



Planning With Purpose

Jewish Federation of Cleveland

Charitable Tax Seminar

June 1, 2023

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Agenda

- Introductions
- Traditional Charitable Planning
- What the Numbers Tell Us
 - The Great Wealth Transfer
 - Who's Talking About Philanthropy?
- The Role of Advisors
 - Advisory Styles
 - Working Together
- Values-Based Planning
 - The Planning Horizon
 - Goals-Based Wealth Planning – Lifestyle, Legacy, and Philanthropy
 - Benefits of Values-Based Planning
- Questions & Answers

Traditional Charitable Planning



Traditional Charitable Planning

- Charitable planning = Tax planning
 - Minimize taxes (income, estate, etc.)
 - Maximize wealth transfer to heirs
- Advisors viewed as technical experts in their respective disciplines
 - Limited collaboration and sharing of information / perspectives
 - Less integrated approach to planning strategies
- Marketplace opportunity for a more integrated and client-centric approach to planning
 - Integration of advice and strategies across disciplines
 - Focus on client goals and objectives identified through conversation and discovery

What the Numbers Tell Us

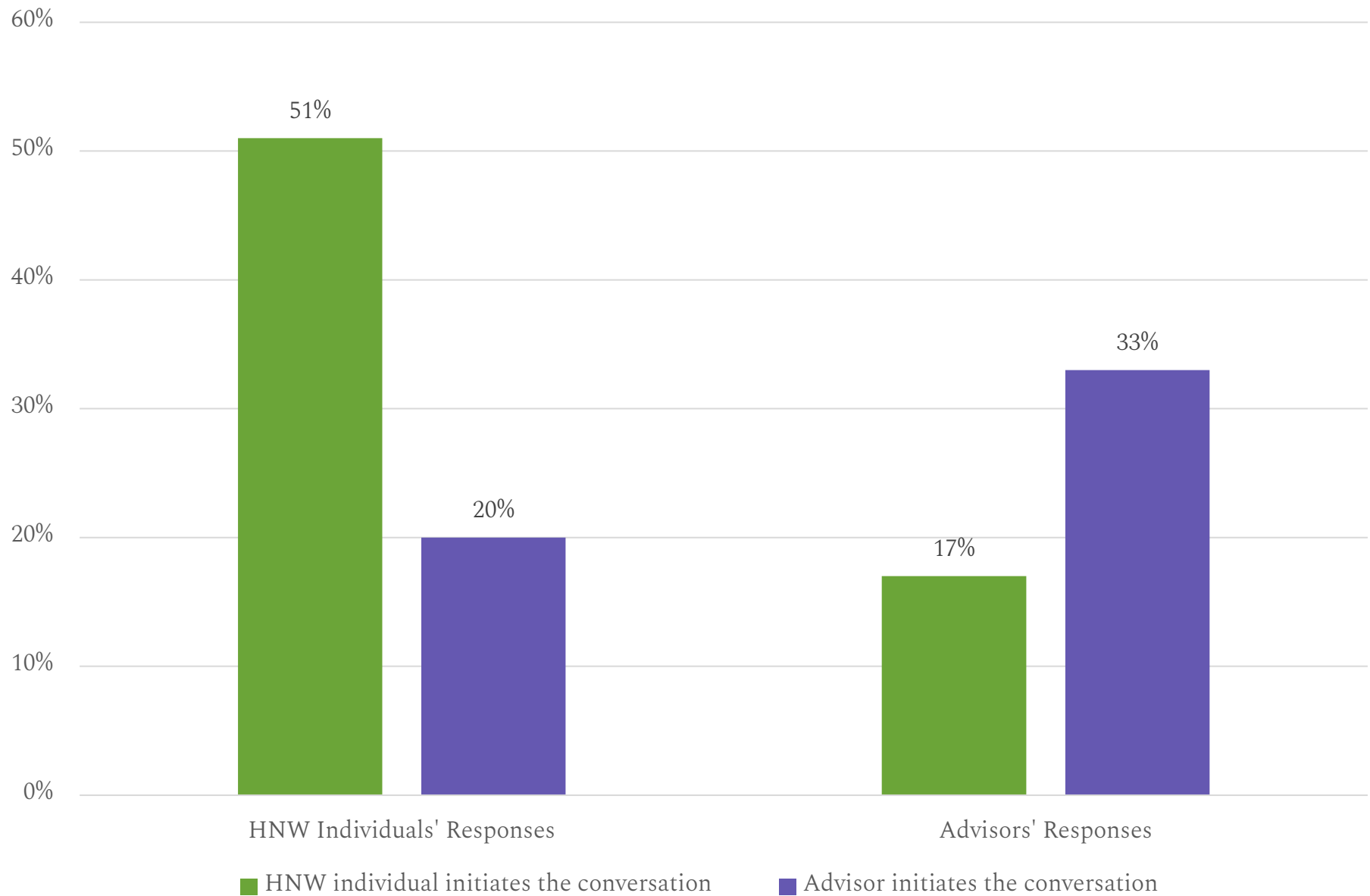


The Great Wealth Transfer

- Generational shift of wealth will be the largest in US history
 - \$59 trillion between 2007 and 2061*
 - Nearly \$27 trillion of that will ultimately go to charity through *inter vivos* giving and bequests
- Implications
 - Significant contributions to charity are already underway
 - Wealth will be stewarded by a generation with different priorities and perspectives
 - Advisors will need to acknowledge and account for these differences in their practices
 - Business as usual will no longer be enough
 - The philanthropic conversation will be more important than ever

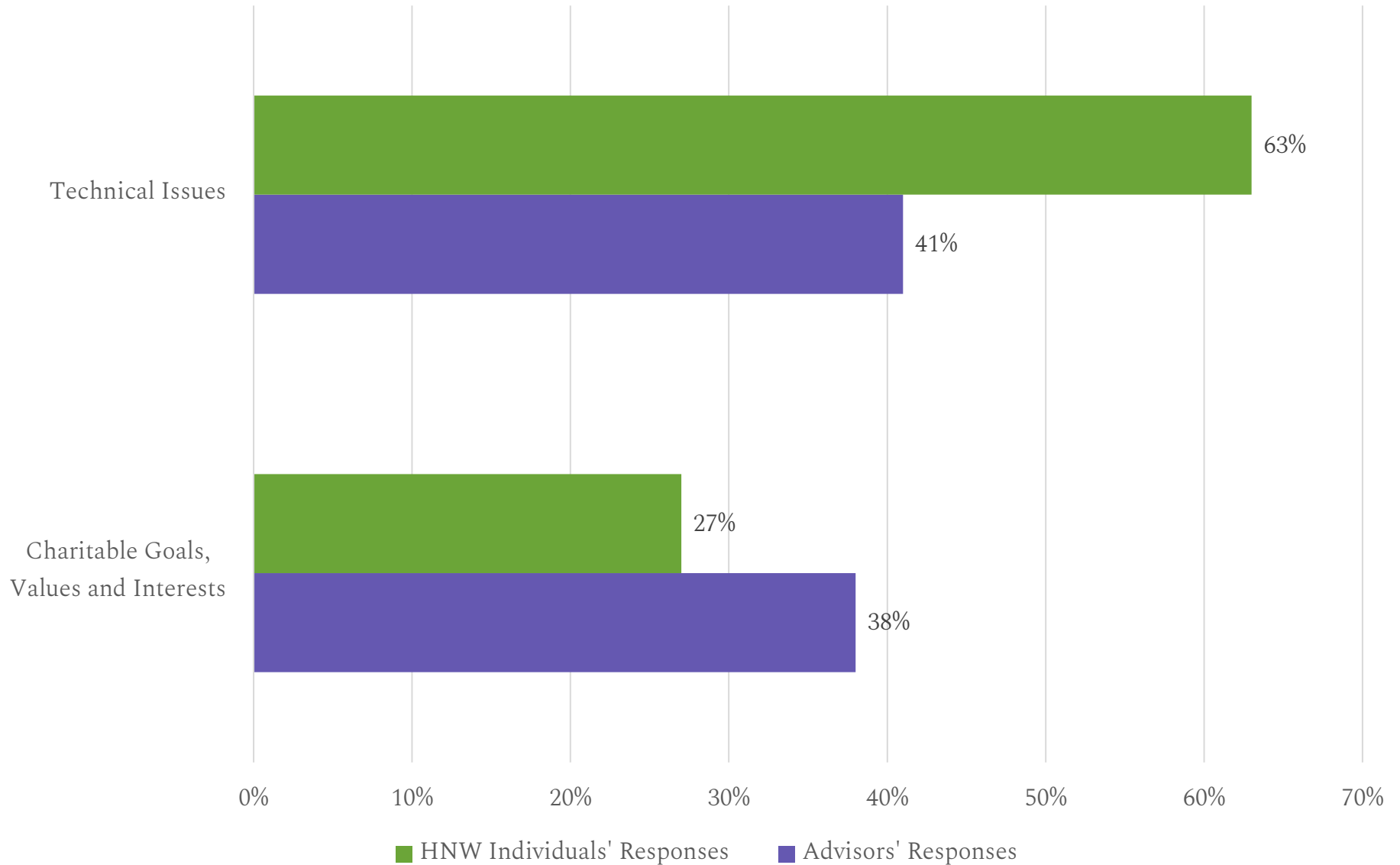
Who Initiates the Philanthropic Conversation?

