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ASSOCIATION**



**American  
Heart  
Association®**



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The Financial Planning Association and the American Heart Association Collaborate to Support Financial Planners Through Education on Philanthropic Giving

# Course Modules



**Course 1**  
**The Benefits of Philanthropy and Ways to Engage Clients in Philanthropic Discussions**



**Course 2**  
Charitable Legacies Through Beneficiary Designation Accounts



**Course 3**  
Deferred Gifts That Bring Great Comfort Today: Gift Annuities and Retained Life Estates



**Course 4**  
Problem-Solving Applications of Charitable Remainder Trusts



**Course 5**  
Donor-Friendly Alternatives to the Private Foundation: Donor Advised Funds, Endowments and Charitable Lead Trusts



**Course 6**  
Balancing Charitable and Family Legacies

## Who We Are

FPA believes in elevating the profession that transforms lives through the power of financial planning. We believe in changing tomorrows.

## Our Core Policy

The CERTIFIED FINANCIAL PLANNER™ certification and the standards it represents constitute the foundation of the financial planning profession.



Change Tomorrows™





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## **WHO WE ARE**

The American Heart Association is not just a charity. We are crusaders, innovators, scientists and partners.

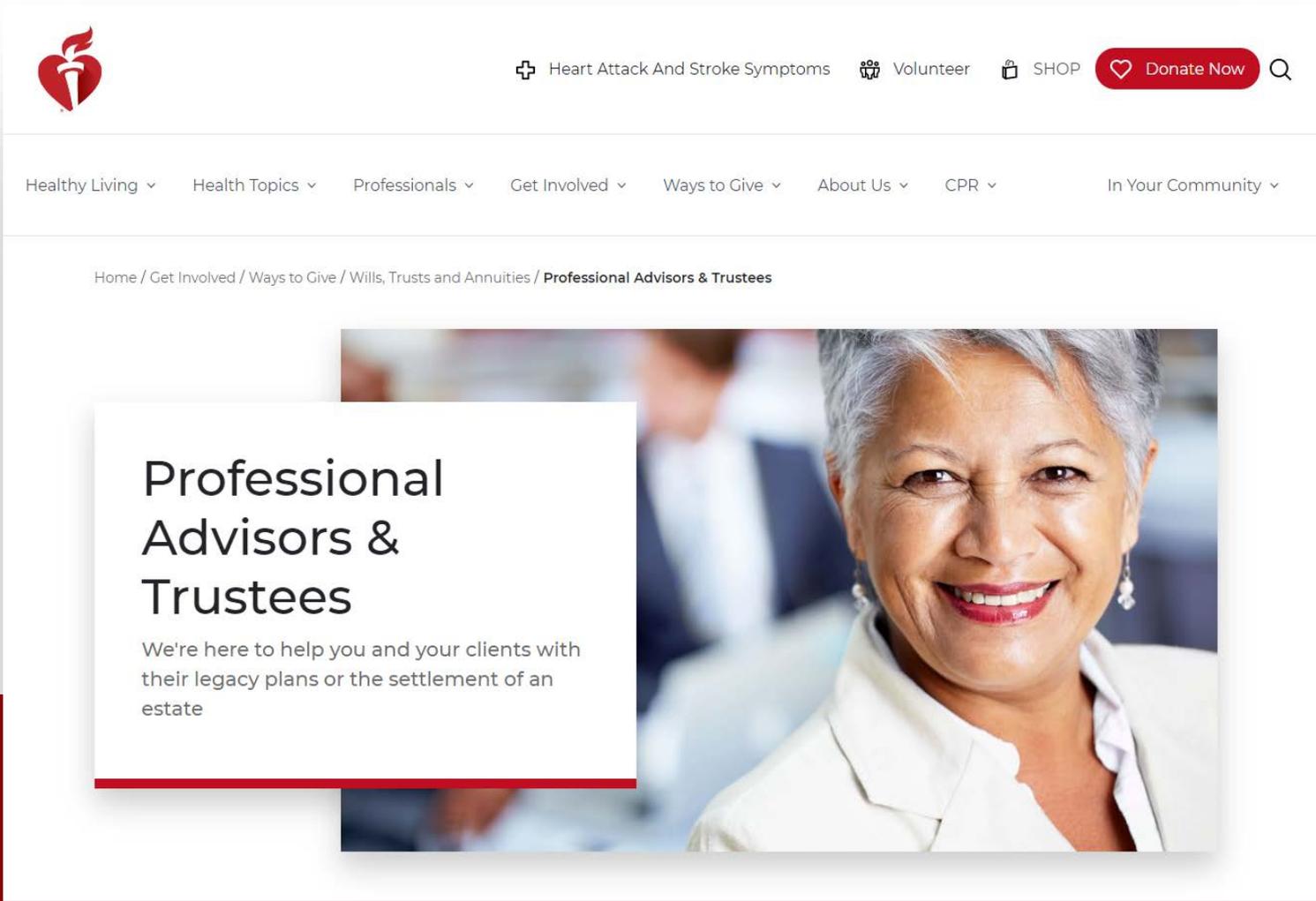
## **OUR MISSION**

To be a relentless force for a world of longer, healthier lives.



# Join our network to enhance your client relationships!

## Heart.org/AdvisorNetwork



It's a free and simple way to **empower your clients** to meet their personal goals while creating a legacy.



American Heart Association®

## Professional Advisor Network

**[Heart.org/AdvisorNetwork](https://www.heart.org/AdvisorNetwork)**

- Opportunity to be included in our advisor referral program
