



Charitable Giving

Rick Bloom, J.D., CPA



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Introductions



Rick Bloom, J.D., CPA
Co-Founder, Bloom Advisors

Bloom Advisors



1,200+

households

41

years in business next year

1.4+

billion under management

21

employees



Recently named by CNBC as one of the **top 100 Financial Advisors** in the U.S. (out of over more than 40,000).

Only firm ranked in Michigan!

Framing our discussion today

Role of development professionals

- You are **not** expected to be financial planners—but you are key influencers
- You can help donors consider gifts they didn't know were possible
- Know enough to **recognize opportunities** (and loop in advisors) can transform donor conversations



Agenda

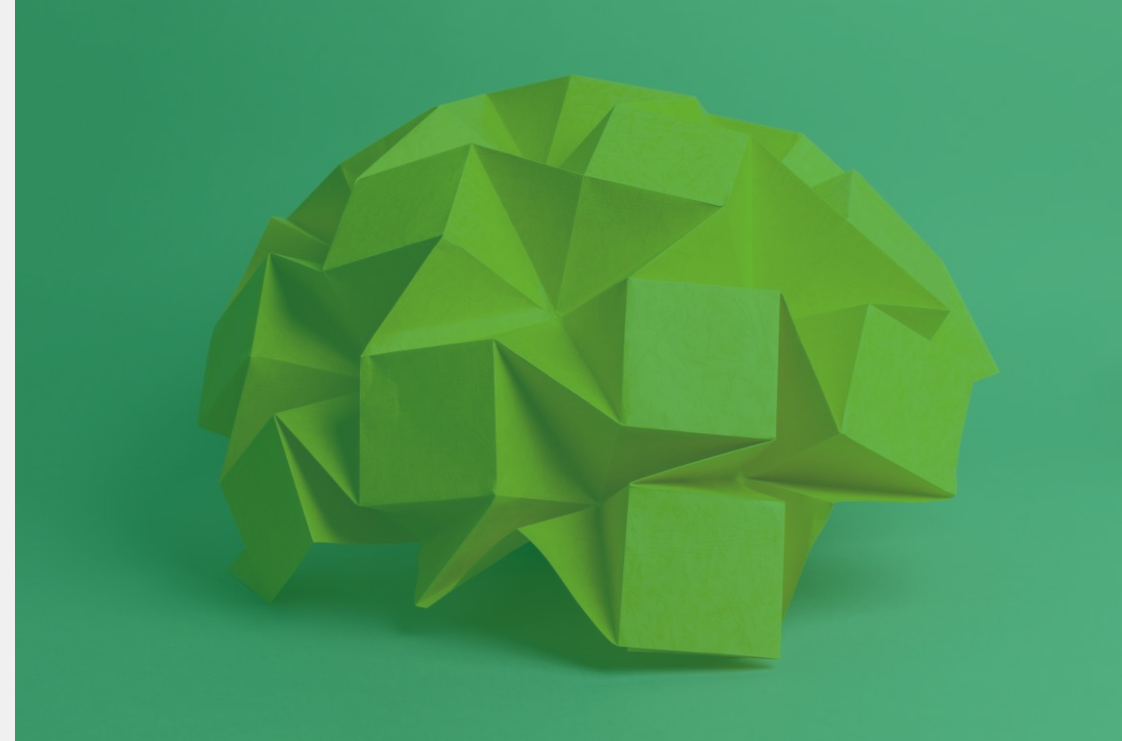
- Understanding the donor mindset
- What to give: asset-based giving
- When to give: timing and triggers
- Q&A

Understanding the donor mindset



Understanding the Donor Mindset

- **Common Financial Planning Goals**
 - Financial security
 - Provide for heirs
 - Leave a legacy
- **Charitable Giving Motivations**
 - Personal passion or gratitude
 - Religious or moral convictions
 - Desire to give back
 - Tax savings (usually secondary)
- **Barriers to Major Gifts**
 - **Liquidity:** Funds may be tied up in real estate or retirement accounts
 - **Timing:** Uncertainty about future needs or market conditions
 - **Complexity:** Fear of “doing it wrong”
 - Donor wants to ensure money is spent appropriately





Understanding the Donor Mindset

- Common Financial Planning Goals

- Financial security
- Provide for heirs
- Leave a legacy

- Challenges

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- Desire to give back
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- Barriers to Major Gifts

- Liquidity: Funds may be tied up in real estate or retirement accounts
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- Donor wants to ensure money is spent appropriately

**Your job is to help reduce these barriers and
direct donors towards solutions**



What to give: asset-based giving

Typical Ways to Give

Six strategies for discussion today

- 1 Highly Appreciated Assets
- 2 IRAs & Retirement Accounts
- 3 Donor-Advised Funds
- 4 Life Insurance
- 5 Charitable Trusts (CRTs & CLTs)
- 6 Bequests & Planned Gifts



Typical Ways to Give

1 Highly Appreciated Assets

- Examples: stocks, mutual funds, real estate
- Benefits: avoid capital gains, receive full deduction for fair market value
- Ideal for: long-term investors with low cost-basis
- Tip: Ask donors, “do you have an asset that has grown in value that you haven’t touched because of taxes?”





