





### Economic

Some are still recovering from The Great Recession and Financial Crisis of a decade ago.

Greater economic inequality exists now than before the Recession.



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### Tax

The biggest tax reform act in 30 years could cause huge reductions in charitable giving of between \$12 and \$24 billion per year.



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With most of the largest generation of donors in history turning 70 over the next 15 years, are you prepared to manage the inevitable “Donor Downgrade”?



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How about recognition of cumulative giving?

Handwritten lines for notes.



How many of you are confident that all of your older donors will continue to make gifts until they die?

Handwritten lines for notes.



Regular and special giving may begin to wane just at the point where some donors traditionally begin to seriously consider ultimate and planned gifts.

Handwritten lines for notes.



Household income tends to peak in the 45-65 age range, and net worth tends to peak slightly later before beginning to decline.



Horizontal lines for notes

Age 60-70 is a time of transition for many people as they consider:

- Social Security 62-70
- Medicare 65
- Retirement Plans 59½-70½
- Tax & Economic Issues Ongoing



Horizontal lines for notes

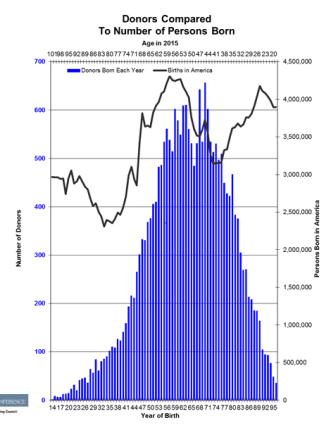
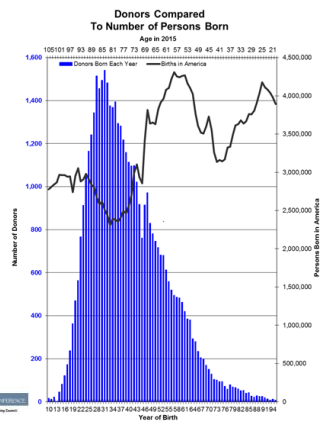
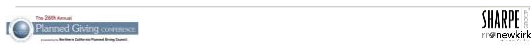
By age 70, the majority of people are retired—or semiretired—collecting social security, on Medicare and experiencing a drop in household income from the loss of earnings.



Horizontal lines for notes

Yet many charitable and nonprofit organizations have large numbers of donors in the 65-85 age range.

Series of horizontal lines for notes.







### Are you ready to master the Donor Downgrade process?

1. Recognize that **every donor will lapse** or stop giving eventually.



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2. Recognize **challenges facing older donors** and **encourage appropriate gifts** now and in the future.



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3. **Segment your donor file** by age, wealth and giving history, and target your fundraising communication to the right people at the right time in their lives to consider various gifts



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Continue to market regular, special and ultimate gifts but recognize changes that are occurring among those in their 60s or 70s.

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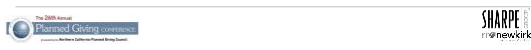
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### Tactics to Consider

- Recognize cumulative giving
  - \$1,000+
  - \$10,000+
  - \$100,000+
- Recognize longevity of giving
  - More than 10, 20, 25 years
- Recognize year of first gift

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### Listen for the "I'd like to give but ..."

- ... I just don't have the cash I had before I retired.
- ... I need to plan for my upcoming retirement.
- ... I am concerned about running out of money.
- ... I am helping with my children's (or grandchildren's) educational expenses.
- ... I do not want to disinherit my children.

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Evaluate lapsed donors by age and giving history.

Create separate strategy for older donors who appear to be in danger of lapsing for regular gift purposes.



Handwritten notes on lined paper.

Should the process for renewals of a long-term donor over the age of 75-80 be the same as a 45-65 year-old donor who has only made a single gift?



Handwritten notes on lined paper.

Developing and mastering a strategy now for managing the Donor Downgrade will extend and expand giving from the large Boomer Generation.



Handwritten notes on lined paper.

This is especially important because the Boomers are in the process of transitioning into the older group of donors while the much smaller “Baby Bust” Gen-X group will not be large enough to replace giving of the Boomer Generation.



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### Conclusion

Carefully managing the aging Boomer donors will maximize that generation's giving by increasingly combining and blending regular, special and ultimate gifts to meet the needs of the largest generation of donors in history.



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### Questions & Answers



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Seven horizontal lines for handwritten notes.