

Online Wills

in the **Education Sector**



International data shows the US education sector is steadily embracing online wills. A similar trend could be on the horizon for Australia.

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About Gathered Here

Gathered Here is a leading online will platform, offering free, user-friendly estate planning to tens of thousands of Australians every year.

We also partner with over 180 charities and nonprofits, working alongside them to establish and strengthen digital bequest strategies. Our unique gifts in wills management platform provides valuable insight into donor demographics, projected gift value, and campaign success.

To date, Gathered Here has helped Australians pledge an estimated \$280 million to over 500 different organisations. We aim to reach \$1 billion by the end of 2023.

Online Wills in the Education Sector

Pioneers in the Australian education sector stand to benefit by implementing online wills within a wider bequest strategy.

Australian education institutions have long benefited from legacy giving. Universities, in particular, are often recipients of generous bequests and most have dedicated advancement teams focussed on growing this revenue stream.

Their efforts are working. A study analysing 34 Australian and New Zealand universities found that 13% of all funds secured in 2021 were from realised bequests.

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The investigation, conducted by the Council for Advancement and Support of Education, also found that interest in legacy giving is on the rise. New bequest intentions, formally recognised by both the universities and pledgers, increased by 20% from 2020 to 2021.



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A missed opportunity

When seeking to secure pledges, attention is often focussed primarily on high-net-worth individuals who are likely to make contributions in the realm of six, seven or even eight figures.

On occasion, this does pay off. La Trobe University's autism research centre recently received a \$45 million bequest from former actress Olga Tennison. However, it's important to remember that the number of high-net-worth individuals is limited.

In other words, universities risk overlooking hundreds of thousands of potential donors, the everyday Australians with simpler, more modest estates, who also attended the university, worked on the faculty, or simply seek to support its initiatives.

Many of these individuals may not see the benefit of spending several hundred dollars on a lawyer-drafted will, but would be happy to pledge a legacy gift if they were given the chance.

vFree online wills provide a bridge to these individuals - and there are plenty of them. Around 50% of the adult Australian population is currently without a will.

Casting a wider net

Australia's two highest-ranked universities, the University of Melbourne and Monash University, both report a living alumni of over 430,000 individuals. The sheer size of their potential supporter base provides a phenomenal opportunity for fundraising.

If universities were able to engage their large alumni networks on the subject of bequests, they could significantly increase their overall income. While individual gifts are likely to be smaller compared to those of high-net-worth individuals, the overall value will be driven by the higher number of potential donors.

Using the average estate value of Australians, if just 1% of those alumni pledged 1% of their entire estate to the university they attended, Monash and the University of Melbourne could both expect to see an additional \$28 million in funding.

In reality, donation rates are typically much higher. Gathered Here's 2022 Gifts in Wills Report found that the average residuary gift was actually 14.7%. Schools and universities have an incredible opportunity on their hands.

Looking ahead

Internationally, this realisation is well underway. In the US, the use of online wills within the education sector is growing. It's not surprising, online wills began to gain widespread acceptance in the US around 2018 - well before Australia.

By 2019, online will provider FreeWill was recognised as one of the top 50 philanthropic initiatives of the year and by 2022, it had facilitated US\$6.6 billion in charitable pledges.

Australia has been quick to follow. A number of online will providers entered the

market in 2020 and online wills have steadily gained mainstream acceptance since. Even the Victorian State Government is getting on-board with State Trustees releasing an online will offering in 2021.

It's likely that the Australian education sector will follow a similar pattern. Early adopters and pioneers can look to the charity sector to implement learnings while also establishing a meaningful future revenue stream for their organisations.



The perfect time

The timing of increased interest in online wills is no coincidence. Both the US and Australia are moving towards a Great Wealth Transfer. As millions of baby boomers reach their twilight years, billions of dollars are set to be inherited by younger generations.



A report from the Productivity Commission estimates that, by 2050, Australian baby boomers will be passing on an estimated \$224 billion each year in wealth.

Currently, 2% of all inheritances are directed to charities and nonprofits. The rate of giving is expected to rise but, even if it were to remain stagnant, charities can expect to earn a share of around \$4.48 billion in bequests every year.

There's never been a better time for Australian education institutions to integrate online wills into their bequest strategy. If not now, when?

Data Analysis: Australia

Advancement professionals in the Australian education sector show an openness to online wills but most are yet to act.

Interest precedes action

As part of our research into the use of online wills in the education sector, we analysed the websites of 40 Australian universities and 20 secondary schools.

While most of these organisations had specific pages or information about

legacy giving, just three promoted an online will offering and included a link to a provider.

To find out exactly what was holding Australian schools and universities back, universities back, we created a simple survey

and sent it to advancement professionals within those 60 organisations.

Incredibly, 60% of respondents said the main reason they don't currently offer an online will is simply because they hadn't gotten around to it.



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Prioritising online wills

While it's easy to put innovative legacy fundraising initiatives on the backburner in favour of activities that generate immediate income, the sooner organisations establish these programs, the sooner their institution will see the benefit.

Interestingly, building a strong legacy pipeline can actually facilitate immediate benefits as well as more long-term revenue streams.

