

# Welcome, friends

Before we start:

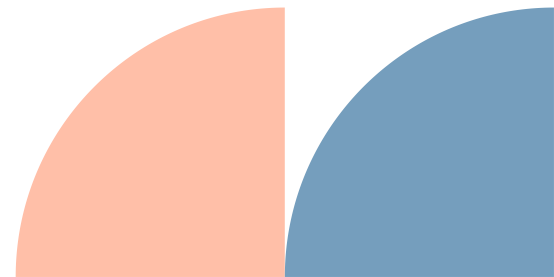
Use “chat to all panelists & attendees”

to introduce yourself, and **1 thing  
bringing you joy this week**



WEBINAR

# A deep dive on older donors: Stewarding gifts from the 65+ demographic



# Agenda

1. Intros
2. Understanding older donors
3. Trends affecting older donors in 2024
4. 4 strategies to maximize giving



# Introductions



## Intros

FreeWill Co-CEOs: Jenny Xia Spradling & **Patrick Schmitt**



# The FreeWill team

- \$9.5B+ raised for nonprofits to date
- 1450+ nonprofit partners



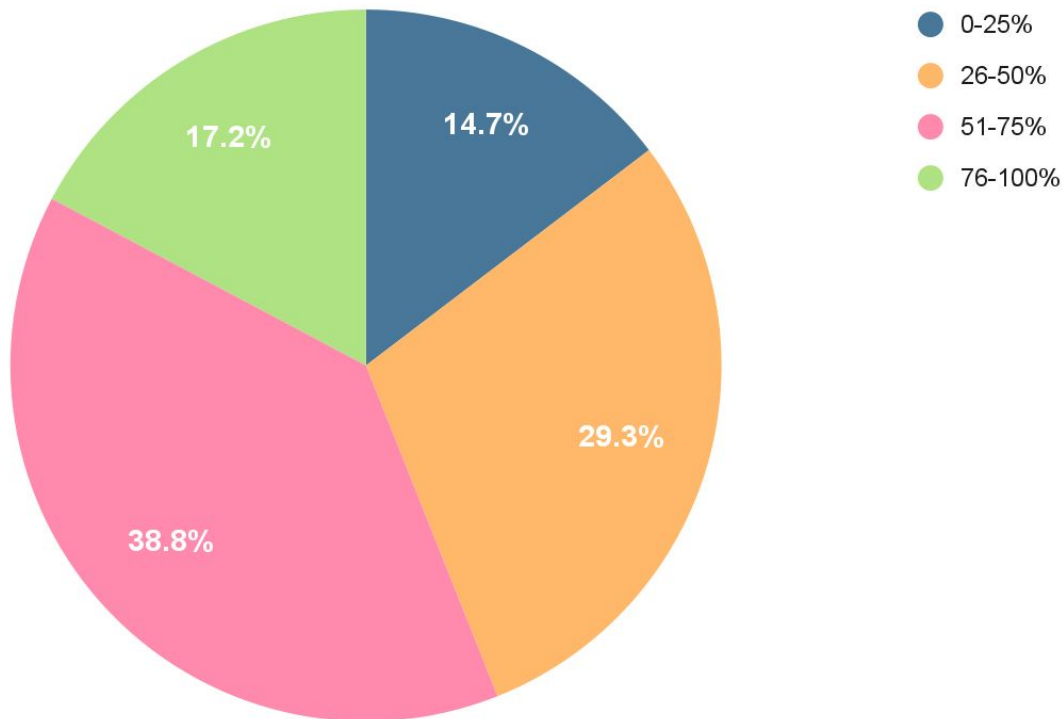
# Understanding older donors



Source: FreeWill webinar survey data



**We asked  
fundraisers:  
“What % of your  
donor base is 65+?”**



Source: FreeWill webinar survey data



# First, who are our “older” donors?

- Two generations of older donors
- Silent Generation
  - Born 1928 to 1945
  - Aged 78 to 95 in 2023
- Baby Boomers
  - Born 1946 to 1964
  - Aged 59 to 77 in 2023
- **The 65+ population grew by over 34% (13.8M)** during the past decade according to the 2020 Census, to about **52 million**



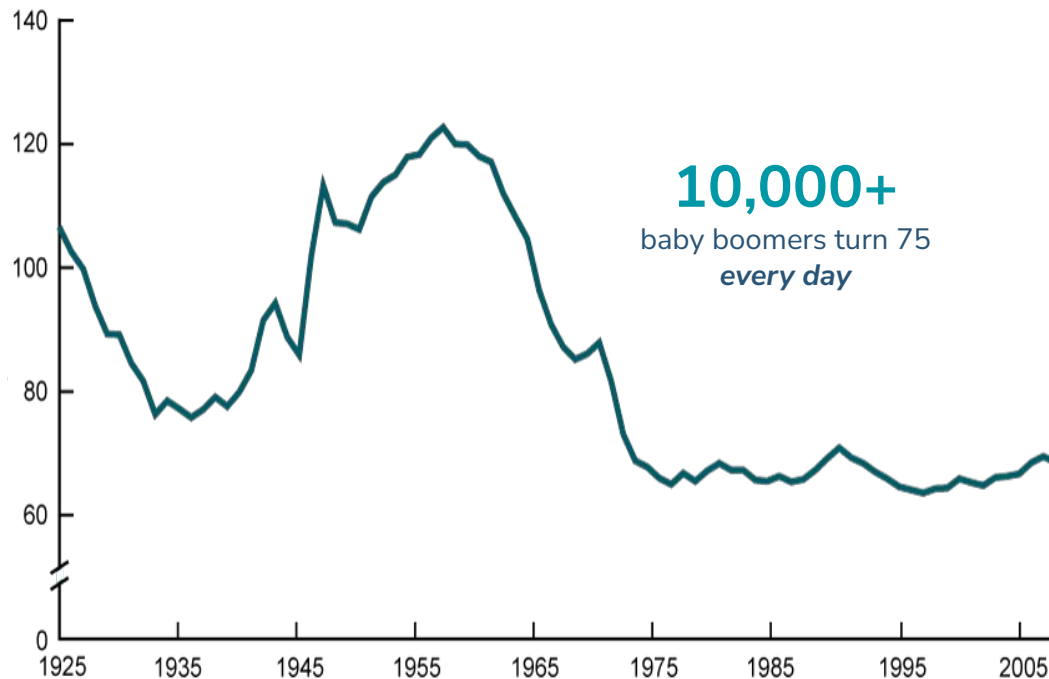
# A quick quiz

- What is the ratio of 76 year olds to 86 year olds in the US today?
  - About 3 to 1.
- What is the ratio of 47 year olds to 63 year olds in the US today?
  - About 0.9 to 1.