Depends on Who You Ask



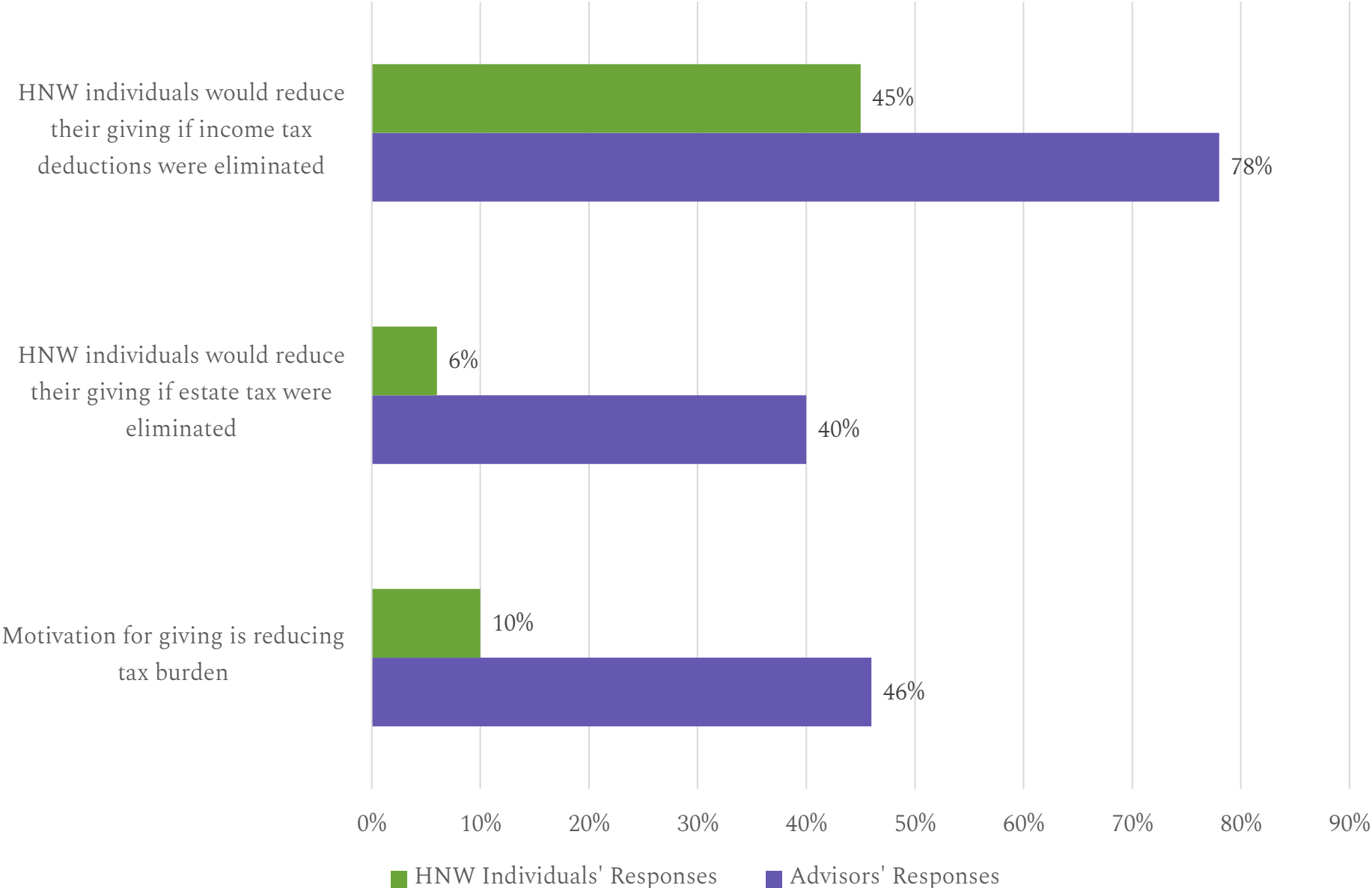
Focus of Philanthropic Discussions

More Technical than Personal Goals

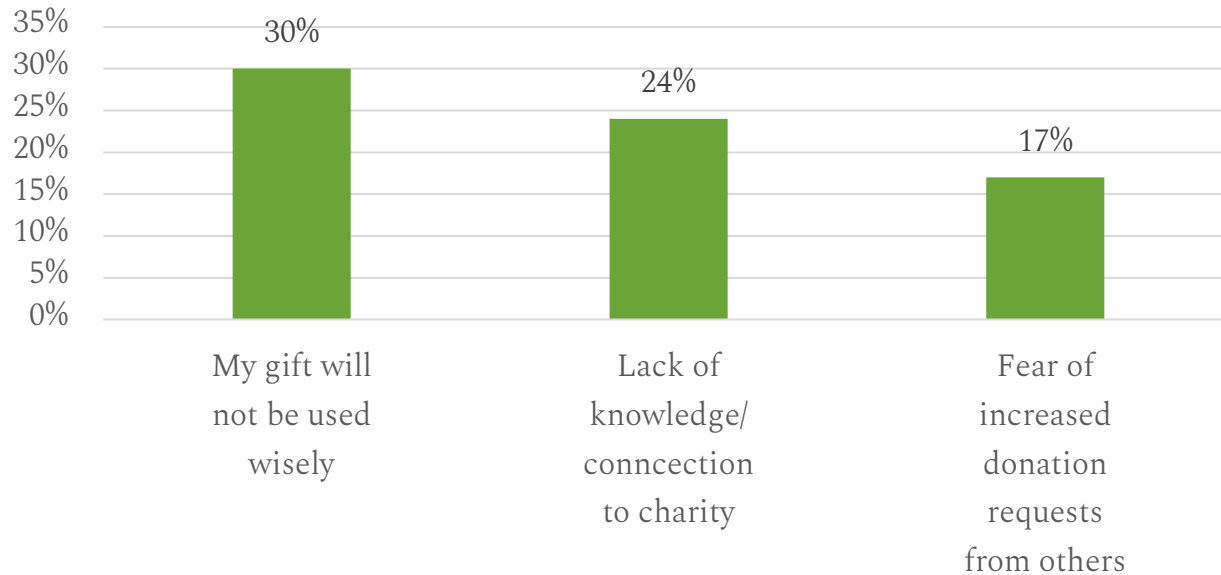


Tax Benefits as a Motivation for Giving

Less Important than Advisors Think

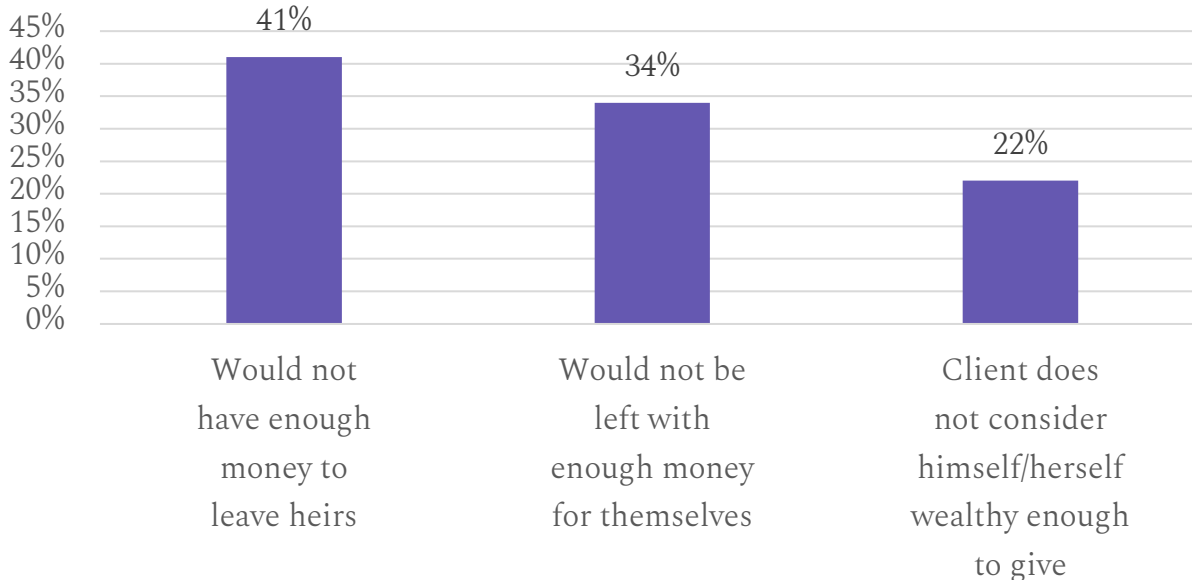


HNW Individuals' Responses



When asked about inhibiting factors to HNW charitable giving, advisor perceptions were not always on the mark...

Advisors' Responses



The Role of Advisors



Advisory Styles



Sales Style

- Focus on convincing a client to follow a specific course of action or purchase a particular product/service
- Essential to cultivate understanding and transparency
 - Advisor is selling something
 - Client is purchasing something
- As an advisor, you may find yourself involved with other advisors for a decision to be made, particularly with wealthier clients

Advice Style

- Focus on clearly articulating the best course of action, driven by advisor's insight and experience
- Works best with straightforward decisions where subject matter expertise is essential
- Technical knowledge and educational / designation pedigree
- Depth of knowledge in subject matter is required
- Clients may be wary of commoditized advice

Discernment Style

- Based on the belief that the client has his/her/their own best answers
- Ask the right questions asked to unlock the answers
- Requires greater time investment, so not always the most cost-effective solution
- Advisor serves as a guide, rather than an oracle who provides answers
- Questions and follow-up questions lead the client to revelations

