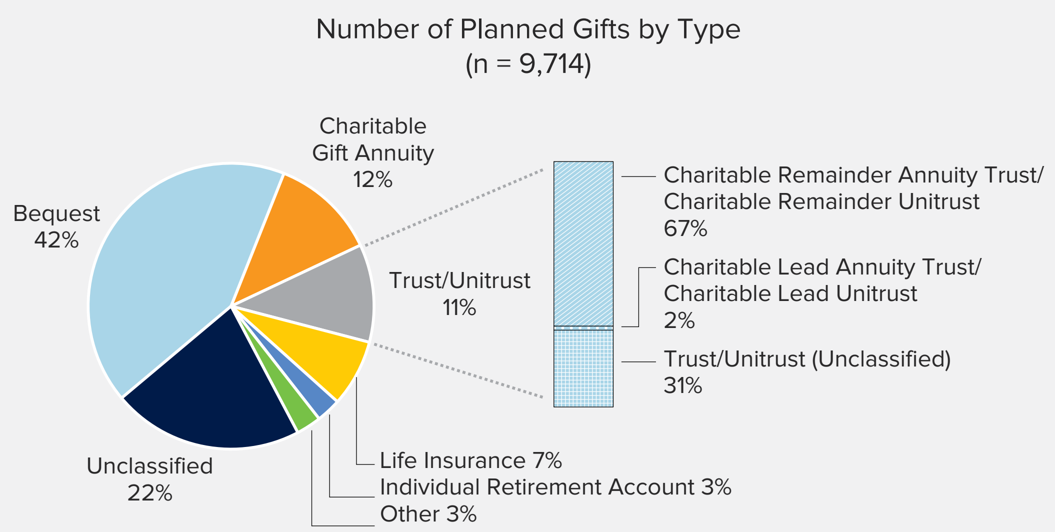
Planned Gifts by Type

Charitable bequest is the most frequently used planned giving vehicle in our sample, representing about 42 percent of planned gifts (see Figure 1). Charitable gift annuities accounted for about 12 percent of planned gifts. Trusts and unitrusts accounted for 11 percent of planned gifts, a majority of which (67 percent) were charitable remainder annuity trusts or charitable remainder unitrusts. Around 7 percent of planned gifts were from life insurance and only 3 percent were from individual retirement accounts.

Figure 1 Types of planned gifts received by five case-study universities



Note: The “other” category here includes pooled income funds, real estate, or other types with only a handful of gifts.

Timing of Planned Gifts

Two universities in the sample have information on the year and month when each planned gift was made (or announced to the university). When looking at the first planned gifts made by donors, December received the largest share (12 percent) of gifts throughout a year (see Figure 2), followed by June (10 percent) and April (9 percent). When looking at all planned gifts received by these two universities, December similarly received the largest portion (13 percent) of gifts, and the last quarter of the year received nearly one-third (31 percent) of all planned gifts. Another university in our sample tracked the year and month when donors made changes to their planned gifts over time. The largest share of changes occurred during the tax season, with 27 percent of gift changes made in March, followed by 17 percent in February and 13 percent in April.

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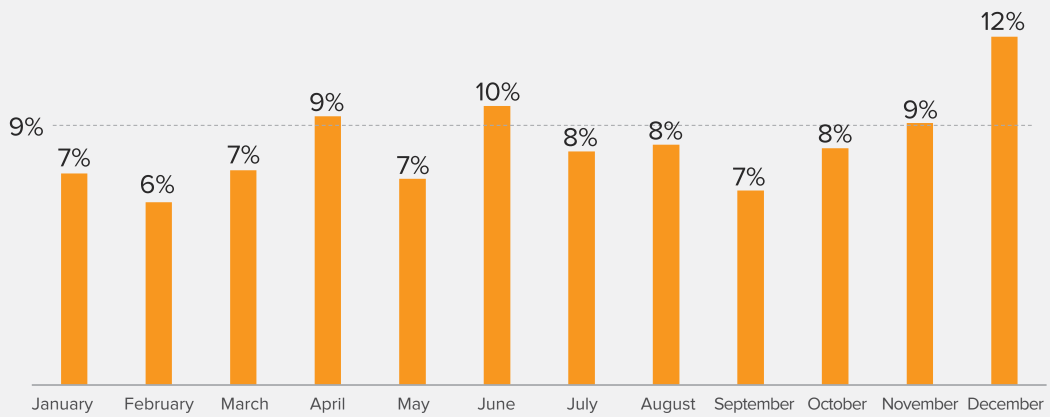
Figure 2 Number of the first planned gifts made by month (two case-study universities)



Note: Data were based on two universities that have information on the year and month when each planned gift was made.

Profile of Planned Giving Donors

Table 3 summarizes the key characteristics of planned giving donors at the five universities in our sample. Most (97 percent of) donors were members of a legacy society. This is because at four of the five universities, donors would automatically become a member of the legacy society once they made a planned gift—and they can opt out if they do not want to be a member. At one university in the sample, donors are asked whether they would like to join the legacy society when they make the first planned gift. Then only those who chose to join became members of the legacy society.

Over half (54 percent) of planned giving donors were the Silent Generation or Baby Boomer Generation, born between 1928 and 1964. They represented 79 percent of donors, if those with no information on age are excluded. Slightly more than one-third (37 percent) of donors lived in the same state where the university is located. Around 77 percent were alumni of the university, nearly three-fourths (73 percent) of whom graduated between the 1950s and the 1970s.

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Table 3 Profile of planned giving donors at five case-study universities

Total Number of Planned Giving Donors with Gift Amount/Type Available in the Sample	6,197	% of Donors	
		(Including Unknown)	(Excluding Unknown)
Legacy Society Members	Yes*	97%	97%
Gender ^	Male	54%	67%
	Female	26%	33%
	Unknown	20%	
Generation	Greatest Generation (1927 or Earlier)	11%	16%
	Silent Generation (1928-1945)	33%	48%
	Baby Boomer (1946-1964)	21%	31%
	Gen X (1965-1980)	4%	5%
	Millennial or Younger (1981 or After)	0.2%	0.3%
	Unknown	31%	
Region	In the Same State as the University	37%	44%
	In a Neighboring State	14%	16%
	In a Non-Neighboring State	34%	40%
	Unknown	15%	
Highest Degree	Bachelor's	50%	62%
	Master's	7%	9%
	Professional/Doctorate	10%	12%
	Other	14%	17%
	Unknown	19%	
Primary Constituent Type	Alumni	77%	87%
	Non-Alumni	11%	13%
	Unknown	12%	
Donor Class (among Alumni)	Pre-1950	11%	12%
	1950s	24%	25%
	1960s	28%	28%
	1970s	21%	21%
	1980s	9%	9%
	1990s	4%	4%
	2000s or After	1%	1%
	Unknown	2%	

Notes: *At one university in the sample, donors are asked whether they would like to join the legacy society when they make the first planned gift. Then only those who choose to join become members of the legacy society. At all of the other four universities, donors would automatically become a member of the legacy society once they made a planned gift, and they can opt out if they do not want to be a member.