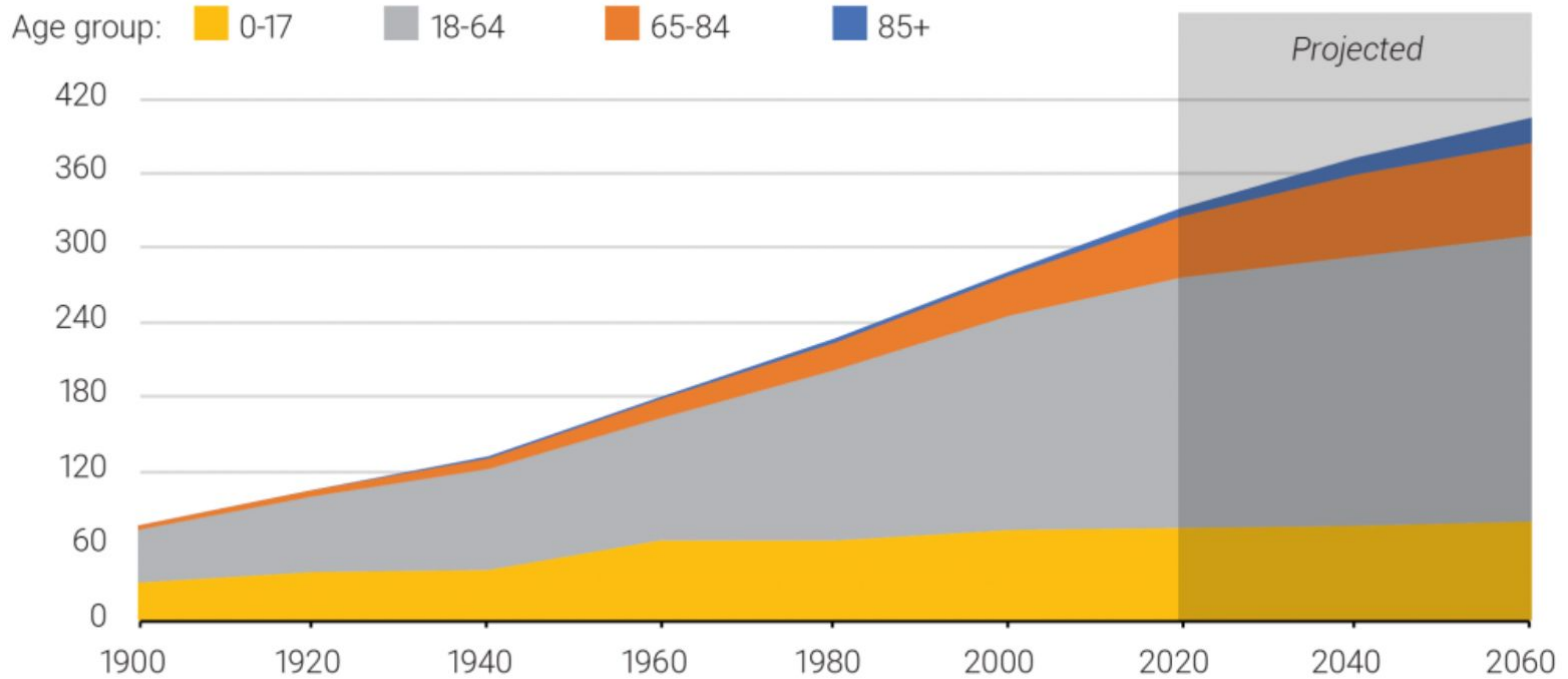


# First, who are our “older” donors?

Births per 1,000 women  
aged 15–44



**Figure 1. U.S. Population by Age Group (millions), 1900 to 2060**



Source: U.S. Census Bureau, decennial censuses and vintage 2017 population projections (2020-2060).



## But first, a framework

- We should think about groups of donors less by “age” and more by “generation”
- Consider the difference between “playing bridge” and “having knee problems”
- “Playing bridge” is a function of birth year, while “knee problems” are a function of age



# Some shared facts

- These generations are **much more religious**
- (80% of Boomers and 90% of Silents identify with a religion, compared to 35% of Millennials)
- They are **less educated** than younger generations
- (25% of Boomers and 10% of Silents have bachelor's degrees or more, compared to 40% of Millennials)

Source: [Pew Research](#), [Pew Research](#)



## Some shared facts

- They are also **more married with more children** — many are now grandparents
- 67% of Boomers and 83% of Silents were married when they were 25-37, compared to only 46% of Millennials
- 58% of Boomer women were mothers between the ages of 20-35 compared to only 48% of Millennials

Source: [Pew Research](#)



## These generations experienced huge shifts in culture & technology

- Childhoods were shaped by **the Cold War and McCarthyism**
- They grew up amid **the Civil Rights Movement** and cultural shifts of the 1950s-60s
- They fought in and protested against the **Vietnam War**
- They were the **first to see innovative technology** like color TV, cable, internet, and the first iPhone



# Here's the life of a 76-year-old American

- Born (1947): WWII has just ended
- Age 5 (1952): Would run “Duck and cover” drills around nuclear war during Cold War
- Age 16 (1963): Color TV becomes more mainstream, JFK is assassinated
- Age 21 (1968): Dr. MLK Jr. is assassinated
- Age 22 (1969): First man walks on the moon, Vietnam draft starts, Woodstock
- Age 27 (1974): Nixon resigns and the oil embargo is underway
- Age 37 (1984): First Apple Mac computer



Early American outside  
modern Motorola inside



**MOTOROLA**  
*new leader in the lively art of electronics*

Here's one TV that looks good even when it's off. And, it has a full year guarantee\*.

It takes subtle detailing to give a television set the authentic Early American look. This 1964 Motorola TV has it. Turned spindle legs, simulated spice drawers with antiqued pulls, and "splash board" back piece.

Inside, everything is strictly up-to-date. The power transformer chassis is hand-wired, precision crafted with modern hand and dip soldering for circuit connections of high reliability. A special picture optimizer control helps provide a pleasing picture even in fringe areas.

Every tube and part is covered by Motorola's one year guarantee with free exchange or repair of any component proven defective in normal use (arranged through selling dealer, labor extra).

Your Motorola dealer will be happy to demonstrate this superbly crafted 23-inch console (overall diag. tube mesh, 28 3/4 in. picture viewing area). Ask to see Model 29K123.

While you're at it, ask to see the freshest idea in clock radios today—the new Motorola Tandem. It's a clock radio . . . a clock . . . it's a portable radio!



**MOTOROLA**

Some features subject to change without notice. \*1 or 3 year limited full warranty.

# Here's the life of a 76-year-old American

- Age 46 (1993): AOL gains popularity and the internet goes mainstream
- Age 54 (2001): 9/11 happens, cell phones become ubiquitous
- Age 60 (2007): First Black president is elected, and the first iPhone is released
- Age 68 (2015): Supreme Court rules in favor of gay marriage
- Age 73 (2020): COVID-19 pandemic creates historic societal shifts
- Age 74 (2021): First female VP inaugurated



## Boomers & Silents are *the most charitable generations*

- Together, Boomers and Silents make up **61% of all contributions**
- They prefer giving to well-known, respected organizations
- 45% of Boomer donors research an org before making a gift
- **85% are loyal to specific causes or organizations**

Source: [Blackbaud](#), [Classy](#)



# Boomers & Silents

prioritize religious and local causes

MOST FREQUENT GIVING CHOICES BY GENERATION				
GEN Z	MILLENNIALS	GEN X	BOOMERS	MATURES
Children	Worship*	Health*	Local Social Service	Worship*
Animal	Children	Local Social Service	Worship*	Local Social Service
Health	Local Social Service	Animal	Health	Emergency Relief
Worship*	Health	Children	Emergency Relief	Health
Local Social Service	Animal	Emergency Relief	Children	Children
Military	Emergency Relief	Worship	Military	Military
Emergency Relief	Youth Development	Military	Animal	Formal Education

\*Indicates most dollars allocated when asked to prioritize.



