

# Steve Leimberg on Personalized Philanthropy

About the Author - Steve Leimberg



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Review originally appeared in LISI Charitable Planning Newsletter (June, 2015) at <http://www.leimbergservices.com> Copyright 2015 Leimberg Information Services, Inc.

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## EXECUTIVE SUMMARY:

The author of this groundbreaking book, **Steven L. Meyers, PhD**, is vice president of **The Center for Personalized Philanthropy at the American Committee for the Weizmann Institute of Science**. His book **Personalized Philanthropy**, may well revolutionize the way charities raise large amounts of money in the future. His outside-the-box mind makes possible the previously un-imagined.

## COMMENT:

I usually bend over a page in a book when I want to come back to (or steal) an idea or concept. When I finished reading this book, almost every page was bent over – most with X’s to high light concepts I wanted to share with others.

Let me put it another way:

### THE SMARTEST MAN IN THE WORLD

As I was growing up, my father repeatedly gave me lessons and told me stories that he hoped I’d learn from. Many times, he said to me,

“Only a fool learns from his *own* mistakes” and followed that with...

“A wise man learns from the mistakes of *others!*” One day he told me of “The Smartest Man in the World.”

“It wasn’t the man who created the cash box nor the man who invented the adding machine. It was the man who put them both together and called it the cash register!

It got me thinking about the new suitcase I own. How long was it that we moved clothing we were taking on a trip in a trunk and it took two people to grab it by the corners? And then, someone added leather handles. And years later, someone else added two wheels and an expandable handle and called it a suitcase (must have been an inventor attorney – the same person who invented the brief case). And then someone added four wheels! And I always wondered, why did it take so long to make these improvements and why were we so oblivious to what could be a blindingly simple, workable, and elegant solution?

Steven Meyers takes readers interested in innovative philanthropy through this same thought process – shaking us and making us ask – over and over again – “It’s obvious! So why didn’t we see that solution – before?”

Meyers shows us what’s wrong with our philanthropic large gift raising thinking – and empowers us to break out of the tyranny of the traditional. His book should be purchased – and read – over and over – by development officers, would be and current philanthropists – and by every estate and charitable planning attorney, CPA, insurance agent, financial planner, and wealth manager who is willing to work with an open mind and create what Meyers calls “The right gift, for the right purpose, for the right donor.” These are donor-focused (fully engaging with the donor’s needs or desires) integrated, full spectrum holistic gifts.

Meyers three jaw-dropping simple/powerful moving beyond convention concepts of “Virtual Endowments,” “Equity Gifts,” and “Step-Up” gifts are game changers.

Here’s one example:

Most of us, when we purchase a home, don’t have all the cash necessary (or if we do, we may have a better alternative use for it) to plunk down the money and move in. So we obtain a mortgage and pay off the principle over time. We don’t have to wait 20 or 30 years to “move in.”

Meyers suggests that the same principle can be applied to a person who wanted to have a chair in her name, say at Villanova Law School, or have a library room named in her honor at, say at the Library at Fernandina Beach, Florida. Assume she could not – or did not want to – make the outright gift today of (let’s assume, \$1,000,000) necessary to establish the endowment.

Suppose she *had* given the Villanova Law School or Fernandina Beach Library \$1,000,000 today – and the charity had invested it – and withdrawn 5% each year as its “spending rate.” It would have \$50,000 a year to spend.

Now suppose, going back to our real life example, the potential donor *didn’t* give \$1,000,000 today – but instead committed to giving annual gifts equal to the *spending rate* of \$1,000,000, i.e., she committed to giving \$50,000 a year for the rest of her life. And she simultaneously committed to a “balloon gift” of \$1,000,000 at her death (perhaps through assets she owned or maybe even better, funded with life insurance the charity would own on her life and that she would pay for).

In other words we link two gifts ((1) a multiyear pledge for annual gifts based on the life expectancy of the donor in the amount of the spending rate the charity would have used had it received the endowment up front and (2) a separate pledge or contract to include a gift by bequest or life insurance contract of the original endowment amount) under an umbrella plan.

Knowing that this irrevocable combination pledge will accomplish essentially the same overall benefit as an immediate gift of the lump sum, the Law School or Library could recognize and honor the donor *today* – and the donor would have the immediate pleasure of seeing and realizing with certainly the impact of her gift.

So simple, so elegant, so workable! It’s like putting the cash box and the adding machine together and making a cash register – or putting four wheels and handles on a trunk and making it into a suitcase.

Like so many concepts in this book, you’ll say to yourself, “Why didn’t we think of this – before?”

## CHAPTERS:

- 1: The Two Cultures of Fundraising: Crashing Your Matrix
- 2: Matrix-Killing Apps of Personalized Philanthropy
- 3: Radically Rethinking Endowment: Examples
- 4: Beyond Conventional Solicitation: Personalized Best Practices
- 5: Counting, Numbers, Value, and The Big Picture
- 6: Being the Change and Making Your Own Shift

**Personalized Philanthropy** can be ordered through

Charity Channel <http://bit.ly/personalized-philanthropy>