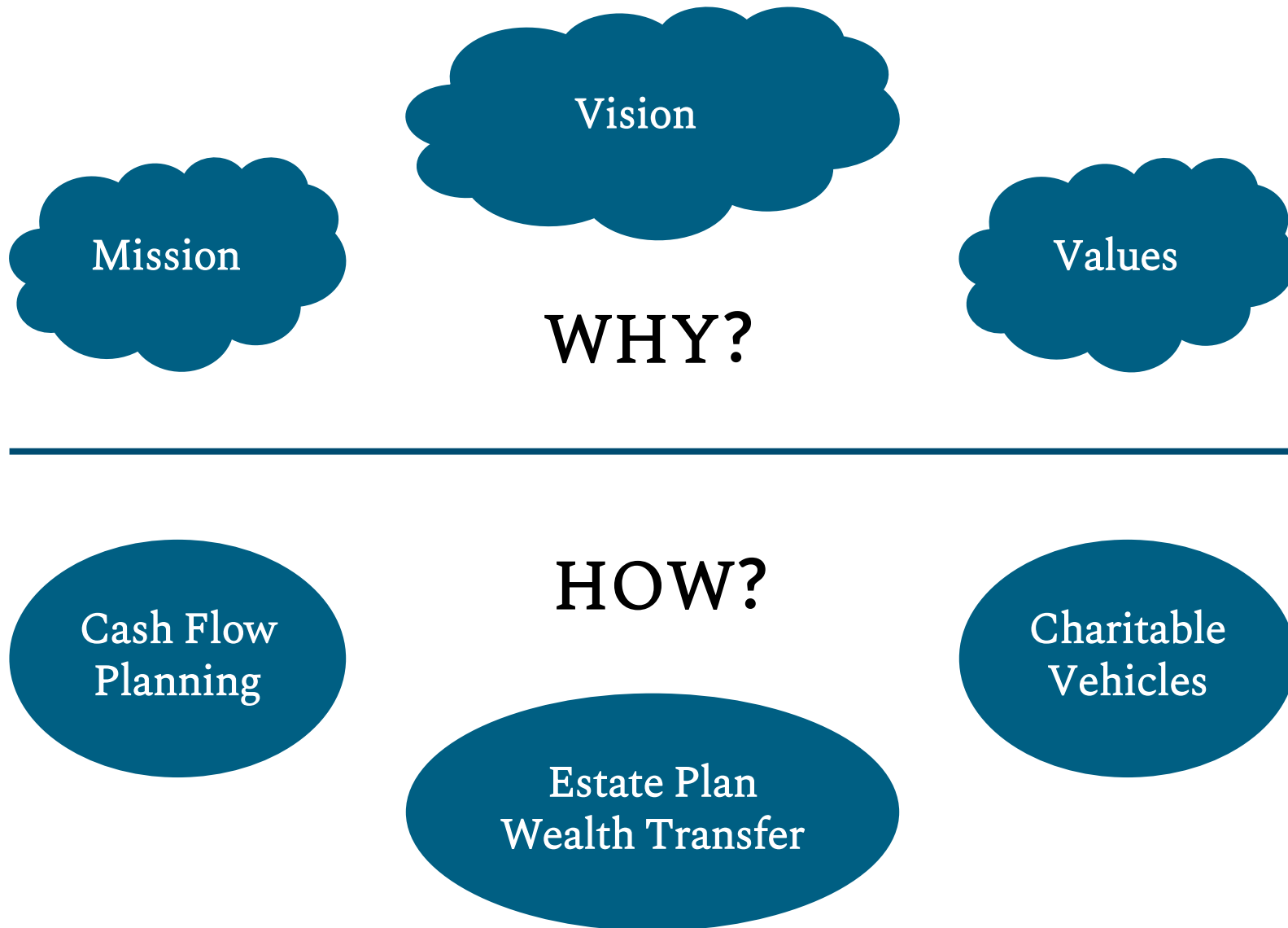
Working Together

- Clients have many advisors, all of whom may be involved in decisions:
 - Accounting
 - Legal
 - Investments
 - Insurance
 - Philanthropy
- To maximize your value with clients, philanthropic advisors need to:
 - Bring their own best advice to the table
 - Partner effectively with other advisors, before, during, and after client engagements
 - Pre-call planning
 - Demonstrate coordination and collaboration during client meetings
 - After-call reviews (what went well, what could be improved, what's next)