“When the donor puts a charity in the will, the donor is then treating the charity like family. That commitment naturally draws the donor closer to the cause and makes it more likely they will support the charity in other ways,” said planned giving expert Dr Russell James

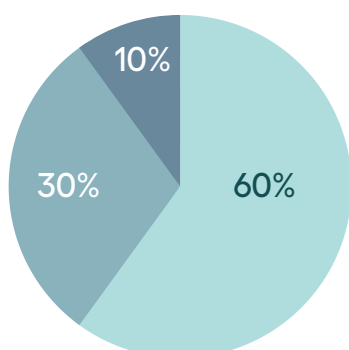
Dr James researched charitable giving immediately after a person included an organisation in

their will and found that they are more likely to give to that charity in following years.

The amount of this increase in annual giving is significant - slightly more than 100% in the two years following the gift and slightly less than 100% four years after the gift.

Increasing interest

When asked if they were interested in implementing an online will offering to supporters, 60% said they were interested and 30% said they were unsure.



- said they were interested
- said they were unsure
- believed their supporters wouldn't be interested

Just 10% said they had not offered an online will because they believed their supporters wouldn't be interested.

So why, then, do so few Australian education institutions offer an online will despite harbouring an interest? Responses to the survey offer some indication.

It takes time for our legal and risk management teams to review and provide advice before we can implement a partnership like this,” wrote one respondent.

However, assistance is available. Gathered Here's online will platform was built in consultation with estate-planning lawyers and our in-house legal team is the largest probate law firm in Australia.

We understand the legal intricacies of estate planning and we can help your organisation navigate the complexities. Armed with our deep industry knowledge, implementing an online will program can be surprisingly simple. A basic program could be established within an hour.

Data Analysis

United States



Data shows online will campaigns are performing well for organisations in the US education sector, but there's still room for improvement.

While the use of online wills is yet to take off in Australia, that's not the case internationally. In the US, educational institutions are embracing online wills as a means of securing the long-term success of their organisations - and it's working.

In its 2021 Planned Giving Report, US-based FreeWill acknowledged that organisations in the education sector were attracting notable pledges, yet still had significant room for growth.

When looking at the number of gifts pledged, the education sector had an index of 0.7, placing it higher than a number of other major charity sectors, including arts and culture (0.67), environmental (0.47), community and leadership (0.25), family and foster care (0.4), and general health (0.59).

The education sector also performed relatively well in terms of bequest value. The average gift value was \$19,569, giving it an index of 0.58. While this may seem modest, it once again sat above many other sectors that traditionally participate in online will programs, including arts and culture (0.43), community and leadership (0.16), family and foster care (0.16),

30%

to an estimated \$25,320

By 2022, FreeWill changed its method of reporting but it remains clear that the education sector is still benefiting from a plentiful supply of generous bequests.



The average gift value had increased by almost 30% to an estimated \$25,320. Across the entire year, educational non-profits working with FreeWill received an average of 30 gifts each, giving them each an estimated \$750,000 in pledged donations - per organisation.

30 gifts each

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The organisations participating in free online wills are also well-established, respected institutions. They include the University of Texas, Rutgers University and the University of Cincinnati - among many others.

There's no reason similar success can't be replicated in Australia. Many Australian universities have a similar size alumni network and providing a free online will offering could help them attract many more bequesters.

Case Study

Online wills drive \$1M+ in pledges for US college

Threatened by a decline in public funding, SUNY Brockport embraced online wills in an effort to secure the college's future.

To capitalise on the Great Wealth Transfer, SUNY Brockport partnered with FreeWill in October 2021. The partnership allowed SUNY supporters and alumni to create a free online will and made it much easier to pledge a gift to the college, if they felt inclined to do so.

Within just nine months, an estimated US\$1.17 million was pledged to the organisation.



9 months

US\$1.17

was pledged to the organisation

“We had donors who weren't on our radar previously, with little to no engagement, making \$100,000 gift commitments,” said Brad Schreiber, Assistant VP for Advancement at SUNY Brockport. The State University of New York (SUNY) Brockport is a selective public college in Western New York with around 7,000 enrolled students.

Established in 1835, SUNY Brockport is a much-loved part of the local community and has a long list of alumni.

However, with public funding gradually declining, the college feared future students might not be able to access the same education or environment that was available to their predecessors.

In response, SUNY Brockport decided it was time to strengthen its bequest program.

Much like Australia, the US is also on the brink of a Great Wealth Transfer. As millions of American baby boomers near the end of their life, an estimated \$70 trillion is due to be inherited by younger generations - or passed on to charities and nonprofits.

Expanding your bequest strategy

Ready to build online wills into your wider bequest program?
Gathered Here can help.

Integrating online wills into a bequest strategy doesn't have to be expensive or time consuming. Basic offerings can take less than an hour to establish and paths are available to suit organisations of every budget. Even if that budget is zero.

If you're ready to establish a fully-fledged digital bequest program, brilliant. We can help ideate a strategy, execute the campaign, and measure your success.

So far, we've helped Australians pledge over \$280 million to hundreds of worthy causes. We're also helping nonprofits gain meaningful insights into their

donors, track the estimated value of bequests, and analyse individual fundraising campaigns.

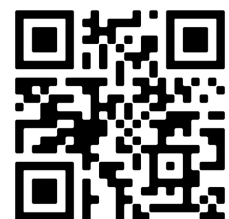
However, we're well aware that the Australian education sector is still in the very early stages of adopting online wills. So, we're ready to help with introductory strategies and preliminary testing.

No matter what your organisation looks like, we believe online wills can have a positive impact on future revenue streams and long-term success.

Get in touch to find out more.



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