- Key planning tools and resources, including custom illustrations
- Turnkey programs that make giving a gift of non-cash assets streamlined
- The latest news on tax and legislation affecting charitable giving, industry articles and health education
- Personal assistance from American Heart Association's nationwide team of estate and gift planning professionals



# Meet the Instructor

## Lorraine del Prado

American Heart Association  
Learning Consultant

Principal, del Prado Philanthropy  
Vice President, Thompson & Associates

Course 1:

# **The Benefits of Philanthropy and Ways to Engage Clients in Philanthropic Discussions**

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Philanthropic Solutions in Financial Planning

*An AHA & FPA Certificate Program*

# Learning Objectives

Incorporating philanthropy to benefit your clients and you

Philanthropy within the context of values based planning

Taking your client's charitable pulse

Building your philanthropic planning team

# Altruism's Gifts to the Giver

Benefits to your Clients



“It is one of the most beautiful compensations of this life that no man can sincerely try to help another without helping himself.”

- Ralph Waldo Emerson

# Incorporating Philanthropy: **Benefits for You & Your Clients**



# Benefits of Engaging in Philanthropy

Ability to serve the comprehensive wealth needs (financial & non-financial assets) of your clients and their families



Personal fulfillment from serving the greater good of society



**BENEFITS  
TO ADVISOR**

Professional advancement through knowledge in charitable estate planning

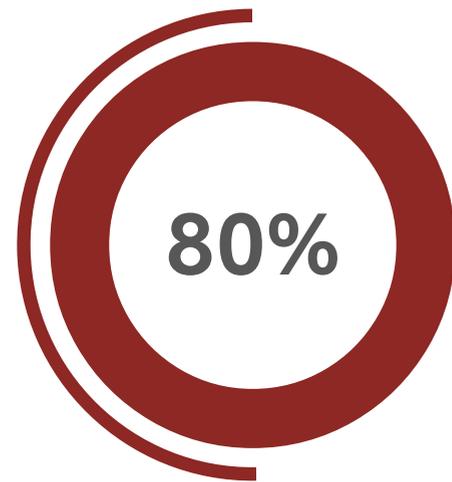


Expanding connections among people of substance and purpose

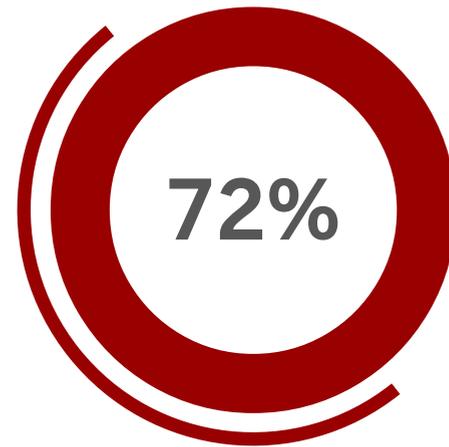


# Philanthropic Giving is Good for Business

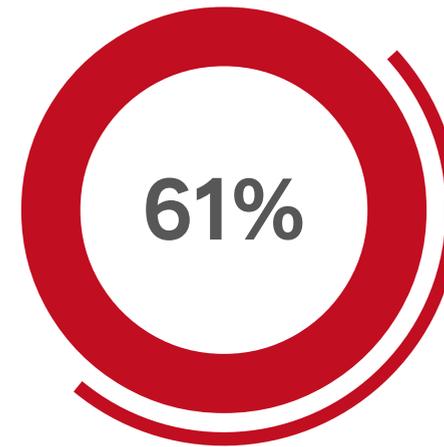
Top benefits to an advisor that incorporates charitable planning advice in their practice:



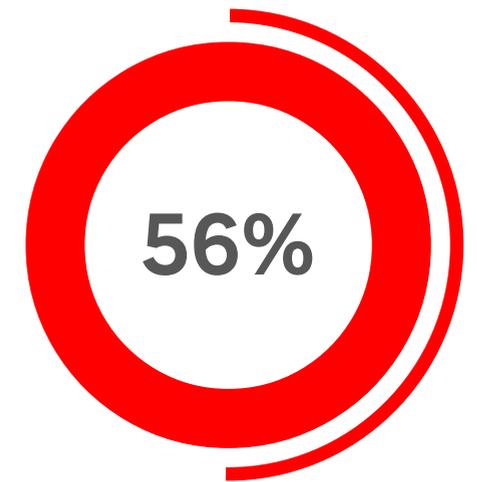
Say it's a relationship builder



Say it positions the advisor as a broad financial expert



Say it keeps assets under management



Say it leads to multi-generational relationships

# Benefits to Your Clients



## Psychological Benefits:

- Activates the same parts of the brain as happiness
- Greater feelings of happiness when spending on others rather than themselves
- Increased psychological well-being even years after volunteering

**According to Russell James' research  
"Inside the Mind of the Bequest Donor":**

Charitable planning can contribute to donor's search for meaning and significance.

# Benefits to Your Clients



## Health Benefits:

- Volunteering lowers the risk of early death
- Better pain management for those with chronic illness
- Good mental and physical health well into late adulthood
- Less risk of hypertension

Sources:

Stephen Post, *The Hidden Gifts of Helping*

Stephen Post, "It's Good to Be Good: Science Says It's So."

Sara Konrath, "The Power of Philanthropy and Volunteering"

Rodlescia Sneed, "A prospective study of volunteerism and hypertension risk in older adults"



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# Benefits to Your Clients



## Economic Benefits:

- Tax-savings (income, capital gains, gift, estate)
- Income tax coordination
- Asset diversification and risk reduction
- Unlocking income from underperforming assets
- Investment in a tax-free environment

# Setting the Planning Table for Client & Charity Success

## What the Charity Brings to the Table: Benefits to You

- ✔ Inspiring a connection to the charity's mission
- ✔ Network with centers of influence, prospective clients and other advisors
- ✔ Support in charitable planning & professional advancement through training and exposure to philanthropic strategies
- ✔ Opportunity for advisors to lend expertise to help nonprofit donors in their planning & help the charity with asset management

## What You Bring to the Table: Benefits to the Charity

- ✔ Technical expertise in their professional area
- ✔ Be ambassadors for the charity
- ✔ Problem-solving help with unusual gift situations
- ✔ Tax, financial and estate planning education resource for donors, volunteers and staff
- ✔ Planning assistance with donor cases

# Philanthropy Within the Context of **Values Based Planning**



# Money Carries Our Intentions

**“Money is like water. It can be a conduit for commitment, a currency of love. Money moving in the direction of our highest commitments nourishes our world and ourselves...**