# Trends affecting older donors in 2024

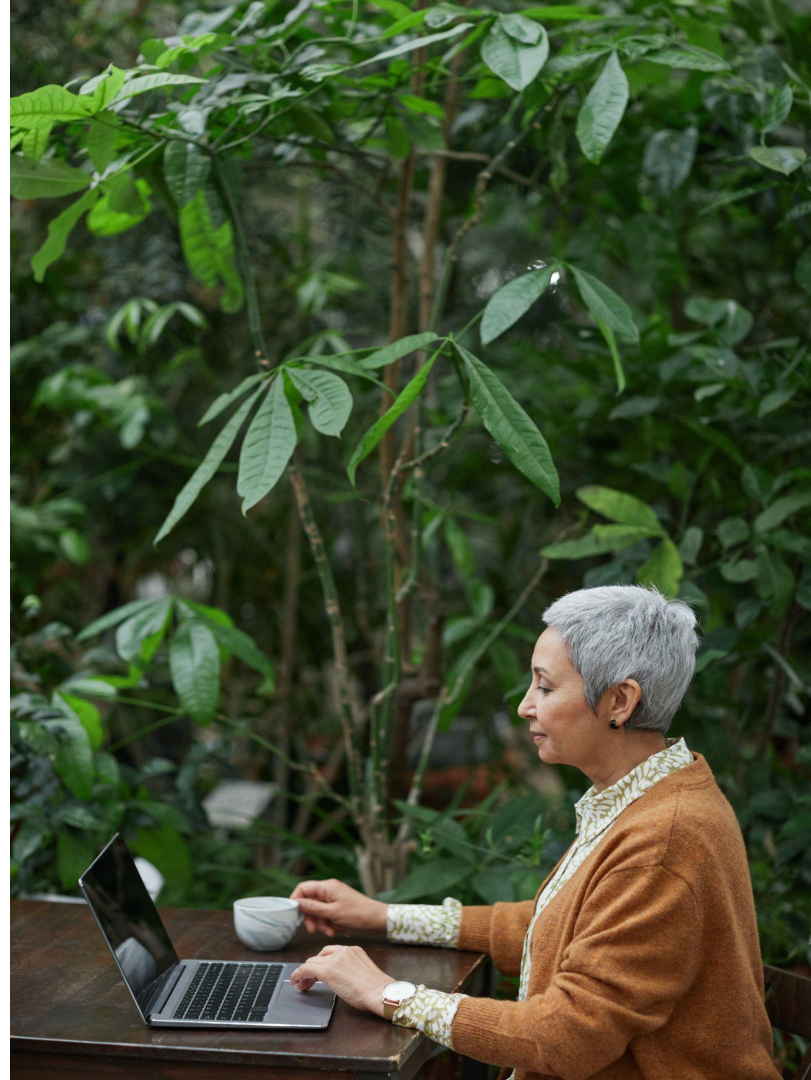


## Trend #1:

### The big shift to digital

- In 2012, only 13% of US adults 65+ owned a smartphone
- In 2021, smartphone ownership jumped to 61% for adults 65+
  - 45% adults 65+ used social media
- These stats are likely much higher in 2024
- Older adults use smartphones to check email, engage with others on social media, and use online services like telehealth services, FreeWill, and more

Source: [AARP](#)

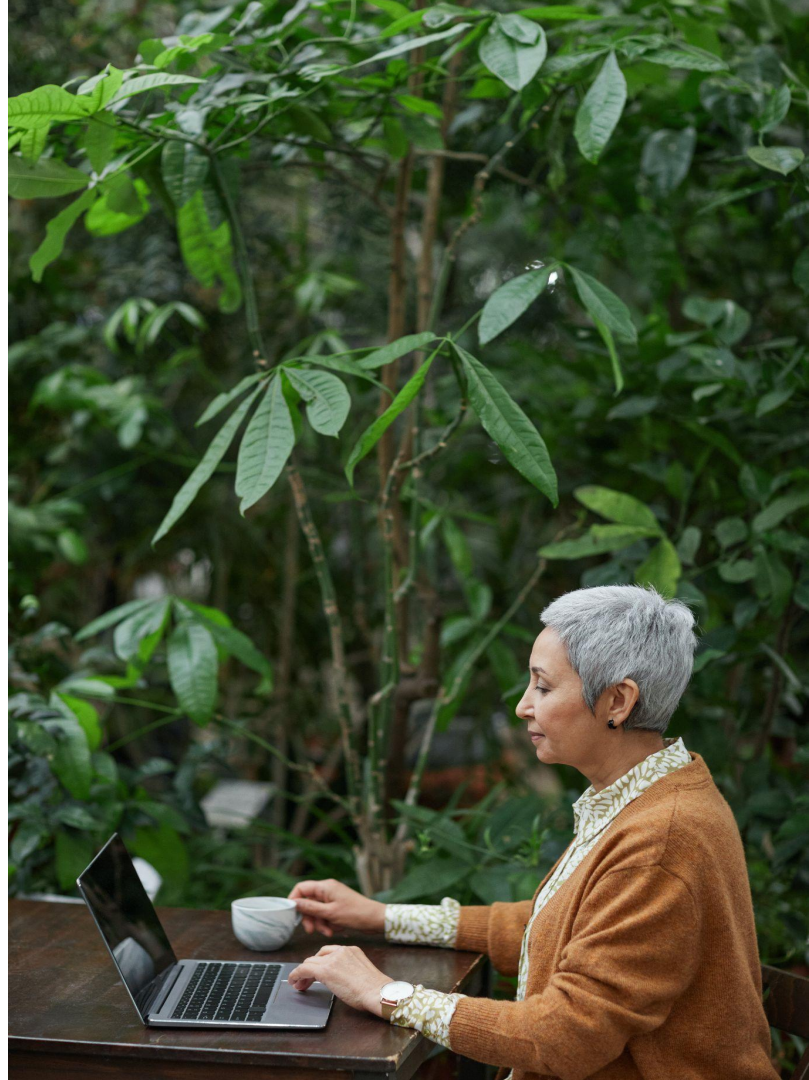


## Trend #1:

# The big shift to digital

- In 2022, 75% of charitable gift revenue came from users on desktop devices
  - 36% of all online donations were made on mobile devices
- A 2023 study by Giving USA showed that 61% of giving by Baby Boomers occurred online
- And 34% of Boomers reported donating via newer channels in 2021 (GoFundMe, social media donation buttons)
- Older donors are also **now going online to make major & planned gifts**

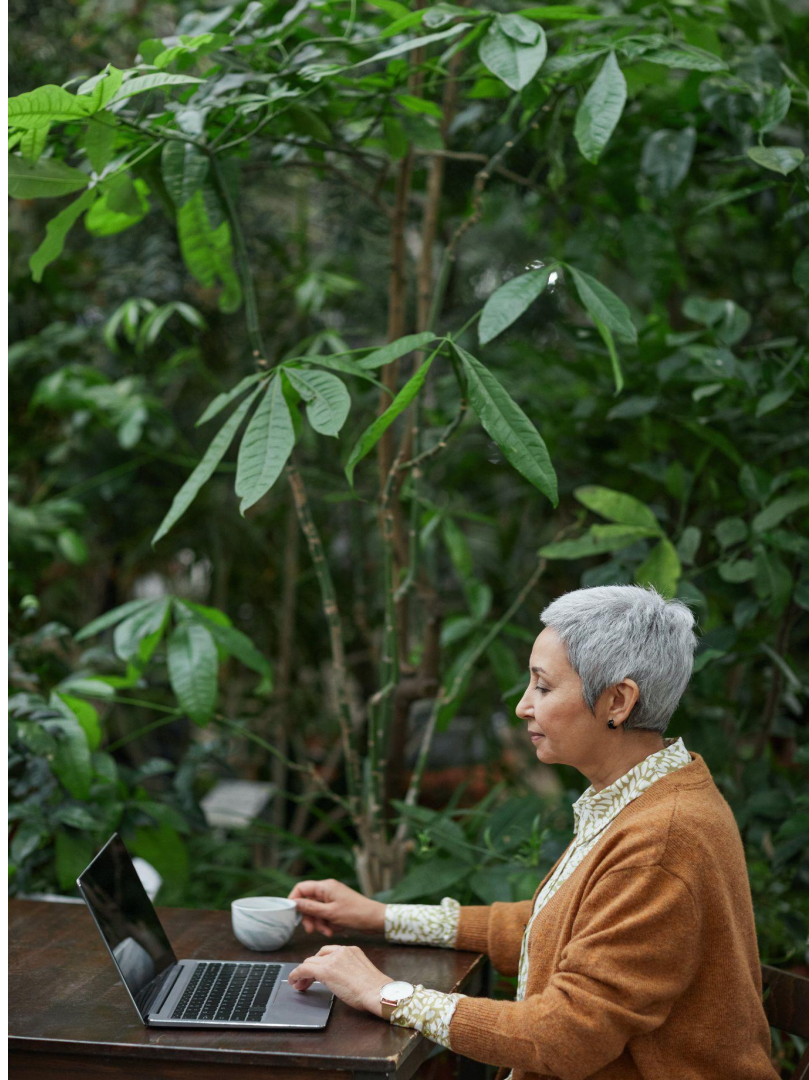
Source: [M + R Benchmarks 2023](#), [ThinkAdvisor](#), [GivingUSA](#)



