

# FIVE MYTHS

## ABOUT ASSET-BASED GIVING

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*A special report for leaders who dream of impact that goes beyond  
the walls and limits of organizational finances.*



**BY GREG RING**

Co-Founder & Principal, The Giving Crowd

[givingcrowd.co](http://givingcrowd.co)

# TABLE OF CONTENTS

## INTRO

2

## MYTH #1

Asset-based fundraising isn't worth the effort.

4

## MYTH #2

Asset-based fundraising is manipulative.

6

## MYTH #3

High capacity donors already have accountants and lawyers that help them with these things.

8

## MYTH #4

Asset-based and planned gifts discourage current gifts.

10

## MYTH #5

Asset gifts and planned gifts are too complicated.

12

## CONCLUSION

14

## ABOUT THE AUTHORS

15

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*“Faith is permitting ourselves to be seized by the things we do not see.”* - Martin Luther

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## INTRO

The goal of this ebook is simple yet audacious: to show you what's really possible for your organization's finances and dispel the myths that are holding you back from fully funding the long-term vision in your heart. If you've ever caught yourself daydreaming about what transformational gifts like endowments, bequests, and gifts of assets can do for your nonprofit ministry, organization, or church—yet never thought it would be possible for you—then this ebook is for you.

But even if you're an old hand leading a mature institution with large endowments, I'm sure you'll find something in this book that will stir you to go beyond what has become “normal” for you.

So many nonprofits in America live from fund drive to fund drive, with organization finances so tight that their very existence hangs on every dollar that comes in the mail.

When you're in a cash flow crisis, it's hard to imagine receiving large bequests or asset-based gifts — the hidden treasure within your existing donor base that can fund the vision and impact the world for generations to come.

That's what this book is about. I want you to be so gripped by what you do not see now in your organizational finances, that you'll begin your journey of cultivating transformational gifts, which can empower you to go beyond the walls of your nonprofit and impact your community, your country—perhaps even the world.

In the coming pages, you and I will walk through five of the biggest myths holding back leaders like you from tapping into transformational gifts like planned gifts and gifts of assets. Then, I'll show you how I and my colleagues have helped nonprofit leaders like you begin successful transformational gift strategies that grow a culture of generosity and fund the work of the Kingdom.

See you on the next page!



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*“God never said that the journey would be easy, but He did say that the arrival would be worthwhile.”* - Max Lucado

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# MYTH #1

## Asset-based fundraising isn't worth the effort.

Asset-based fundraising requires a lot of effort and time before the gifts come in to your nonprofit. Unfortunately, for many executive directors, development staff, and pastors, this delay in cash flow stops them from cultivating gifts of assets or planned gifts.

For example, a donor who puts you in their will at the age of 60 will quite possibly live for another 20—if not 30—years. Or, if a business owner is selling one of their properties, depending on its size, that sale could last anywhere from six months to two years for the cash to come in to your accounts. Plus, the complexity of working with that business owner on the sale process just seems overwhelming.

To those strapped for cash, this is simply out of the question. However, the long-term gains of asset-based fundraising far outweigh the effort.

### THE TRUTH

The harsh reality is that your organization needs more than current, cash-based gifts to fund your mission for the long-haul. It's counterintuitive, but bringing in more cash now is not the solution to all your nonprofit's financial problems.

Alongside your regular, cash-driven income, you must develop and implement a strategy to cultivate gifts of assets and planned gifts for your ministry<sup>1</sup>. This is because asset-based giving allows the giver to tap into a much larger pool of resources.

Even the most wealthy individuals in your donor base (or if you're a pastor, your congregation) experience limitations on their cash flow. That's because 91 percent of the average American's wealth is made up of hard assets such as real estate. This only leaves nine percent of the remaining wealth in cash.

*So if all you do is raise funds from the 9 percent, you'll leave 91% of your donors' available resources out of the picture!*

By including gifts of assets and planned gifts as gift options, you'll empower your donors to put a portion of the lion's share of their personal wealth into Kingdom work.

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1 That is, if your church has been operating successfully for at least 10 years. We recommend that younger churches and startups focus on ironing out their current cash flow problems and annual giving strategies instead of striving for gifts of assets or estate gifts.