^ Some gifts in our sample have information for both primary and secondary donors. Data on gender presented in the table include primary donors only.

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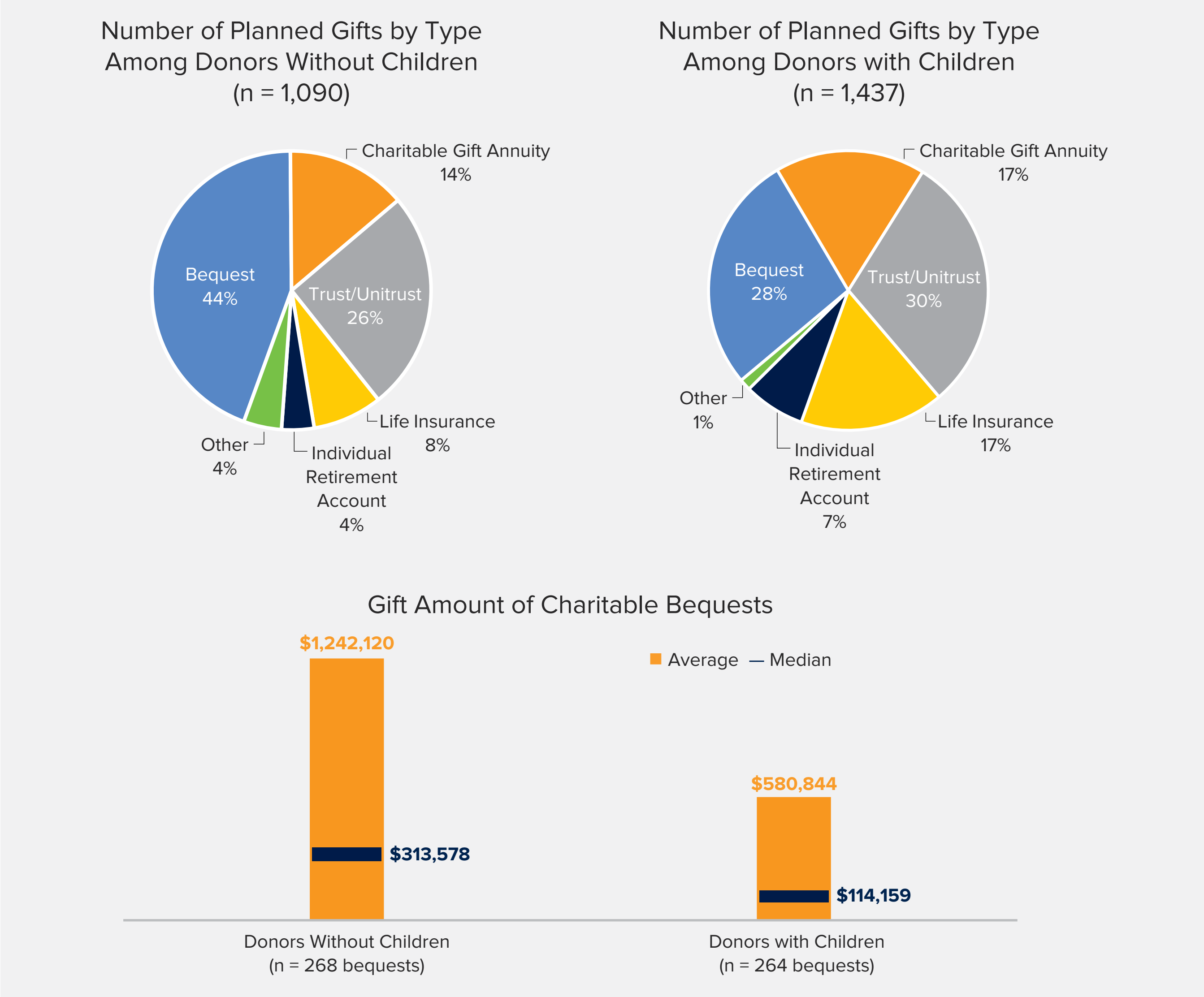
Data from two universities in the sample have information on children of donors. Slightly less than half (44 percent) of planned giving donors to these two universities did not have children. Among donors with children, nearly three-quarters (74 percent) had more than one child. When looking at types of planned gifts made by these two groups of donors, around 44 percent of planned gifts made by donors without children were charitable bequests, which is significantly higher than the 28 percent from bequests among donors with children (see Figure 3). Moreover, the average and median amounts of bequests were significantly higher among donors without children than those with. Consistent with prior research, these findings confirmed that the absence of children is a critical characteristic of planned giving donors.

Figure 3 Planned gifts made by donors with and without children (two case-study universities)



Notes: Data were based on two universities that have information on children of donors.
The differences between donors with and without children are statistically significant at the p < .01 level.