Typical Ways to Give

② IRAs & Retirement Accounts

- Qualified Charitable Distributions
 - For donors 70½ or older, up to \$100k per year can be given directly to charity
 - Counts towards their Required Minimum Distribution (RMD)
- Bequests of Retirement Assets
 - Taxable to heirs, but not non-profits
 - SECURE Act has limited the “stretch IRA” for most heirs, making charitable giving even more compelling
- Tip: A great legacy gift that doesn’t “cost” children as much as other assets might





Typical Ways to Give

③ Donor-advised funds

- How they work: donor gets deduction now, recommends grants later
- Ideal for bunching deductions or planning multi-year gifts
- Donors can involve family, build a legacy of giving
- Tip: Present donor-advised funds as a tool to making giving feel more personal, intentional and flexible





Typical Ways to Give

④ Life insurance

- Options:
 - Donate existing policy
 - Name organization as beneficiary
 - Purchase new policy for charitable purposes
- Useful for donors with policies they no longer need for family protection
- Tip: Many donors don't realize old policies can be repurposed for giving





Typical Ways to Give

⑤ Charitable Trusts (CRTs & CLTs)

- Ideal for high-net-worth donors with estate tax concerns or illiquid wealth
- CRT: Donor receives income during life; charity gets remainder
- CLT: Charity receives income for a term; remainder goes to heirs
- Examples: gifts of a business interest, investment property
- Tip: Not for everyone—but incredibly powerful when they fit





Typical Ways to Give

⑥ Bequests and planned gifts

- Still the most common form of major gift
- Simple, flexible, and impactful
- Encourage donors to include your organization in their will or trust
- Tip: Use plain, personal language: “We’d be honored to be part of your legacy”



When to give: timing and triggers



Timing considerations

- Life stages and liquidity events
 - Retirement
 - Sale of a business
 - Inheritance or windfall
 - End of year tax planning
- Tax-year-end vs. long-term planning
 - Some donors are deadline driven
 - Others benefit from multi-year giving strategies
 - Your role: offer both options, plant seeds early
- Donor readiness and timing
 - Emotional and financial readiness matter!
 - Donors must feel secure in their financial future first
 - Collaborate with their advisor when appropriate



Summary



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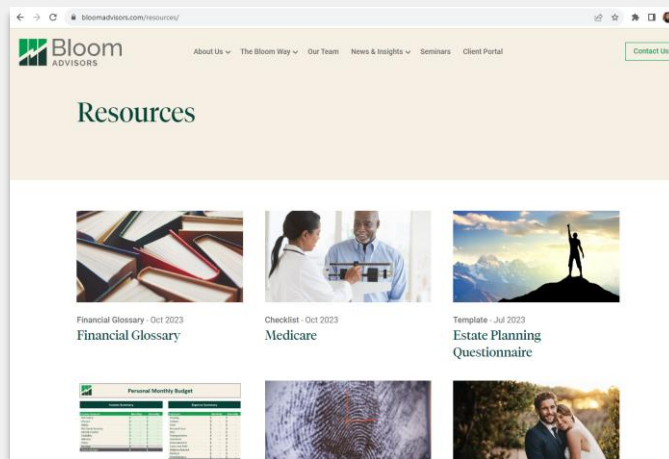
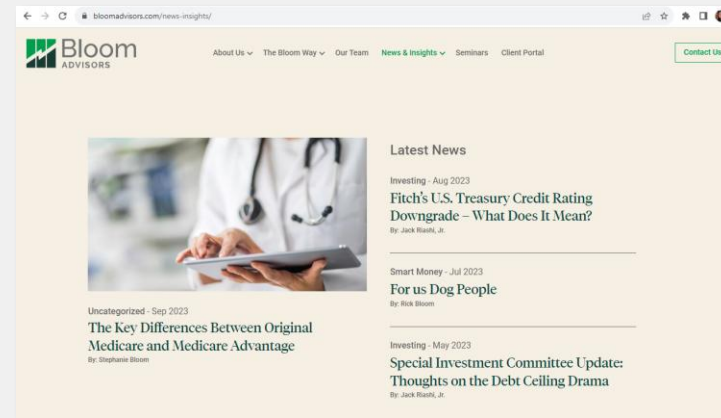
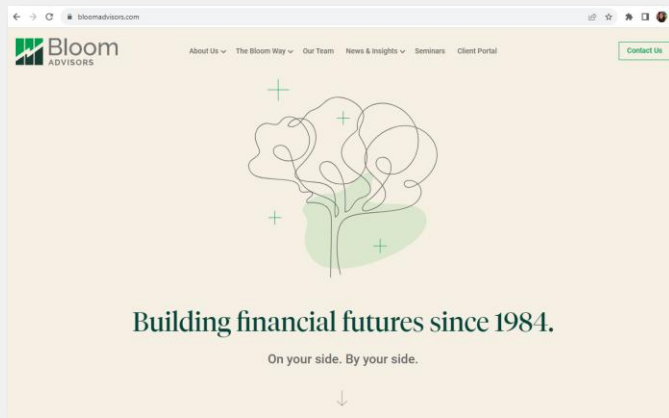
Summary

- Balance is key
 - Great giving happens when philanthropy is aligned with a donors' full financial life
- Partnering with advisors
 - Encourage donors to bring their financial advisor and/or CPA into the conversation
- Starting the conversation
 - “Have you ever thought about using other types of assets to make a gift?”
 - “Are there ways we could help you accomplish both your family and philanthropic goals?”



Learn more about us and our award-winning team

Resources and blogs updated regularly



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To connect with us directly, email
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Questions?