## Trend #1:

### The big shift to digital

- Older donors are highly likely to give online even for “complex” gifts like QCDs or stock
- At FreeWill, we ask our QCD partners to link to our QCD tool — an easy way to make these gifts — on their donate and ways to give pages
- These links generate **4X as many gifts** on average than any other form of outreach like email



## Trend #2:

### Tax changes continue to affect giving

- **Tax Cuts and Jobs Act of 2017 (TCJA)** doubled the standard tax deduction for tax years 2018-2025
- The TCJA limited itemized deductions for state & local taxes to \$10k per year
- Most taxpayers get bigger tax breaks from taking standard deductions than they do from itemizing deductions like charitable contributions



## Trend #2:

# Tax changes continue to affect giving

- The Legacy IRA Act was included in the omnibus spending bill signed by President Biden in 2022
- The legislation:
  - Allows seniors to make a one-time QCD toward a life income gifts (like a charitable gift annuity) from traditional IRAs
  - Increases the amount donors can give as QCDs, to account for inflation (beginning this year)



## Trend #2:

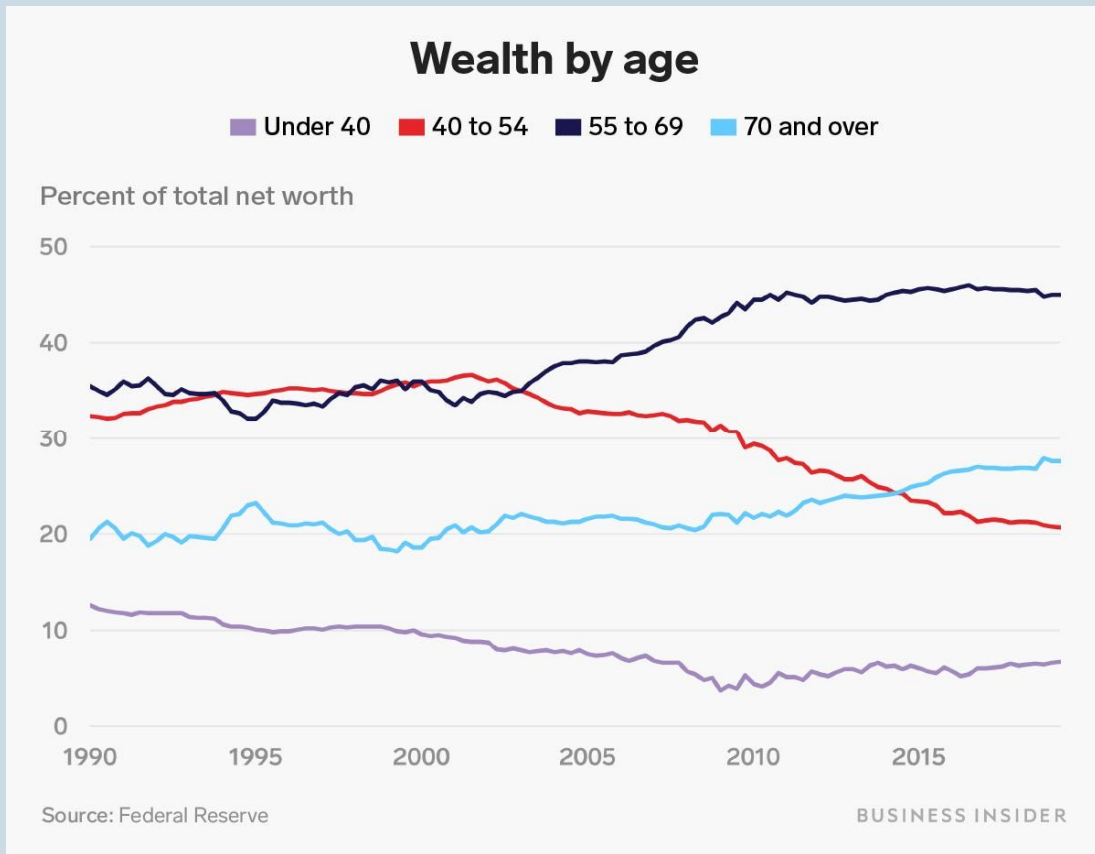
# Tax changes continue to affect giving

- The Secure 2.0 Act also included in the omnibus spending bill
- The legislation:
  - Raises the age that individuals must start taking RMDs from their retirement accounts from 72 to 73 as of January 2023
  - **But it doesn't affect the required minimum age to make a QCD – that remains 70 ½**



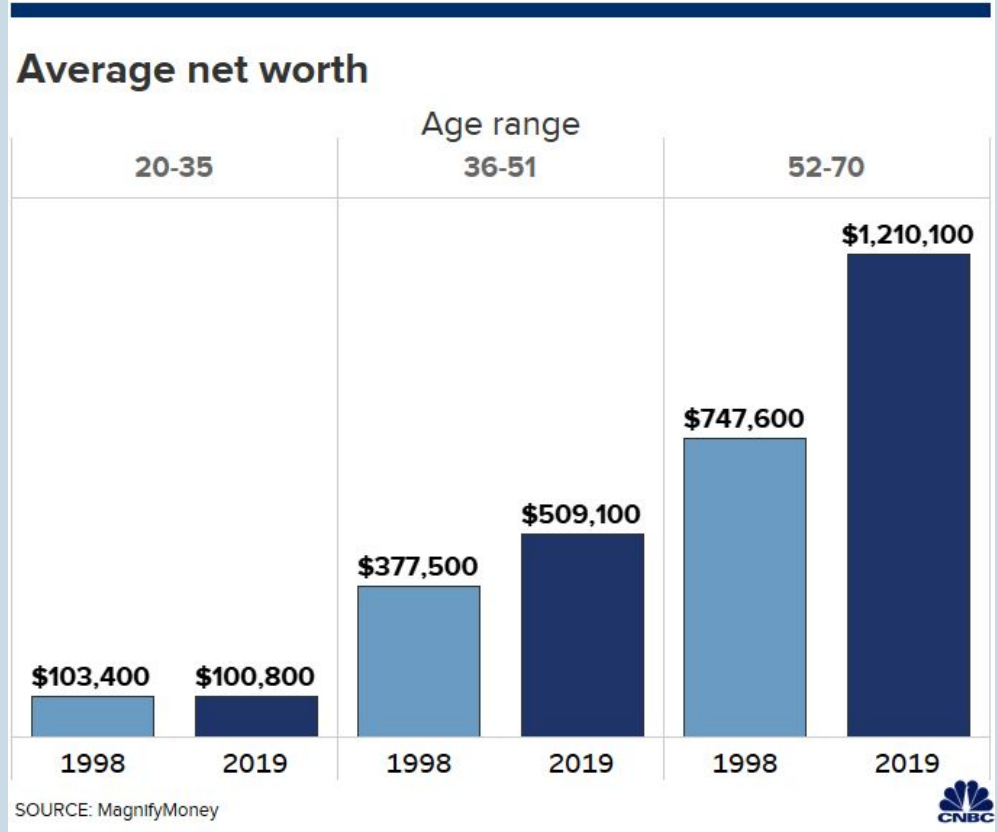
### Trend #3:

Wealth is becoming more concentrated among older generations



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#### Average American Net Worth by Age

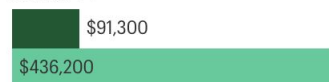
Americans tend to see their net worth increase as they approach retirement age.