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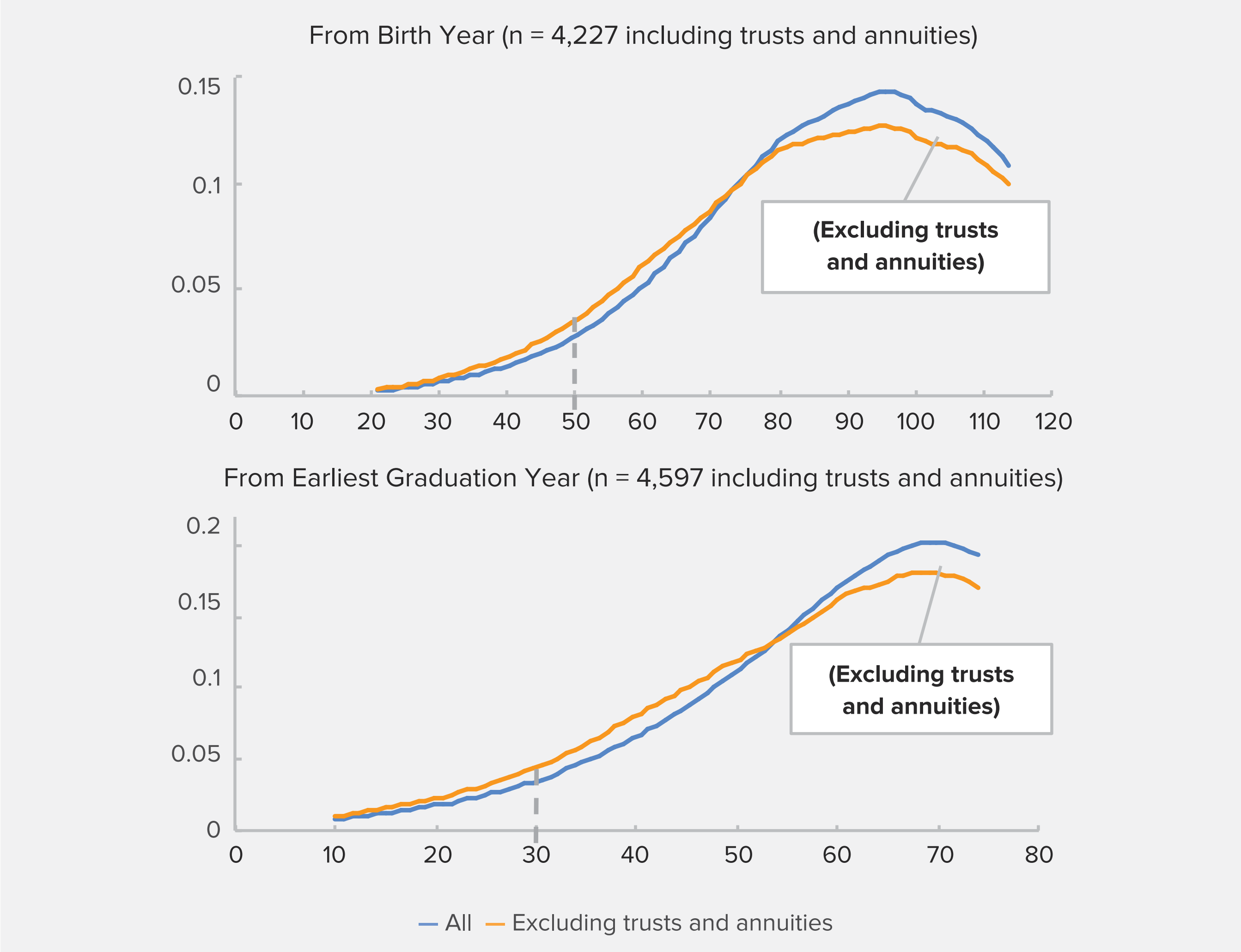
Finding 1:
The Life Cycle of a Planned Giving Donor

In our sample nearly half (49 percent, excluding those with no information on age) of planned giving donors were found to be within the 20-year interval of 51-70 at the time of their earliest recorded planned gift. Our result is broadly in line with expectations that donors are more likely to make a planned gift as they age. The graphs below in Figure 4 map out the turning point in the life cycle visually. Based on hazard analysis,[4] the likelihood of making a planned gift increased sharply at about 50 years old, or approximately 30 years after graduation. This likelihood began to increase sharply earlier, at roughly 45 years old, when trusts and annuities—planned gifts that usually have age restrictions—were excluded from the analysis.

Figure 4 The life cycle of a planned giving donor (five case-study universities)



[4] Hazard analysis is used to find the likely distribution of the probability of donating over a donor's life. Please see the Methodological Notes section for more details.

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We further examined key factors that are associated with the amount of planned gifts using the OLS regression model. As shown in Table 4, when controlling the characteristics of gifts and donors, age is strongly positively correlated with the size of the gift, although this positive effect becomes smaller as the donor gets older. This is consistent with the results on the donor's life cycle from our hazard analysis (in Figure 4). In addition, the size of a bequest tends to be larger than the size of other planned gifts. Female donors tended to give smaller planned gifts than male donors; however, it is important to note that our sample does not have information on the income or wealth of a donor, which often affects gender differences in charitable giving. Furthermore, in a smaller subsample where additional information on donors is available, we also found that the number of children shows a negative correlation with the amount of planned gifts. It suggests that donors with fewer children tended to give more in planned giving.

Table 4 Factors associated with the amount of planned gifts (four case-study universities)

Variables	Relationship with Amount of Planned Gifts
Age at Time of Gift	Positive
Gift Type°: Trust or Annuity	Negative
Gift Type: Other	Negative
Female‡	Negative
Years Since Graduation	Negative
Number of Children*	Negative

Notes: Only selected variables are presented here. Full OLS regression results are reported in Appendix III, Table 1.
° As compared to: Bequest
‡ As compared to: Male
* Data were based on two universities that have information on children of donors.

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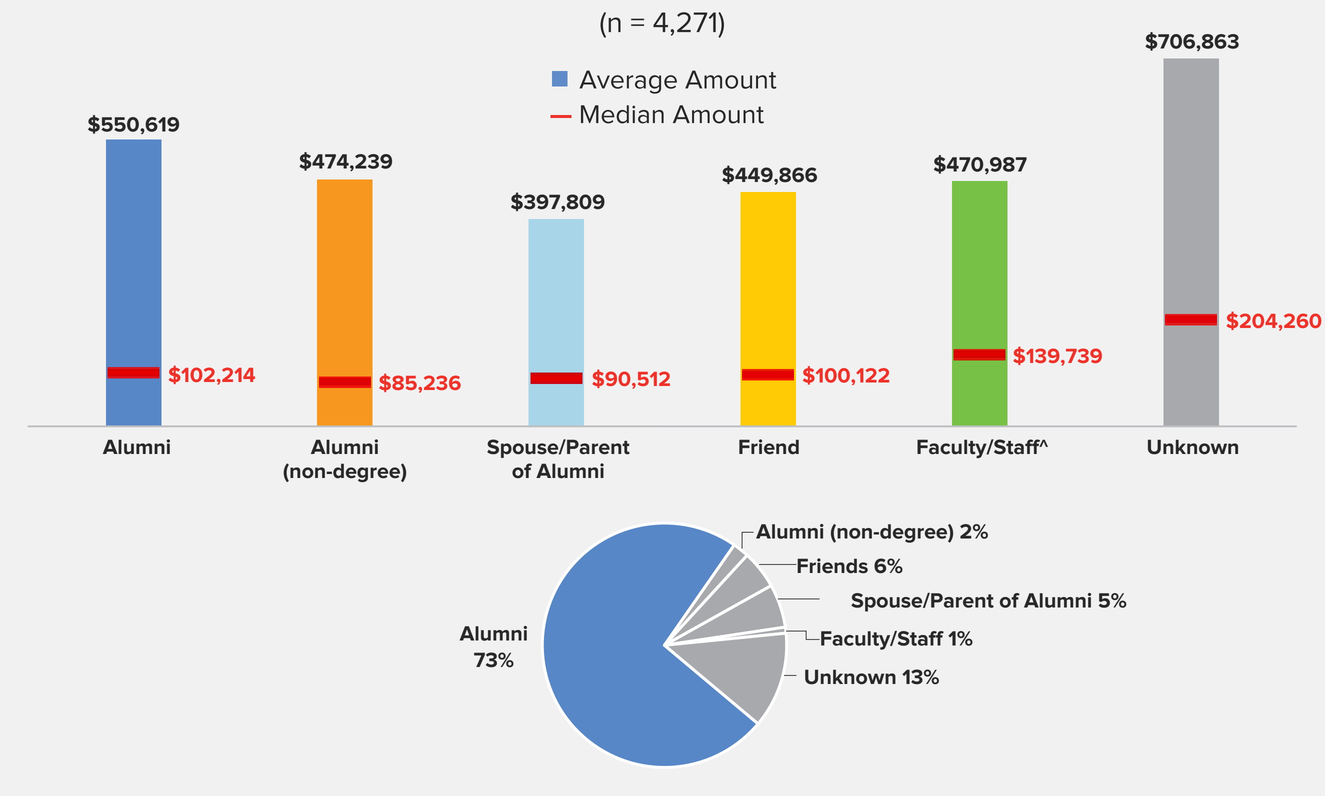
Finding 2:
A Comprehensive View of the Donor-Institution Relationship