Assets are an untapped resource that most nonprofit leaders ignore when it comes to giving. But by offering ways for people to give out of the 91 percent, you can help your already generous donors be even more generous—while also saving them thousands in capital gains taxes or “death” taxes.

When you open the door for asset-based gifts, you can receive exponentially larger gifts than even your largest cash gifts. These are the types of gifts that can transform your ministry or organization, and most importantly, they can change your community.

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*By educating your donors on what's possible in terms of asset-based stewardship, you expand their horizons, exposing ways for them to make a lasting impact with the wealth they have created, while also reducing tax burdens they weren't aware of. In short, you serve your most passionate supporters in a whole new way when you engage in asset-based fundraising.*

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# MYTH #2

## Asset-based fundraising is manipulative.

For most people it just feels greedy and calloused to ask someone to give away a significant part of the wealth they spent a lifetime building for their family. Add to that the unscrupulous behavior of a few who've taken advantage of vulnerable seniors in the past, and most nonprofit leaders are hesitant to even suggest putting the organization in their donor's will.

But this couldn't be further from the truth!

### THE TRUTH

The truth is that your already generous donors are looking for ways to leverage their resources for the good of the Kingdom.

Yes, your donors did spend a lifetime building their asset portfolios—and that means their balance sheet represents their long-term efforts, goals, family values, and dreams to make a lasting impact. But most of your supporters are unaware of how they can use the vast majority of their wealth (the 91 percent!) to drive your mission forward for generations to come.

In fact, most of your donors are uneducated on the process of including your organization in their estate planning. This is especially true for churches.

### OPPORTUNITY LOST

Recently, a pastor told me the story of how one of the members of his congregation called him asking for a ride to a Baptist college nearby. She was years past driving age and her family was unavailable to take her in the middle of the week on the hour-long drive to the college. Sensing an opportunity to spend some quality time with one his flock, the pastor agreed to take her.

Upon arrival, the pastor waited outside in the car while the lady went inside the office. About an hour later, she came back to the car. He opened the door for her, and as she got inside, she said, "Whew! I'm glad I got that off my mind."

"I'm sorry. What do you mean?"

What the pastor discovered on that long ride home made his heart drop. He learned that he had brought this lovely, faithful member of his Baptist congregation all the way there only to bequeath a million dollar farm to the Baptist college.

While he was happy for the college and the work it does, the church really needed financial help at the time. As noble and good as it was, it was hard to deal with the mixed emotions in his heart as he saw the financial provision the church needed going to a parachurch organization.

By educating your donors on what's possible in terms of asset-based stewardship, you expand their horizons, exposing ways for them to make a lasting impact with the wealth they have created, while also reducing or even eliminating tax burdens they weren't aware of.

In short, you serve your most passionate supporters in a whole new way when you engage in asset-based fundraising.



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*“Assumptions are the termites of relationships.”*

- Henry Winkler

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# MYTH #3

## High capacity donors already have accountants and lawyers that help them with these things.

It is true that many of your donors have access to great legal and financial assistance. But more than likely, helping clients give assets to impact charity is NOT the primary focus of these professionals. This means these important conversations are not happening unless *you* take the initiative to guide your flock to generosity.

Mark Zesbaugh, once the CEO of one of the largest financial consulting firms in the world, writes in his book *Leaving a Legacy* about a study that looked at the aspects of wealth transfer from generation to generation and how the financial service community interfaces with that wealth transfer.

In clear terms, the study bears out how among Boomers and Builders, wealth transfer only comes in as number four in the list of priorities for those leaving an inheritance behind.

*So what is the number one priority of those leaving an inheritance? Transferring their values.*

You and I might call it their “biblical worldview.” But are financial professionals talking to their clients about this number one priority?

### THE TRUTH

No. They’re not. In his book, Zesbaugh confesses that by far the majority of financial planners and attorneys are only looking to transfer financial wealth from one generation to the next.

*For them, it’s all about the transfer of valuables... not the values of their clients.*

This opens the door for you to serve your donors or congregants in a whole new way by educating them on the benefits, methods, and joy of giving their assets to the Kingdom, which according to the study, they care deeply about.