■ MEDIAN NET WORTH ■ MEAN NET WORTH

##### AGE 35 OR LESS



##### AGE 35-44



##### AGE 45-54



##### AGE 55-64



##### AGE 65-74



##### AGE 75+



### Trend #3:

## Wealth is becoming more concentrated among older generations

- They are heavily invested in real estate, stocks, and IRAs (which often mirror the stock market)
- They've benefited greatly over the past couple years as the stock market and real estate rapidly increased
  - Boomers owned 44% of real estate wealth in 2021
  - Total value of Boomers' real estate wealth in 2023 is ~\$18T compared to \$5T for Millennials
- **Older generations have never had so much wealth before in comparison to previous generations**



## Trend #4:

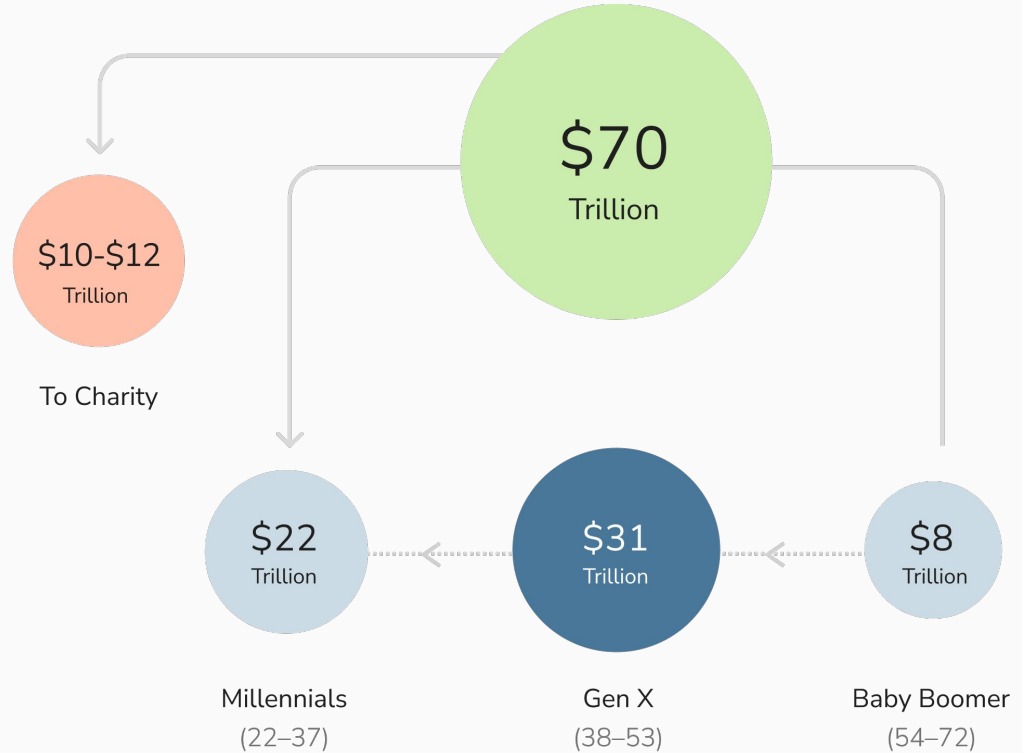
# Where that wealth is going is being decided now

- An estimated **\$70 trillion** is going to be passed on from wealthy older generations over the next 20-25 years (this is already happening)
- Older donors are deciding right now who will get their estates after they pass
- Most of this will go to Gen X & older Millennials (your next major donors)
- But about \$10 trillion is expected to go charity



## Trend #4:

Where that wealth is going is being decided now



Source: Cerulli Associates, Federal Reserve, US Census Bureau, Internal Revenue Service, Bureau of Labor Statistics, Social Security Administration



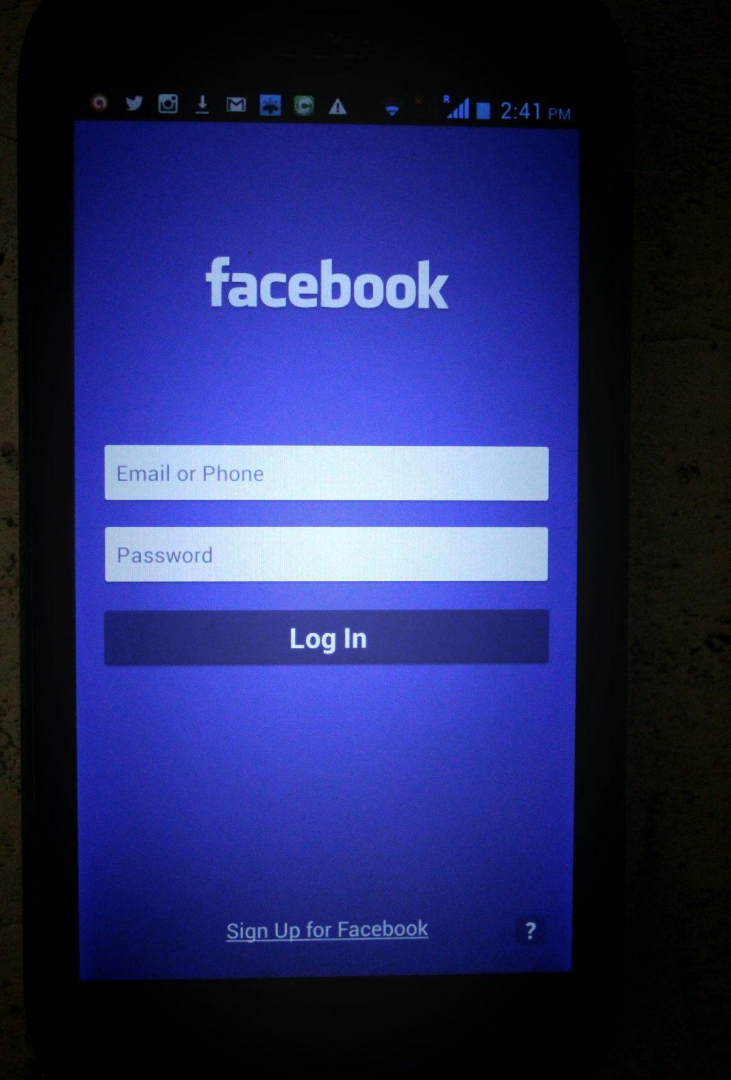
# 4 strategies to maximize giving from older donors



## Strategy #1:

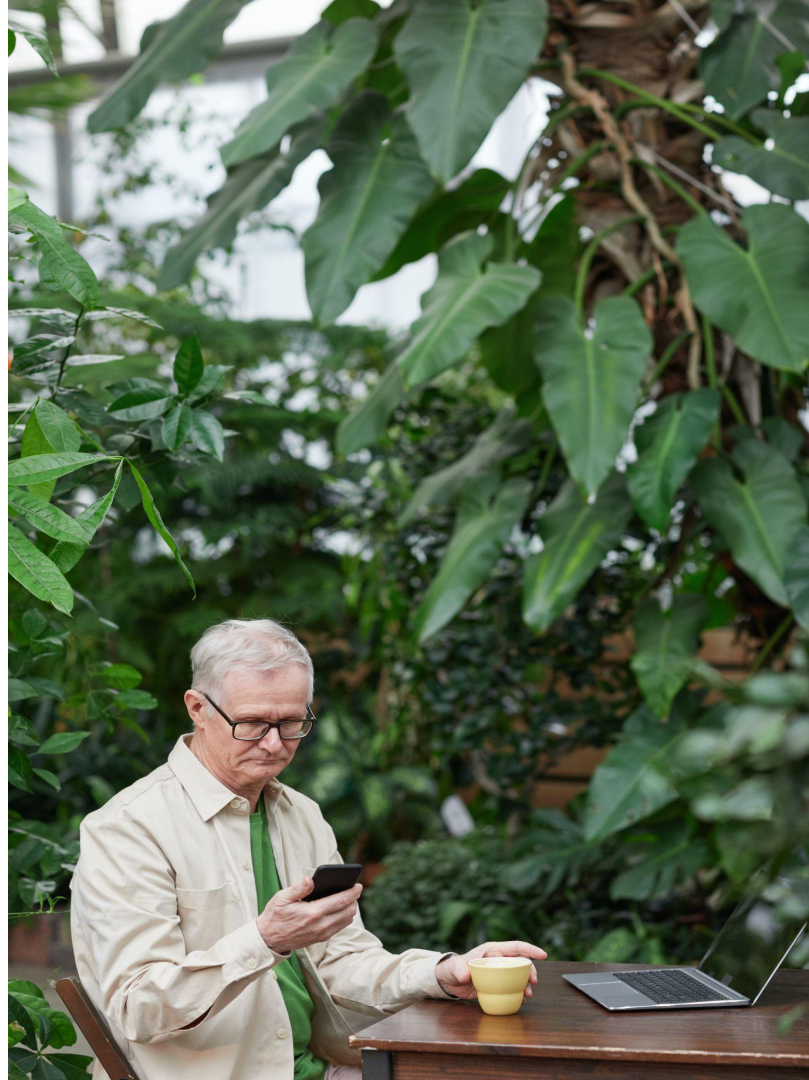
### Engage across multiple mediums

- Older generations are increasingly online
- 78% of Boomers and 37% of Silents regularly use Facebook
- Connect with older donors through:
  - Your website (where they'll go first to learn about your org and make gifts)
  - Social media
  - Events / in-person calls
  - Texts
  - Direct mail