Among planned giving donors with dollar amounts available in the sample, nearly three-quarters (73 percent) were alumni who earned a degree from the institution—while non-degreed alumni represented only 2 percent, and all other donors accounted for one-quarter (see Figure 5). Degreed alumni contributed approximately 78 percent of all planned gifts and 73 percent of the dollar value. Furthermore, spouses/parents of alumni, representing 5 percent of planned giving donors, contributed about 4 percent of planned giving (in terms of both the number of gifts and the dollar amount).

Looking at the size of planned gifts by type of donor-institution relationship, there is no statistically significant difference in the average gift amounts across different types of donors in most cases—with or without controlling for the characteristics of donors and gifts. The average gift amount from degreed alumni is slightly higher than other donors, at $550,619 (with a median amount of $102,214). Among non-alumni donors, the lowest average amount of planned gifts is from spouse/parent of alumni ($397,809).

Figure 5 Average and median amounts of planned gifts by donor-institution relationship (five case-study universities)



Note: ^ There are fewer than 50 observations in this category. The high average and median amounts by faculty/staff were mainly driven by seven gifts made by emeritus faculty members that ranged from $435,000 to $1,960,000, after adjusting for inflation.

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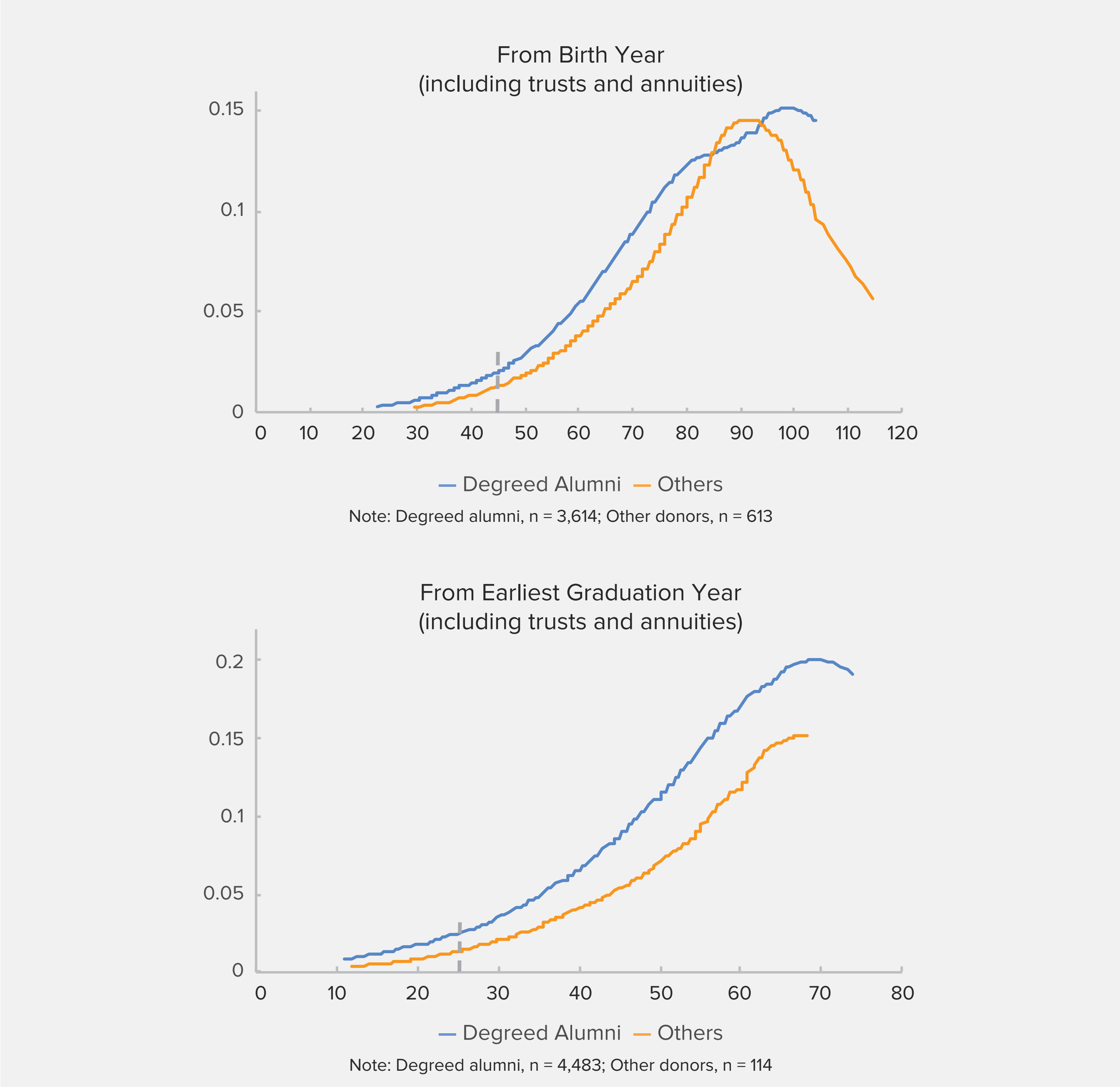
On average, degreed alumni were younger (aged 61) than all other donors when they made the first planned gift. This pattern is consistent across all case-study universities except for one. As age increases, degreed alumni tend to have a higher likelihood of making a planned gift than other donors (see Figure 6). The likelihood increases more sharply among degreed alumni from roughly 45 years old, or about 25 years after graduation.