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*“Individuals with a charity in their will donated more than twice as much money in any given year than those who do not have a charity in their will.”*

- Study from Indiana University Lilly Family School of Philanthropy

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# MYTH #4

## Asset-based and planned gifts discourage current gifts.

The basis of this myth goes like this: because the gift amount for the Gift of Asset or planned gift is so large, donors will feel their obligations have been met and will stop giving normal cash gifts. And because most organizations live from campaign to campaign (or Sunday to Sunday if you're a church), many leaders never try to cultivate asset-based gifts for fear of losing cash gifts.

But the evidence suggests otherwise.

### THE TRUTH

In a recent study, Texas Tech professor and planned giving expert Dr. Russell James discovered that donors who added a charity to their will increased their cash-based giving by “more than \$3,000 after making the planned gift.” Professor James is not the only one to have found this to be true.

Another study by Indiana University in 2007 showed that donors who put a charity in their wills gave more than twice as much in annual gifts to that same charity as donors who did not have that charity in their wills.

***This means that by cultivating and raising funds through asset-based gifts and planned gifts, you can effectively increase the yearly cash-based income for your cause!***

The donors who put your organization in their will and those who give from their assets are fully invested in your mission. In other words, they're “all in” and are more than happy to give as their cash flow situation allows.

When it comes to asset-based giving, your annual revenue doesn't have to suffer. In fact, your annual income will be bolstered by encouraging and increasing people's understanding of asset-based giving.

A man with dark, wavy hair and a beard, wearing a plaid shirt, is shown from the chest up. His eyes are closed, and he has a serene expression. The entire image is overlaid with a semi-transparent blue filter. Two thin orange horizontal lines are positioned above and below the text.

*Too many nonprofit and church leaders feel isolated and alone when it comes to raising the money they need for the mission. But the truth is, you are not alone!*

# MYTH #5

## Asset gifts and Planned gifts are too complicated.

One of the reasons nonprofit and ministry leaders hesitate to implement a strategy to cultivate gifts of assets, planned gifts, and estate planning is the complexity of it all. And they're right. It is complicated.

But so is today's Ford Mustang—and I'd bet you're still willing to drive one.

It used to be taking apart and fixing your dad's Mustang, Camaro, or Corvette in the garage was a relatively common weekend activity for a lot of us young bucks. But with the thousands of computers, sensors, and integrated systems in today's muscle cars, you need an army of technicians at the dealership just to change the air filter.

Yet despite all its complexity, if I gave you the keys, I'm sure you'd jump right in and take off.

Complexity doesn't mean you can't drive the thing. *You can do this!*

### THE TRUTH

While I can't take away the inherent complexity of building relationships and leading them through the process of planning their estate, there are incredible resources, including legal and financial experts, to make your nonprofit successful at asset-based giving.

The thing you must remember in looking for resources to help you lead your people into giving from their 91 percent, is to find professionals who share your passion for the Kingdom of God and have a godly perspective on biblical stewardship... like my friends at the Copenbarger & Copenbarger Law Firm.



## THE COPENBARGER PHILOSOPHY

The attorneys at Copenbarger & Copenbarger see their work as a ministry performed through their professional capabilities. As they work with people to protect their families, their financial resources, and to provide for themselves against the circumstances of life that none of us can control such as death, incapacitation, or illness, they know they are ministering to people, not just doing a job.

But what sets Copenbarger (and other firms like theirs) apart, is that they educate their clients to see how a big part of providing for their family is in preserving the truths and values they hold dear from generation to generation.

To do this, the Copenbarger firm encourages their clients to make a statement of faith within their estate planning documents and to make a gift from their estate to support one or more institutions that will carry their values on after death.

Now, their clients are not just mega-wealthy, A-list celebrities. (You know, the kinds of people you think of when you think about bequests.) The attorneys at Copenbarger are committed to making estate planning accessible to ordinary people... the kinds of people that are in your donor base or church.

## OPPORTUNITY FOUND

One way they do this is by conducting seminars for donors at churches and Christian organizations on estate planning. In the seminar, they teach about financial truths, leaving a legacy, and the nuts and bolts of estate planning. Participants leave with a comprehensive outline of what their estate plan will look like—including how they will use their assets to carry on their values through a chosen institution. When donors go to their attorney, they have everything ready to execute their plan.