**Money carries our intention. If we use it with integrity, then it carries integrity forward....**

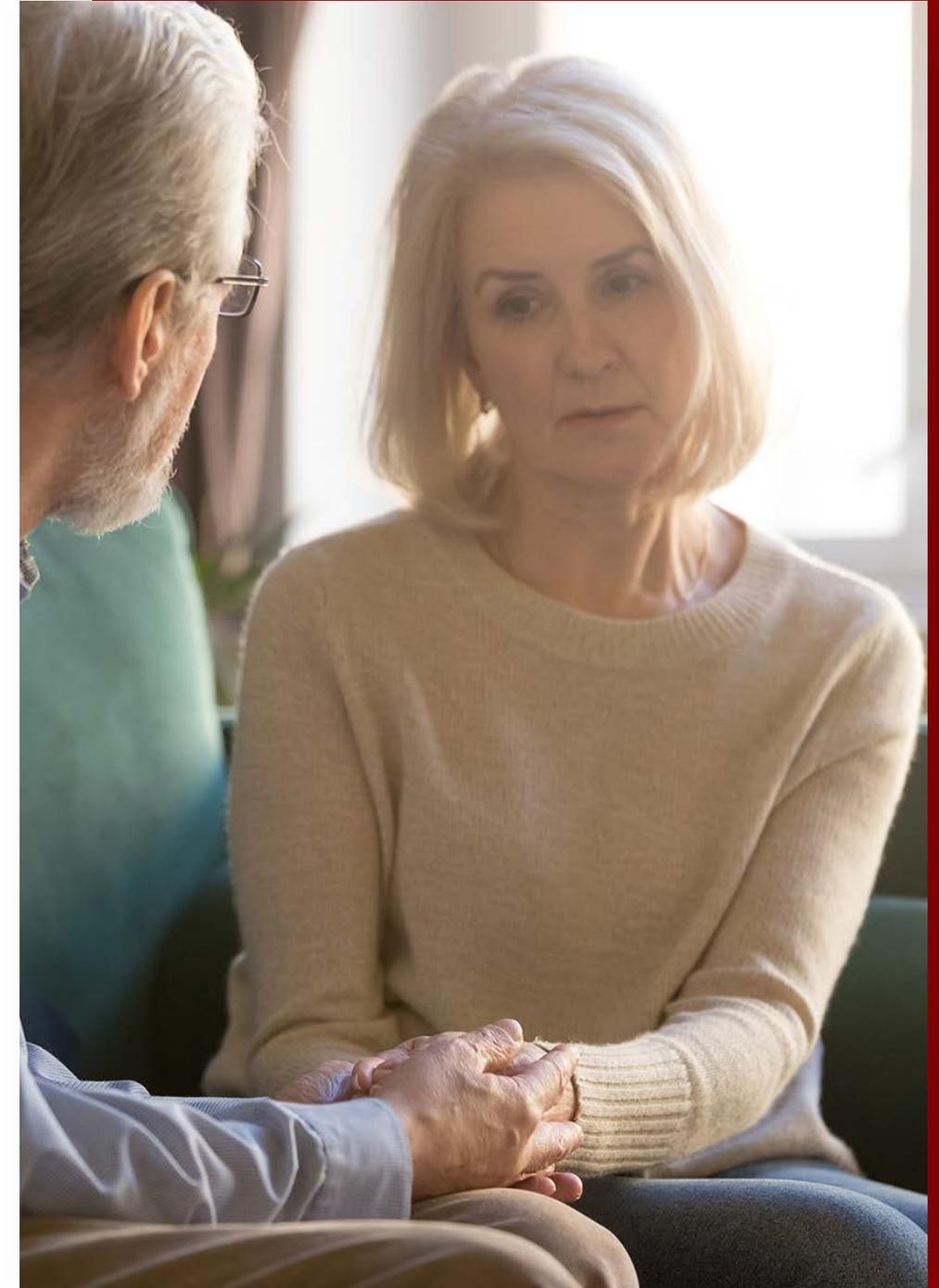
**Let your soul inform your money and your money express your soul..”**

— Lynne Twist, [The Soul of Money: Transforming Your Relationship with Money and Life](#)

# The Psychological Legacy of Wealth without Values

- ❑ Social and emotional isolation
- ❑ Feelings of failure; depression and anxiety
- ❑ The Perennial Child: Unrealistic expectations and lack of accountability
- ❑ Lack of self-esteem and personality identify
- ❑ Inability to form trusting relationships