Figure 6 The life cycle of a planned giving donor by donor-institution relationship (five case-study universities)



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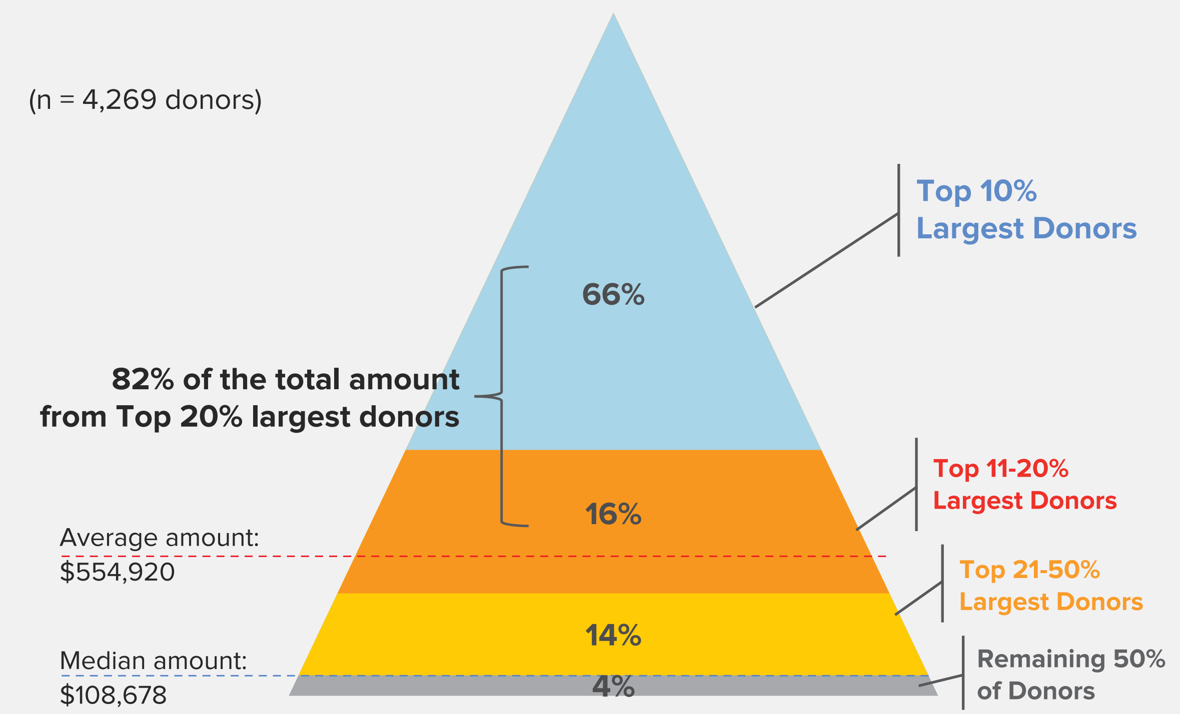
Finding 3:
The Pyramid of Planned Gifts: The 80/20 Rule

The 80/20 rule, also referred to as the Pareto principle or the law of the vital few, generally states that around 80 percent of the effects often come from 20 percent of the causes. In fundraising the 80/20 rule has been used to describe the observation that roughly 80 percent of charitable dollars come from 20 percent of donors. The exact ratio often varies across nonprofits or charitable sectors, but the importance of major gifts in fundraising applies to the nonprofit sector in general. Findings from our study support this rule in planned giving. In our sample, 82 percent of the total amount of planned gifts came from the top 20 percent largest donors, with the top 10 percent largest donors contributing about two-thirds of the total gift amount (see Figure 7). By contrast, at the bottom of the pyramid the 50 percent smallest donors contributed only 4 percent of the total gift amount. This 80-20 ratio remained roughly the same over time, ranging from a 70-20 ratio in the 1970s to an 84-20 ratio in the 2000s across the five case-study universities in the sample.

Figure 7 The pyramid of planned giving (five case-study universities)



Note: For donors who made more than one planned gift, the combined dollar value of their planned gifts was included in the analysis.

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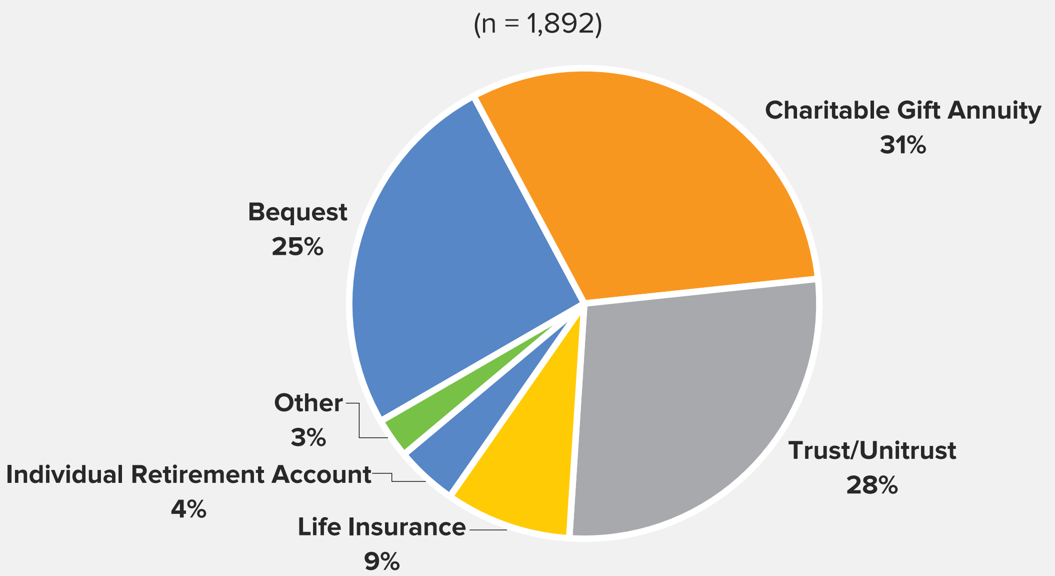
Finding 4:
Multiple Planned Gifts Made to the Same Institution

Data from three of the five case-study universities allow us to trace and analyze multiple planned gifts made by the same donor. In this subsample, about one-fifth (21 percent) of donors made more than one planned gift to the same institution over time. The average amount of gifts is statistically similar among donors who made more than one planned gift and donors who made only a single gift. Among donors who made more than one planned gift, over half (59 percent) of these gifts were trusts or annuities, 25 percent were bequests, and other types of planned gifts accounted for the remaining 16 percent (see Figure 8). Approximately 35 percent of donors who made more than one gift actually made a charitable bequest as their first planned gift.

Figure 8 Types of planned gifts by donors with more than one gift (three case-study universities)



Note: Data were based on three universities that have information on multiple planned gifts made by the same donor.

Looking at the characteristics most related to being a multiple planned gift donor, one of the strongest indicators was living within the same state as the university. As shown in Table 5, donors living in the same state as the university are significantly more likely than others to make more than one planned gift over time, when controlling for the characteristics of gifts and donors. By contrast, being an alumnus or alumna is not significantly correlated with the likelihood of making multiple planned gifts (presented in Appendix IV, Table 2).