Recently my firm, The Giving Crowd, had the opportunity to work alongside the attorneys at Copenbarger for [Mariners Church](#) in Irvine, California. Here the Copenbarger firm put on a seminar for couples who'd just finished a financial health and debt elimination class through the church. When the seminar was over, 53 households generated \$1.9 million in deferred gifts by planning their estate—and these were households in the middle of getting their finances in order!

The success of this seminar is not dependent on the size of your organization. For many churches much smaller than Mariners, a seminar like this generates \$4-6 million in deferred gifts.

These are sizable resources that would have been lost to the Kingdom of God had Mariners Church not brought in friends like Copenbarger.

Too many nonprofit and church leaders feel isolated and alone when it comes to raising the money they need for the mission. But truth is, you are not alone!

There are many friends all around you to show you the way to a financial reality where your organization can go beyond its walls and impact the world for the Kingdom of God.

# CONCLUSION

God has always intended for your organization or congregation to impact the world beyond the walls of your building. To do that, your organization's finances have to go well beyond your internal needs.

By launching your journey into asset-based giving, you can empower your donors to fully utilize all the resources God has given them to drive the mission forward. No more nail-biting between this campaign and the next!

*You can live with financial freedom and security for your organization so that you can go beyond the walls and impact this world for Jesus.*

My colleagues and I at The Giving Crowd want to help you reach this place in your nonprofit organization or ministry.

Using decades of experience in cultivating gifts of assets and planned gifts, we equip your donor development or stewardship team to proactively surface and deepen relationships with donors who have the capacity and motivation to give from their assets in addition to their bank accounts.

Our turnkey solution offers leaders like you a real financial service that you can give to your donors who need help in planning their estate and family legacy goals.

So if you're ready to explore what asset-based giving can do to lift your nonprofit, let's talk!

**The call is free, and there is no obligation—  
just the opportunity to transform the face of  
giving at your organization.**

**[www.givingcrowd.co/lets-talk](http://www.givingcrowd.co/lets-talk)**

# ABOUT THE AUTHORS

**Greg Ring** is the co-founder/principal of [The Giving Crowd](#) and has been a recognized expert and thought leader in the planned giving arena for the past three decades. Greg has served more than 200 ministries and nonprofits, developing and executing over \$4 billion in documented planned gifts. His passion for the nonprofit sector has led to continual improvement of the service model. The Giving Crowd builds on this rich history, engaging technology so that both the local church and the mega non-profit can participate effectively and efficiently in “the greatest transfer of wealth in history.” Greg is married with three daughters and six grandchildren, and lives in Colorado Springs.

**The Giving Crowd** is a consulting firm driven by the idea that, by unlocking the complexities of asset-based giving, we create a more generous community that makes a greater impact on the world around us. Through innovative technology and solid expertise, The Giving Crowd provides a safe and attainable way for almost any nonprofit or ministry to experience the power of asset-based giving. By de-mystifying the principles of gift planning and making them more accessible than ever before, we help you help your donors focus on maximizing their charitable impact.

**Lloyd Copenbarger** is senior partner and founder of [Copenbarger & Copenbarger, LLP](#) whose practice emphasizes the areas of estate planning, business, tax, and nonprofit law. Since 1979, Lloyd and his associates have help thousands create estate and business succession plans. His passion is helping people make extraordinary impact through contributions to their favorite charities.

**Copenbarger & Copenbarger, LLP** began in 1979 when Lloyd Copenbarger was admitted to practice law in California and opened a firm known as Copenbarger & Associates. Since that time, Lloyd and his associate attorneys have provided substantial services in the personal estate planning and business succession planning areas and have helped thousands of people to create estate plans that include contributions to their favorite charities. Throughout the years, the firm has seen many changes, and is now comprised of three full-time attorneys and one additional attorney who is of counsel to the firm, and it continues to grow. However, despite any surface changes, one thing has always remained constant: Copenbarger & Copenbarger LLP provides clients with excellent legal services in personal estate planning and other related fields.

TheGivingCrowd



Copenbarger & Copenbarger LLP  
attorneys at law