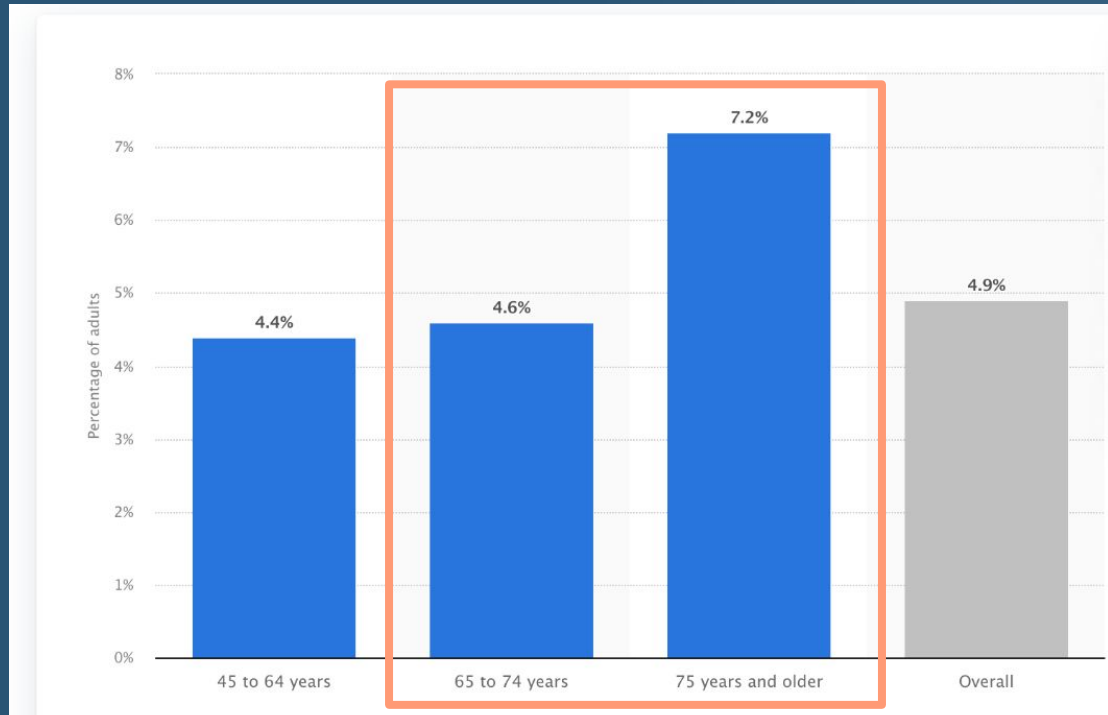


## Strategy #2: Check your website

- You should also ensure that your website is up-to-date and accessible
- Your donate and ways to give pages should link to the best giving methods for older donors, (QCDs, stocks, planned gifts, and DAFs)
- With FreeWill partners, we've found that linking to an easy way to make a QCD or stock gift results in 2X to 4X as many gifts on average

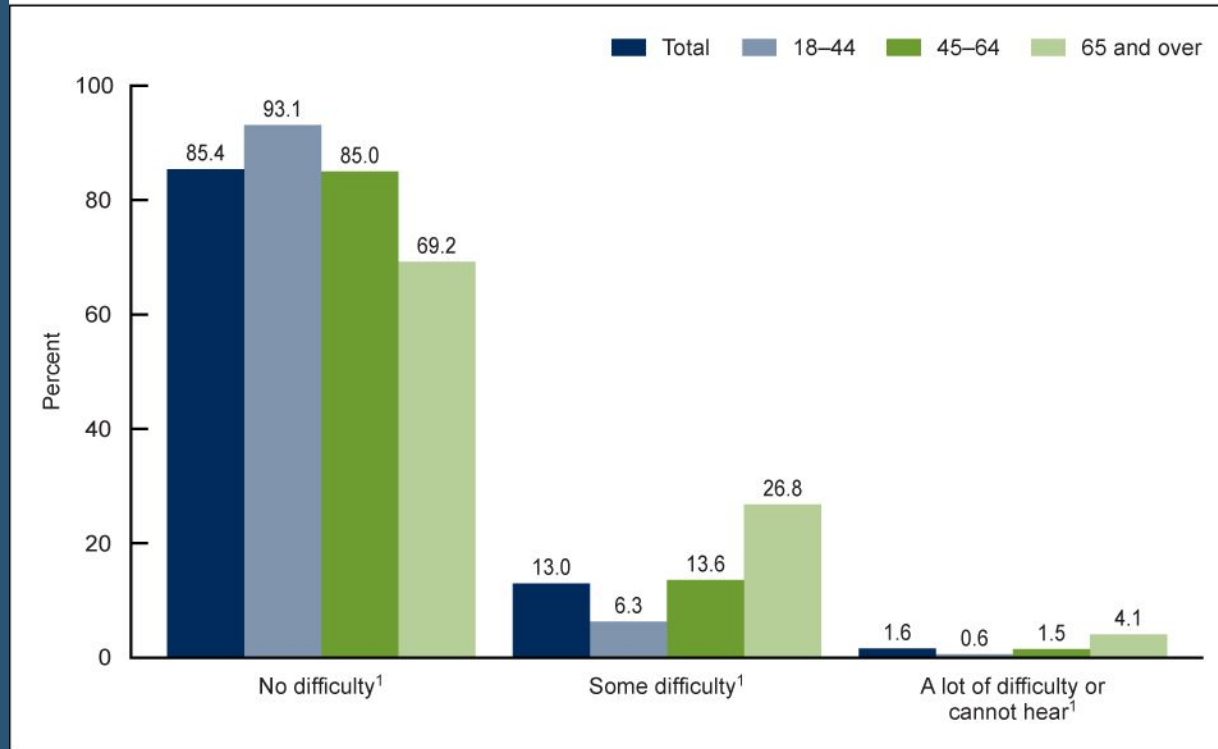


# Percentage of adults aged 45 years and older with vision impairment in the US from 2015 to 2017, by age



Source: [Statista](#)

Figure 1. Percentage of adults aged 18 and over with difficulty hearing even when using a hearing aid, by age group: United States, 2019



<sup>1</sup>Significant quadratic trend by age ( $p < 0.05$ ).

NOTES: Hearing limitation is based on responses to the survey question, "Do you have difficulty hearing, even when using a hearing aid? Would you say no difficulty, some difficulty, a lot of difficulty, or you cannot do this at all?" Estimates are based on household interviews of a sample of the U.S. civilian noninstitutionalized population. Access data table for Figure 1 at: <https://www.cdc.gov/nchs/data/databriefs/db414-tables-508.pdf#1>.

SOURCE: National Center for Health Statistics, National Health Interview Survey, 2019.