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Table 5 Factors associated with the likelihood of making more than one planned gift (three case-study universities)

Variables		Relationship with Likelihood of Making More Than One Planned Gift
Age at Time of Gift		Positive
Region^	Living in a Neighboring State	Negative
	Living in a Non-Neighboring State	Negative
Gift Type°	Trust or Annuity	Positive
	Other	Negative
Female‡		Negative

Notes: Only selected variables are presented here. Full probit regression results are reported in Appendix IV, Table 2.
^ As compared to: Living in the Same State as the University
° As compared to: Bequest
‡ As compared to: Male

Finding 5:
Engaging Donors Through Legacy Society Membership

One university in the study allows planned giving donors to choose whether or not they would like to join the legacy society when they make the first planned gift. All of the other four universities adopted an opt-out approach, which enrolls donors as a member of the legacy society once they make the first planned gift and allows donors to opt out if they choose to. This unique subsample gives us an opportunity to explore the similarities and differences of legacy society members and non-members in their planned giving.

Overall, we found that legacy society members and non-members shared many similarities in planned giving. For example, they were both at similar ages when they made a planned gift and most of them lived in the same state as the university. Meanwhile, these two groups also have clear differences. As shown in Figure 9, members donated larger planned gifts than non-members (with higher average and median values) without controlling for other characteristics. Members were also more likely to have restrictions on planned gifts. By contrast, non-members were more likely to make revocable gifts and had a much higher percentage of planned gifts being charitable bequests.

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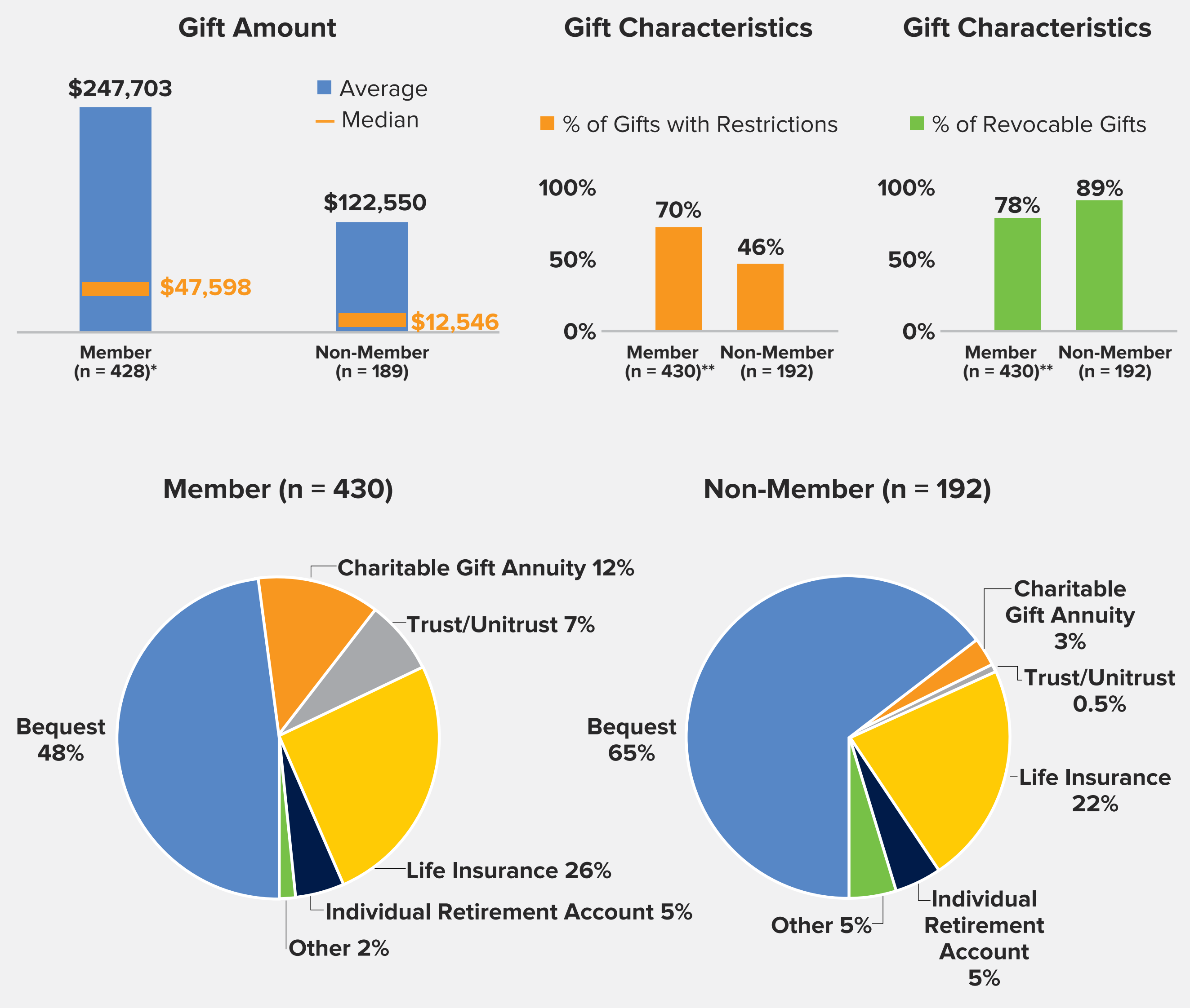
Figure 9 Planned gifts made by legacy society members and non-members (one case-study university)



Notes: Data were based on one university that has information on both members and non-members.
* The differences between members and non-members are statistically significant at the p < .1 level.
** The differences between members and non-members are statistically significant at the p < .01 level.

When looking at factors associated with gift amount, members tended to give larger planned gifts than non-members, after controlling for characteristics of gifts and donors (see Table 6). In addition, in this one-university sample, spouses/parents of alumni and friends of the institution both donated a higher amount than degreed alumni. Restricted planned gifts tended to be larger than unrestricted gifts.

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Table 6 Factors associated with the amount of planned gifts (one case-study university)

Variables		Relationship with Amount of Planned Gifts
Membership Status		Positive
Relationship with Institution▾	Non-Degreed Alumni	Not Significant
	Spouse/Parent of Alumni	Positive
	Friend	Positive
	Unknown	Not Significant
Region^	Living in a Neighboring State	Not Significant
	Living in a Non-Neighboring State	Positive
Have restrictions on gifts		Positive

Notes: Only selected variables are presented here. Full OLS regression results are reported in Appendix IV, Table 3.
▾As compared to: Degreed Alumni
^ As compared to: Living in the Same State as the University

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Methodological Notes

The study used multiple methodologies to analyze data on planned gifts and donors. This section provides a brief description of these methodologies and definitions of key statistical terms.