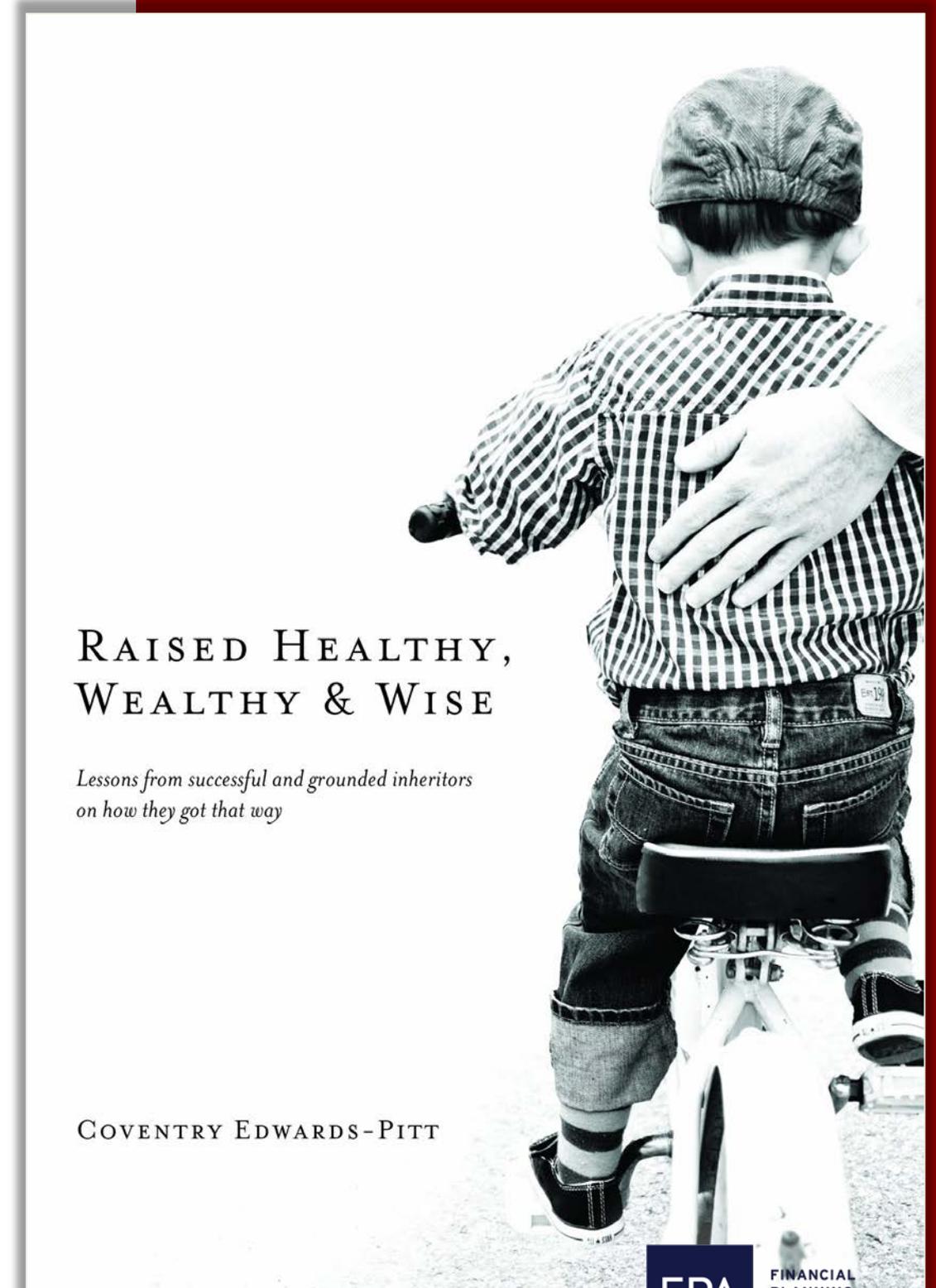
The Golden Ghetto: The Psychology of Affluence by Jessie O'Neil



# The Limits of Traditional Estate Planning

The primary focus on tax minimization, inheritance maximization and asset protection does not prepare heirs with the skills needed before inheriting money:

- ❑ Earning their own money and live contentedly off the money they've earned
- ❑ Setting and pursuing their own vocational goals
- ❑ Projecting self-worth that is not wrapped up in family's wealth or influence
- ❑ Earned sense of resilience and ability to overcome setbacks



# Values Based Planning Cycle

**THE WHY:** People & Function



**THE HOW:** Tools & Form

Adapted from Timothy Belber's *"The Middle Way"*

# Values Based Planning Cycle

**THE WHY:** People & Function

- Lessons & observations
- Struggles & opportunities
- Progress
- New circumstances
- Adjustments



- Who we are
- Where we are
- Where we want to be
- What is the impact & meaning we desire for our wealth

- Documents
- Plans
- Choice of advisors, trustees and institution partners

- Strategies, tools & techniques to help achieve goals

**THE HOW:** Tools & Form

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Review

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Implementation  
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**THE HOW:** Tools & Form

# Values based planning helps crystalize how the estate plan can support:

- The family's core values
- Essential opportunities to launch heirs into productive lives
- Flourishing, responsible and resilient heirs
- Family harmony and cross-generational engagement
- A strong and vibrant community

# Philanthropy's Place in Values Based Planning

Philanthropy enables clients to:

- Give back to the community
- Leave an enduring legacy
- Reduce their taxes and control social capital
- Reduce the sense of separation from the larger world
- Create a meaningful forum for intergenerational communication
- Provide a psychological boost for those of inherited wealth with low self-esteem and guilt

# Taking Your Clients Charitable Pulse: **Essential Questions to Ask and Issues to Consider**



# Understanding Involvement & Motivation

- Charities supported through gifts or volunteering
- Level of satisfaction about involvement
- Beliefs about helping others



# Understanding Giving Interests

- Organizations and causes
- Populations they wish to help
- Geographic area
- Priority issues



# Understanding Attitude Toward Social Capital



# Probing Ways to Give

- How gifts have been made
- Who decides what to give
- Charitable vehicles already in place
- Preference for lifetime and/or estate giving
- Tax and financial concerns



# Understanding Legacy Concerns

- How they wish to be remembered
- Their desired impact on family and society



# Understanding Estate Giving Preferences

- Bequests
- Unrestricted or Restricted
- Endowment
- Donor Advised Fund
- Private Foundation



# Understanding How to Move Forward

- How do they wish to move forward?
- How can you help?
- Any specific worries or concerns?



# Special Issues to Consider in Charitable Giving

- Financial capacity
- Loss of assets and control
- Scarcity mentality
- Family dynamics
- Next generations diversions in interests



# Identifying Obstacles to Achieve Charitable Goals

## Fear of:

- Disappointing family or friends
- Feeling a sense of obligation
- Being influenced by someone and no longer being in control
- The unknown, such as future health issues
- Running out of money



# Overcoming Concerns with Financial Planner's Skills & Tools

## Technical Tools:

- Financial management
- Retirement planning
- Investment planning
- Risk management & insurance
- Estate planning

– Lisa Kirchenbauer, CFP®, RLP®, CFT™



# Overcoming Concerns with Financial Planner's Skills & Tools

## Essential Tools:

- Authenticity
- Deep Listening
- Empathy
- Non-judgement
- Curiosity

– Lisa Kirchenbauer, CFP®, RLP®, CFT™





# Building Your Philanthropic Planning Team

# Building Your Philanthropic Planning Team

01

## Charitable Giving Advisors

- Community Foundation Personnel
- Nonprofit Development Personnel
- Charitable Estate Planning Advisors/Planned Giving Officers/Legacy Gift Planning Officers
- Development Officers

02

## Trust Officers

03

## Estate Planning Attorneys

04

## CPAs

05

## Family Wealth/ Legacy Consultants/ Financial Planners

# Acknowledgements

The following resources were helpful in creating this presentation, especially the questionnaire:

- ***“Embarking on Values-Based Planning”*** by Leave 10
- ***“Planned Giving Toolkit for Professional Advisors”*** by Leave 10
- ***“The Philanthropy Toolkit”*** by Stanford Effective Philanthropy Learning Institute
- ***“Philanthropic Planning Questionnaire”*** by del Prado Philanthropy
- ***“How to Have Conversations about Charitable Giving with Clients”***  
by Ken Nopar of the American Endowment Foundation

# Other Resources

- ***The Hidden Gifts of Helping*** by Stephen Post
- ***The Soul of Money*** by Lynne Twist
- ***Raised Healthy, Wealthy & Wise*** by Covey Edwards-Pitt
- ***The Golden Ghetto*** by Jessie O'Neil
- ***The Middle Way*** by Tim Belber
- ***Values Based Planning*** by Scott Fithian

# YOUR NEXT STEPS

**To receive CFP Board CE credit, navigate to the FPA learning center and follow these steps:**

- Click on 'Dashboard'
- 'Take Quiz' within the exam section
- Complete the 'Course Evaluation' and submit

## **Post-Work (Optional)**

- Upon course completion optional post work will be available to you within the course

# Course 2

Charitable Legacies  
Through Beneficiary  
Designation Accounts

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Tuesday, October 13  
2:00 PM ET/ 1:00 PM CT

# SAVE THE DATE





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# THANK YOU!

Join the AHA Professional Advisor Network Today:  
[Heart.org/AdvisorNetwork](https://heart.org/AdvisorNetwork)

To find an AHA Representative in your Area:  
[www.heart.org/plannedgiving](https://www.heart.org/plannedgiving)

Contact us by Email: [AdvisorNetwork@heart.org](mailto:AdvisorNetwork@heart.org)

Phone: 888-227-5242