## Strategy #3:

### Update your thank you notes with other ways to give

- Non-cash gifts drive success and your biggest gifts are going to come at EOY
- Organizations who strictly solicited cash donations grew by just 11% over a five year period
- Organizations taking non-cash assets **grew by 50%**
- Organizations taking appreciated securities **grew by 66%**



## Strategy #3:

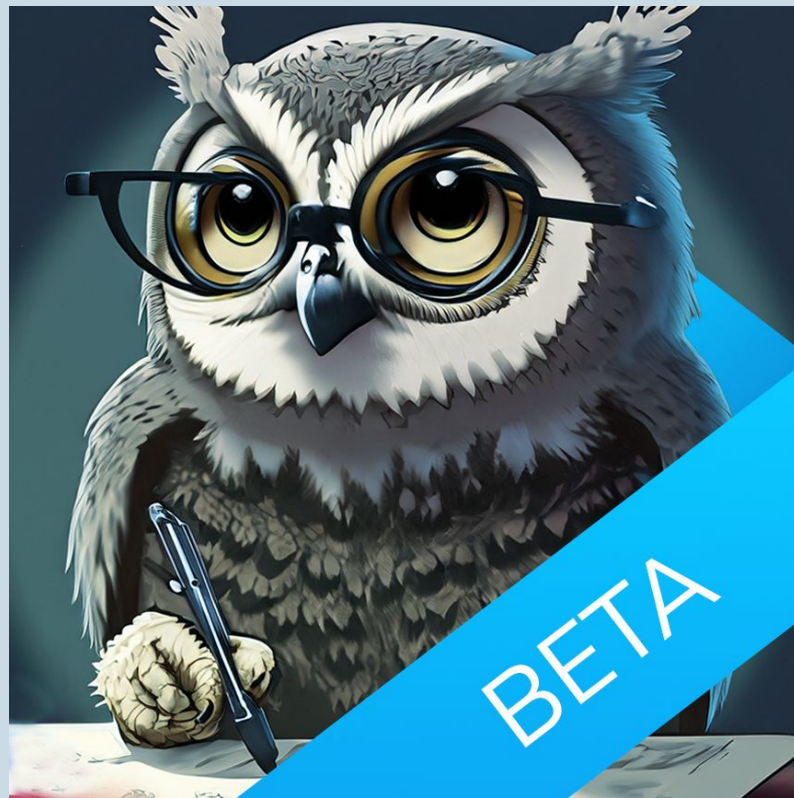
### Update your thank you notes with other ways to give

- Don't assume that your older donors are aware of the most tax-savvy, non-cash giving methods
- A FreeWill survey shows **only 7% of fundraisers think their donors know QCDs "very well"**
- This knowledge gap is not limited to QCDs — we should be educating donors on the benefits of others gifts like stocks or bequests
- When planning for EOY this year, remember that this will likely be your highest-trafficked and highest-giving period so use your thank you notes as an opportunity to educate



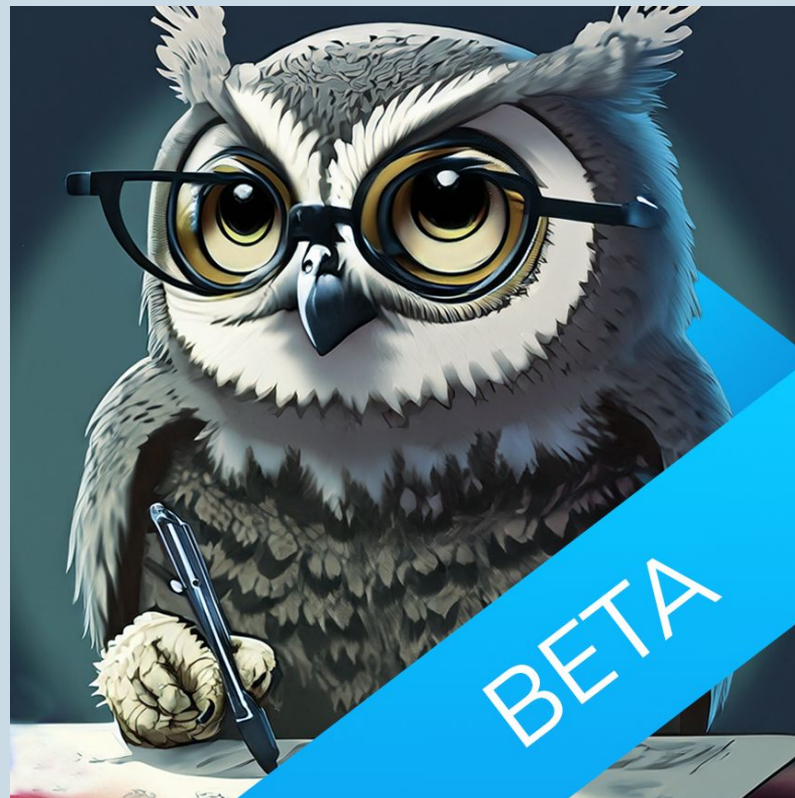
## “Willy” is a tool built for you, and it’s free.

- Willy is your nonprofit fundraising writing buddy!
- See it at [willy.freewill.com](https://willy.freewill.com)
- It can write all sorts of messages to help you, and has been used by thousands of nonprofits
- Willy is also built on GPT-4, so it has the best available writing AI – and it’s also 100% free
- We’ve combined the best of AI with a ton of research-backed fundraising best practices to deliver best-in-class content within seconds



# What can Willy do for you?

- Quality, personalized fundraising emails
- Personalized direct mail copy
- Donor thank-you notes
- Social media posts & calendars
- Email fundraising calendars
- Press releases
- A fundraising email evaluator
- Craft your own “permanent giving guide”
- Create your most compelling “smart-giving message”



# Sophie, FreeWill's faith-based AI tool

- Sophie (**found at [sophie.freewill.com](https://sophie.freewill.com)**) is your nonprofit fundraising writing buddy for faith-based organizations and houses of worship.
- It's also built on GPT-4, so it has the best available writing AI, **but it's free for you and your colleagues.**
- This is built specifically for the **main branches of Judaism** and **Christian denominations** to help with your specific fundraising needs.



# Sophie, FreeWill's faith-based AI tool

- Why Sophie? We chose Sophie as an homage to many streams of faith.
  - The Hebrew word, transliterated as “So-fer” means “writer” and shares the root for “counter”.
  - The Greek word, transliterated as “Sofía” means wisdom.
- We hope Sophie helps you write and fundraise for the things you care about and adds to the wealth of wisdom you bring to your work.



## Strategy #3:

### Update your thank you notes with other ways to give

- This can also include info on planned giving
- Don't pass up this great time to let seniors know your organization is focusing on planned giving
- We know that seniors are thinking about estate planning more than ever – you should be educating them on this impactful way to give
- Try highlighting the range of ages making planned gifts if you're worried about coming off as offensive



## Strategy #3:

### Update your thank you notes with other ways to give

- The most effective messaging we've tested (in online ads):
- *"Even if you plan to live to 150, you still need a will. Get started today."*
- Other effective messaging to older donors:
- *"Supporters of our humane society, from 18 to 88, choose to include us in their will or trust. Would you like information on how to join them?"*



## Strategy #4: Go big on QCDs

- Qualified Charitable Distributions (QCDs) a.k.a. “IRA Charitable Rollovers” are one of the fastest growing ways to give of the last few years
- For many seniors, this will be the single best way for them to give