In the study all dollar amounts were adjusted for inflation to 2015 dollars. This is especially important in this study given the long time frame; for example, $100,000 bought quite a bit more in 1980 than it did in 2015. Without this adjustment we would be significantly undervaluing the older gifts in our data set.

Median and ***average*** numbers are usually both presented in the whitepaper to offer a complete picture of the sample. Median is the value given by the 50th percentile in the given sample, i.e., the number that comes in the exact middle of the data if sorted by size. Average is the total amount given by all donors combined divided by the number of donors. Median numbers are usually less sensitive to very large numbers and more comparable over time, whereas average numbers are often influenced by extreme values in the sample.

A ***t-test*** was used in the study to determine the significance of a difference among descriptive statistics. A t-test is a simple way to look at the differences in a variable between two data sets/subsamples and determine the likelihood that a difference is due to chance or signifies a real difference. The larger the difference is, the less likely it is due to chance. Similarly, the larger a data set/subsample is, the more finely differences can be determined. Unlike regression results, this does not control for any other variables.

In our combined data set, information on birth years and graduation years along with the date of the gift are used for a ***hazard analysis***. This analysis finds the likely distribution of the probability of donating over a donor's life. In addition to this macro-level finding, a hazard analysis can also help examine the relationship that a certain factor has on this duration (whether it is related to a delay or expedience of donating).

We also conducted ***regression analysis*** in the study to help look at the effect of some variables of interest. The reason why regression analysis is useful here is that, among other things, it helps control for the potential effects from other variables. This allows a more accurate identification of the effect from each variable than if we just did a t-test or looked at averages. Depending on the dependent variable in question (e.g., amount, or whether they gave a bequest), ordinary least squares (OLS) regression or probit regression was conducted in the analysis.

When using regression analysis on gift amounts, we often put these dollar values in logarithmic or ***log form***, a format which flattens the values out. This is commonly done on dollar amounts, particularly for data with a high level of variance, as it helps control for undue influence from a handful of very large values. For instance, instead of the difference between $10,000 and $100,000 being ten times, in log form it is only 1.25 times.

A ***statistically significant correlation*** is a statistical term used to describe the relationship between two variables that is unlikely to exist by chance. A statistically significant positive correlation between two variables means that when one variable increases, the other variable also tends to increase, and vice versa. A statistically significant negative correlation exists if when one variable increases, the other variable tends to decrease, and vice versa.

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Appendix II: Key Terms

A planned gift is any sizable charitable contribution made with forethought about the benefit to the charity and the financial implications to the donor and the donor's family. While a planned gift is commonly understood to be a "deferred gift" (one that is arranged now but not available to the charity until some future time), it can also be a current gift designed to maximize tax benefits and often made with complex assets. Deferred planned gifts include charitable bequests, gift annuities, charitable remainder trusts, charitable lead trusts, designating the charity as beneficiary of life insurance and retirement funds, and certain other plans.

The “Establishing A Planned Giving Program” chapter in the fourth edition of *Achieving Excellence in Fundraising* (Regenovich, 2016) provides a comprehensive introduction to various planned giving vehicles. The definitions of some key terms as used in this whitepaper are offered below.

Charitable Bequest: It is the most common form of planned giving. It is “a written statement in a donor’s will directing that specific assets, or a percentage of the estate, will be transferred to charity upon the donor’s death.”

Charitable Gift Annuity (CGA): This is “a simple contract between the donor and the charity whereby the donor makes an irrevocable transfer of cash or property to the charity.” In return, the charity will make fixed annuity payments to one or two beneficiaries for life, which could be the donor or other loved ones determined by the donor.

Charitable Remainder Trust (CRT): This is “an irrevocable trust in which the donor transfers cash or property to a trustee and, in return, the donor and/or other individuals named by the donor as income beneficiaries receive income at least annually for life or for a term of years. When the trust terminates, the remaining trust principal is distributed to at least one or more qualified charities.”

Charitable Lead Trust (CLT): This is a “trust that pays current annual income to at least one qualified charitable organization for a period measured by a fixed term of years, the lives of one or more individuals, or a combination of the two. When the trust ends, the trust assets are paid to the grantor or one or more noncharitable beneficiaries named in the trust instrument.”

Life Insurance: Donors may name a charity as a beneficiary of the life insurance policy. “Upon the donor’s death, the charity will receive all, or a portion of, the proceeds from the policy.”

Retirement Plans: Individuals who have an IRA, 401(k), 403(b), or other defined-contribution plan can name a charity as beneficiary of all or a portion of funds remaining at their death. The amount given to charity will be subject neither to income nor estate tax. Individuals over the age of 70½ who have an IRA can authorize their IRA administrator to transfer up to $100,000 per year directly from their IRA to one or more charities. The amount transferred is not taxed and counts towards the minimum distribution requirement.

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Appendix III: Theories on Planned Giving

Existing literature in social psychology and behavioral economics has provided rich theoretical frameworks to help explain charitable giving behavior, including planned giving. Some of these theories are described in this section.

- **Social identity theory** focuses on the effects of membership on individual behaviors (Tajfel, 1979). This approach suggests that fostering potential donors' identification with an organization is a key strategy in planned giving. While social identity theory has not been used to explain bequest donors' behaviors, scholars have used it to explain alumni giving (Mael & Ashforth, 1992; Wang & Ashcraft, 2014), and have related alumni giving to membership in alumni organizations (Newman, 2011; Newman & Petrosko, 2011).

- The concept of **salience** has been developed in cognitive psychology literature and has been increasingly used in behavioral economics. It refers to the prominence of certain objects, events, or facts. It assumes that "the more salient something is, the more aware individuals are of its effect" (Faulhaber, 2012, p. 1). Salience thus suggests that increased planned giving could be triggered by big events, both natural (e.g., disasters) or man-made events (e.g., campaigns, 9/11 attack).

- **Terror management theory** refers to the psychological process that people have a desire to live but also realize that the approach of the end of their lives is inevitable (Burke, McKeever, & Dietz, 2010). This theory proposes that the cultural community to which the heroic individual belongs will live on even after the death of the individual (James, 2014; Burke et al., 2010). People will tend to leave bequests to the young "in-group" to fulfill their symbolic immortality.

- **Loss aversion** refers to the tendency for losses to have a greater impact than gains (Tversky & Kahneman, 1991). Loss aversion has been used to explain risk aversion in risky scenarios as well as people's tendency to value an object more highly when they possess it in non-risky scenarios (for a review see Rick, 2011). Loss aversion thus suggests the potential impact of adverse personal conditions (e.g., health issues, family issues) on planned giving.