Values-Based Planning



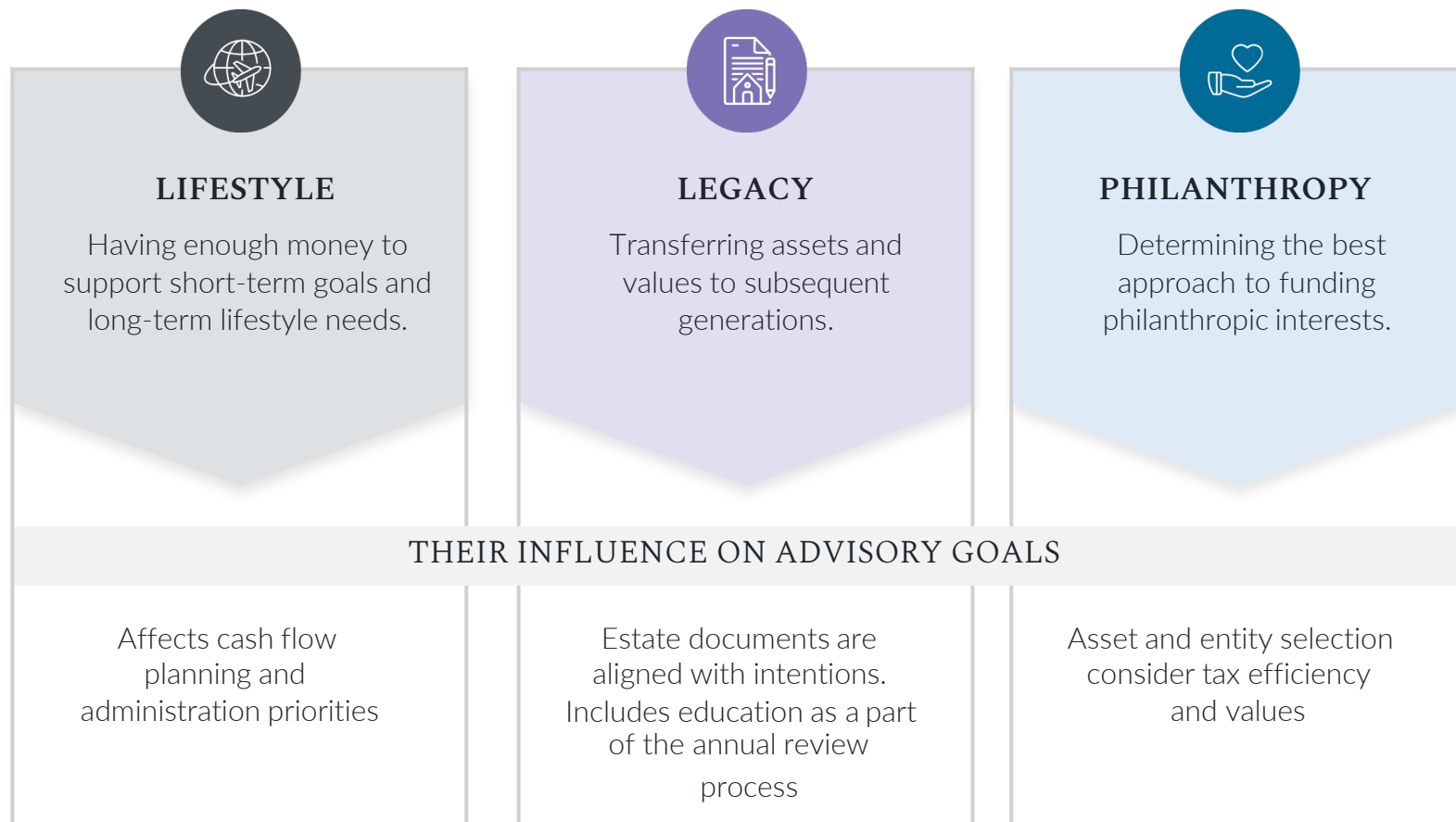
The Planning Horizon



Goals-Based Wealth Management Framework

A planning-led investment aligned approach maximizes the potential for clients to achieve successful outcomes.

Establishing Client Wealth Objectives



Benefits of Values-Based Planning

- Ability to consider both financial and non-financial legacy
 - Values
 - How much is enough?
 - Who gets what when and in what form?
- Opportunity to prepare heirs
 - *Inter vivos* giving
 - What are my expectations of you after I'm gone? And are you okay with those expectations?
 - Philanthropic burden vs. opportunity
 - Chance to walk alongside next generation
- Alignment and clarity of intent

Q & A



Thank You!



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Kenneth E. Spruill, Jr. is the Director of the Center for Family Philanthropy and Wealth Education. He leads the team responsible for providing philanthropic advice and education, as well as administration of charitable trusts, foundations and donor-advised funds. Mr. Spruill guides clients in articulating their philanthropic and family goals and delivers solutions to integrate philanthropic considerations and multi-generational education into their goals-based wealth planning and administration.

Mr. Spruill joined Glenmede with nearly a decade of experience in managing foundations and advising clients on strategic grantmaking, most recently serving as Senior Philanthropy Advisor of Private Foundation Solutions for PNC Private Bank Hawthorn. He also served as a Senior Talent Consultant and Manager of Diversity Strategies for PNC. Prior to PNC, Mr. Spruill worked as an independent diversity consultant and served as the Workforce Diversity Officer and as a Corporate Banking Relationship Manager for Wachovia Corporation.

He earned his Bachelor of Arts degree in Business Management from North Carolina State University, where he was a John Tyler Caldwell Memorial Scholar, and received the Chartered Advisor in Philanthropy® designation from The American College of Financial Services.

Mr. Spruill is President of the Board of the Silver Eye Center for Photography, and Immediate Past President of Grantmakers of Western Pennsylvania. He also serves as a trustee for the Carnegie Library of Pittsburgh, and on the Investment Committee for the Episcopal Diocese of Pittsburgh. Mr. Spruill was recognized as one of Pittsburgh Magazine's "40 Under 40" and one of the New Pittsburgh Courier's "50 Men of Excellence".

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