# Breaking down QCDs (and how to ask for them)

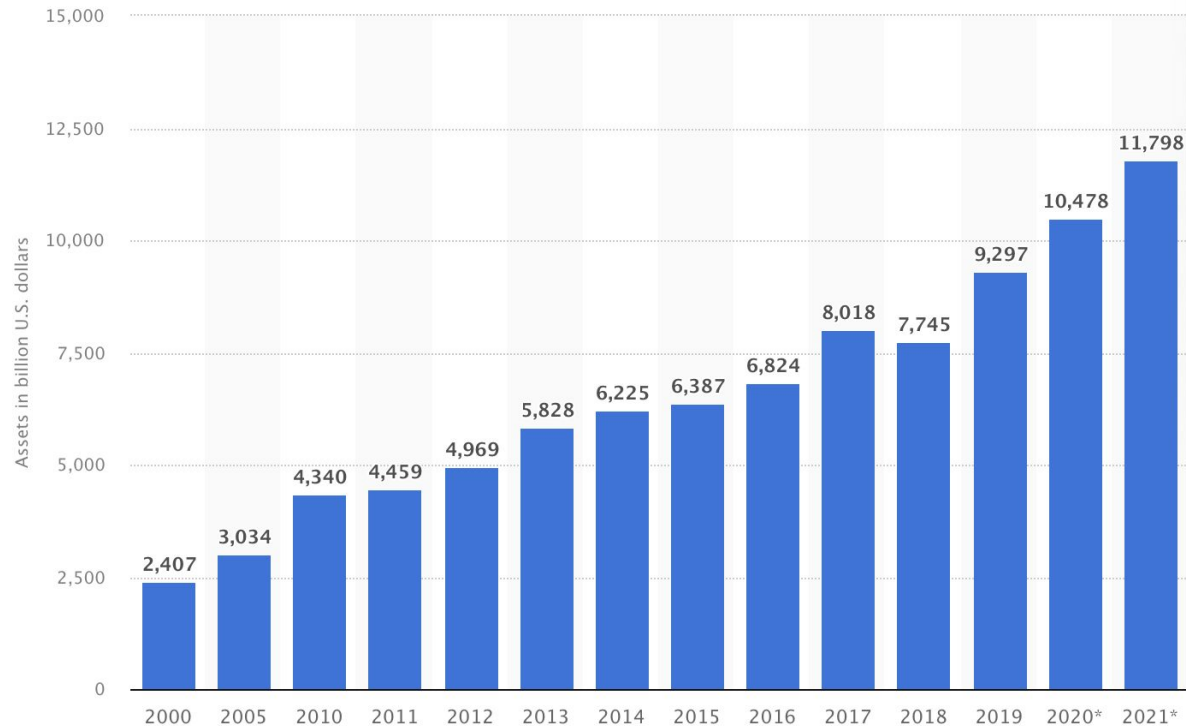


# What are Qualified Charitable Distributions?

- QCDs = Gifts from an IRA
- Commonly referred to as “IRA Charitable Rollover Gifts”
- Money is transferred directly from an IRA account to a 501(c)(3) charity
- Donors must be 70.5 to give a QCD, and can give up to \$100k annually, tax-free
- A big driver behind QCDs are Required Minimum Distributions (RMDs)
  - RMD = money a retiree is required to withdraw from their retirement accounts after age 73 (as of 2023)



# There is nearly \$12 trillion in IRAs

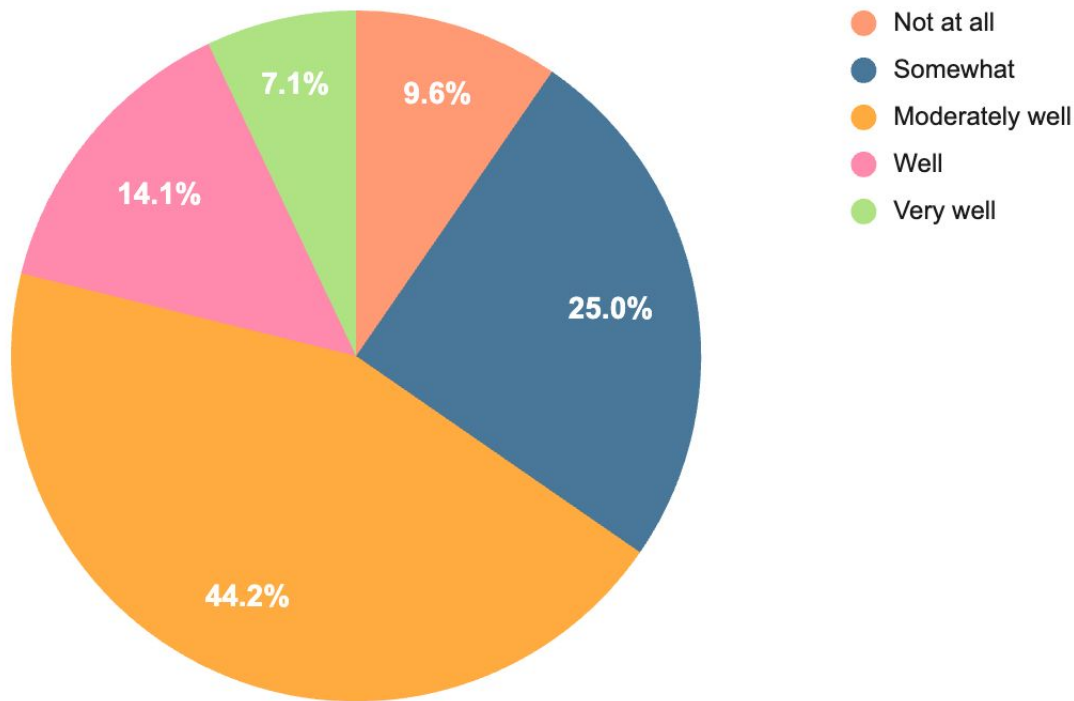


# Why do these work?

- Money in an IRA is **pre-tax**
- It will **always be taxed**, even if the donor passes away
- Post-tax money is much more valuable to the donor, and should be conserved
- They're growing in popularity – thousands of Boomers become eligible to make QCDs every day
- You're going to have more QCD donors this EOY than last year



We asked  
fundraisers:  
“How well do you  
think your donors  
understand QCDs?”



Source: FreeWill webinar survey data



# QCDs are seeing massive growth

- Building the habit of QCDs is hugely helpful as they can quickly become a recurring annual gift
- Giving a QCD is **better than cash for the donor** because it meets RMDs and helps them save on taxes
- QCDs are much **better than cash for you** because they result in much larger gifts from the same donors



# QCDs are seeing massive growth

- The first dollars that an IRA owner withdraws count towards their RMDs
- So if a donor is withdrawing funds, but doesn't need the money to live on, they should make their QCDs before withdrawing any funds for themselves
- This will prevent them from adding to their taxable income



# If you're working without age data

## Your support is critical to the work of the Southern Poverty Law Center.

The SPLC is a catalyst for racial justice in the South and beyond, working in partnership with communities to dismantle white supremacy, strengthen intersectional movements, and advance the human rights of all people.

### Contribute now!

Other ways to give:

- [Donate to The SPLC Action Fund](#)
- [Donate with PayPal](#)
- [Donate Stock or Securities](#)
- [Update Your Monthly Pledge](#)
- [Make a Tribute Donation or send an eCard](#)
- [Make a donation through your IRA as a Qualified Charitable Distribution \(QCD\)](#)

The Southern Poverty Law Center is a tax-exempt 501(c)(3) nonprofit organization. All donations are tax deductible.



## If you're working without age data

Hi,

Imagine not being able to fill your family's plates for a Thanksgiving meal. Then imagine struggling to fill their plates *every day*.

That's Carolina's reality — feeding a family of five in one of the most expensive areas to live in the country. Because of supporters like you, she can count on Second Harvest of Silicon Valley to provide her family with the healthy food she couldn't otherwise afford. She shared:

*"Thank you to all the people that make it possible for us to have food on our table."*

Your gift will help make sure local families like Carolina's can enjoy a memorable meal together this Thanksgiving. [Give by November 30](#) and your gift will be matched by the Khosla Family.

**Double My Impact**

If you've recently made a gift, thank you so much.

P.S. If you're 70 1/2 or older, you can join fellow Second Harvest of Silicon Valley supporters who make tax-free gifts from their IRAs each year. [Learn how you can save money while ensuring everyone has access to a healthy meal.](#)



# Thank you!

**Patrick Schmitt**  
Co-CEO, FreeWill

E. [patrick@freewill.com](mailto:patrick@freewill.com)

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