- The **notion of status quo or inertia bias** stresses donors' reluctance to change a previous consciously made decision due to high transaction cost (Thaler & Sunstein, 2008). This theoretical framework suggests that donors might not easily change their plans for revocable gifts once made.

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Appendix IV: Statistical Tables

Table 1 Factors associated with the amount of planned gifts (OLS regression)

Variables	(1) Amount (log form)	(2) Amount (log form)	(3) Amount (log form)	(4) Amount (log form)
Age at Time of Gift	0.0445***	0.0651***	0.0939***	0.0797***
	(0.0148)	(0.0153)	(0.0196)	(0.0207)
Square of Age at Time of Gift	-0.000359***	-0.000560***	-0.000600***	-0.000699***
	(0.000127)	(0.000126)	(0.000136)	(0.000182)
Region^: Living in a Neighboring State	-0.0439	-0.0322	-0.0167	0.0402
	(0.0886)	(0.0927)	(0.0966)	(0.128)
Region: Living in a Non-Neighboring State	0.109*	0.0982	0.0831	0.229*
	(0.0645)	(0.0721)	(0.0762)	(0.132)
Gift Type°: Trust or Annuity	-0.475***	-0.583***	-0.559***	-0.263**
	(0.0715)	(0.0759)	(0.0803)	(0.130)
Gift Type: Other	-0.415***	-0.648***	-0.678***	-0.693***
	(0.0742)	(0.0854)	(0.0885)	(0.140)
Case University 2 Dummy†	-0.716***			
	(0.0960)			
Case University 3 Dummy	0.370***	0.319***	0.314***	
	(0.0824)	(0.0869)	(0.0892)	
Case University 4 Dummy	0.641***	0.594***	0.553***	
	(0.0867)	(0.0942)	(0.101)	
Case University 5 Dummy	0.934***	0.930***	0.884***	0.267
	(0.140)	(0.140)	(0.148)	(0.174)
Female‡		-0.200***	-0.238***	0.0772
		(0.0743)	(0.0797)	(0.172)
Highest Degree˃: Master's		0.227*	0.151	0.0951
		(0.123)	(0.131)	(0.249)
Highest Degree: Professional/Doctorate		-0.0627	-0.174	-0.356
		(0.104)	(0.109)	(0.336)
Highest Degree: Other/Unknown		0.00722	-0.402*	0.206
		(0.171)	(0.238)	(0.267)
Relationship with Institution▾: Non-Degreed Alumni		-0.302		-0.790*
		(0.309)		(0.415)
Relationship with Institution: Spouse/Parent of Alumni		0.686**		0.512
		(0.343)		(0.488)

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Relationship with Institution: Friend		0.467		-0.0908
		(0.292)		(0.373)
Relationship with Institution: Faculty/Staff		-0.396		-0.408
		(0.352)		(0.430)
Relationship with Institution: Unknown		0.283		
		(0.183)		
Years Since Graduation			-0.0249**	
			(0.0100)	
Number of Children				-0.0128**
				(0.00639)
Constant	10.32***	10.00***	9.399***	10.14***
	(0.429)	(0.469)	(0.545)	(0.583)
Observations R-squared	3,344	2,742	2,456	955
	0.102	0.081	0.082	0.069

Notes: *** p<0.01, ** p<0.05, * p<0.1. Robust standard errors are presented in parentheses.
^ Reference category for Region: Living in the Same State as the University
° Reference category for Gift Type: Bequest
† Reference category for Case University: Case University 1 Dummy
‡ Reference category for Female: Male
* Reference category for Highest Degree: Bachelor's
▾ Reference category for Relationship with Institution: Degreed Alumni

Table 2 Factors associated with the likelihood of making more than one planned gift (Probit regression, three case-study universities)

Variables	Likelihood of Making More Than One Planned Gift
Age at Time of Gift	0.0356*
	(0.0188)
Square of Age at Time of Gift	-0.000284*
	(0.000155)
Region^: Living in a Neighboring State	-0.304***
	(0.104)
Region: Living in a Non-Neighboring State	-0.251***
	(0.0784)
Gift Type°: Trust or Annuity	0.380***
	(0.0779)
Gift Type: Other	-0.179**
	(0.0895)
Female‡	-0.144*
	(0.0838)

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Highest Degree»: Master's	-0.250*
	(0.141)
Highest Degree: Professional/Doctorate	-0.111
	(0.112)
Highest Degree: Other/Unknown	-0.281
	(0.181)
Relationship with Institution▾: Non-Degreed Alumni	0.00783
	(0.318)
Relationship with Institution: Spouse/Parent of Alumni	0.436
	(0.374)
Relationship with Institution: Friend	-0.187
	(0.342)
Relationship with Institution: Faculty/Staff	0.350
	(0.421)
Relationship with Institution: Unknown	0.204
	(0.174)
Case University 4 Dummy†	0.189**
	(0.0841)
Case University 5 Dummy	0.0359
	(0.109)
Constant	-1.875***
	(0.570)
Observations	1,963

Notes: *** p<0.01, ** p<0.05, * p<0.1. Robust standard errors are presented in parentheses.
^ Reference category for Region: Living in the Same State as the University
° Reference category for Gift Type: Bequest
‡ Reference category for Female: Male
» Reference category for Highest Degree: Bachelor's
▾ Reference category for Relationship with Institution: Degreed Alumni
† Reference category for Case University: Case University 3 Dummy
Three universities in the sample have data allowing for analysis of multiple gifts made by the same donor.

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Table 3 Factors associated with the amount of planned gifts (OLS regression, one case-study university)

Variables	Amount (log form)
Age at Time of Gift	0.0120
	(0.0292)
Square of Age at Time of Gift	-8.87e-05
	(0.000270)
Membership Status	0.634***
	(0.164)
Relationship with Institution▾: Non-Degreed Alumni	0.704
	(0.440)
Relationship with Institution: Spouse/Parent of Alumni	0.545**
	(0.231)
Relationship with Institution: Friend	0.342**
	(0.169)
Relationship with Institution: Unknown	-0.786
	(1.023)
Region^: Living in a Neighboring State	-0.0949
	(0.268)
Region: Living in a Non-Neighboring State	0.328**
	(0.166)
Have Restrictions on Gifts	0.683***
	(0.148)
Revocable	-0.156
	(0.318)
Gift Type°: Trust or Annuity	-0.0724
	(0.334)
Gift Type: Other	0.501***
	(0.156)
Constant	9.113***
	(0.816)
Observations R-squared	603
	0.112

Notes: *** p<0.01, ** p<0.05, * p<0.1. Robust standard errors are presented in parentheses.
▾ Reference category for Relationship with Institution: Degreed Alumni
^ Reference category for Region: Living in the Same State as the University
° Reference category for Gift Type: Bequest

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