

BASICS OF PLANNED GIVING

Leadership Webinar

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Christian Stewardship

Essential elements:

As Christians, we believe part of our response to God's love is to support the ministry of the Christian church.

- **Vision & Mission:** Tell your story
- **Policy & Structure:** Show that funds will be safe
- **Educate & Enlighten:** Respond to the Vision





Types of Gifts

- **Ordinary** - Annual Stewardship/Annual Giving
 - Funds contributed toward on-going daily ministry and operation of a congregation.
- **Extra-Ordinary** - Capital Campaign
 - Special funds raised for a specific need, typically for new or enhanced facilities.
- **Ultimate** - Planned Giving
 - Gifts to support the future ministry and security of a parish and its mission.

What are Planned Gifts?



Planned gifts are a variety of charitable giving methods that allow the donor to express his or her personal values by integrating charitable, family and financial goals.





Resources for Ministry

Ultimate - Planned Giving

The Minister of the Congregation is directed to instruct the people, from time to time, about the duty of Christian parents to make prudent provision for the well-being of their families, and of all persons to make wills, while they are in health, arranging for the disposal of their temporal goods, not neglecting, if they are able, to leave bequests for religious and charitable uses. (BCP pg. 445)

What is special about Planned Giving?



- Future focus
- Donor passion
- A planned gift raises the institution to the level of family in a person's estate plans
- Sensitivity to individual needs, estate planning and end of life issues
- Building trust & sustaining awareness





Questions so far?



Types of Planned Gifts

- Bequests given through Wills/Trusts/
Designated Allocations
 - 80% of Planned Gifts
- Life Income Gifts (LIG)
 - Pooled Income Funds (PIF)
 - Charitable Gift Annuities (CGA)
 - Charitable Remainder Trusts (CRUT/CRAT)
- Special Asset Gifts: 401(k) & Tax Deferred Accounts, Life Insurance, Real Estate, other appreciated property
- Charitable Lead Trusts





Bequests through Wills/ Estate Allocations

80% of all planned gifts are in the form of a bequest in a will/trust/designated allocation.

- Bequest types:
 - Specific Amount
 - Percentage
 - Specific Assets & Remainder
 - Contingency Bequest
- Bequest designations:
 - Restricted
 - Unrestricted



Life Income Gifts 101



Basic Characteristics of LIG's:

- Donor makes irrevocable gift
- Donor receives charitable deduction in the year of gift
- Donor receives income for life
- Remainder given to Parish





Life Income Gifts 101

Pooled Income Fund (PIF)

- Donor income varies based on fund performance
- Current yield 2.89%
- Minimum age: 50
- Minimum gift \$2500
- Donor may add gifts, \$1000 minimum
- No longer as popular



Life Income Gifts 101

Charitable Gift Annuity (CGA)

- Most popular LIG, nearly 90% of gifts
- Donor income guaranteed for life
- Income based on age at time of gift
 - Higher payout based on higher age
- Minimum age: 55
- Minimum gift \$5000
- Younger donors: Payments may be deferred!
- 10% of remainder to ECF to support program

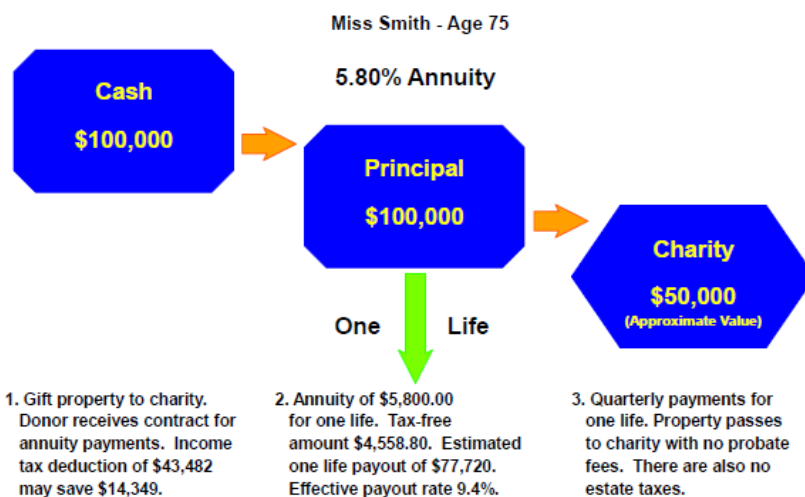
Life Income Gifts 101

Charitable Remainder Trusts

- Minimum gift \$100,000
- Minimum age: 50
- Payments set by trustee with donor input
 - Fixed Annuity (CRAT)
 - Variable based on performance (CRUT)
- ECF attorney can draft trust documents for donor attorney review
- Variety of options for appreciated assets



Charitable Gift Annuity

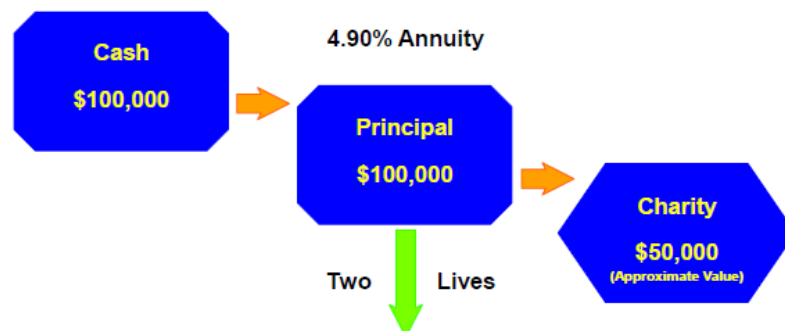


March 18, 2015

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Charitable Gift Annuity

Mr Smith - Age 75 Mrs Smith - Age 73



1. Gift property to charity. Donor receives contract for annuity payments. Income tax deduction of \$34,414 may save \$11,357.

2. Annuity of \$4,900.00 for two lives. Tax-free amount \$3,812.20. Estimated two lives payout of \$90,160. Effective payout rate 7.6%.

3. Quarterly payments for two lives. Property passes to charity with no probate fees. There are also no estate taxes, if married.

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Questions so far?

Promoting Planned Giving



For all levels of a PG program:

- Awareness
- Basic understanding of the “why’s” & “how’s” of planned giving
- Competition from other charities



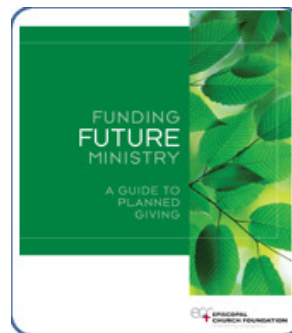
Identifying Donors

- Age
- Frequency of giving & longevity
- Cumulative gifts
- Other known planned gifts

PG Resources from ECF

Resources from ECF

- Funding Future Ministry
- Life Income Gift Illustrations
- Planned Giving Sponsored Website for Donors www.episcopalgifts.org
- NEW RESOURCE:
 - *Planned Giving on Demand*



What is *Planned Giving on Demand*??

- **A toolkit that empowers leaders!**
- **Learn at your own pace**
- **Everything you need in one place**
- **Consider joining ECF new national network of PG Shepherds**





Your PG Ministry

“For Keeps”

- Keep people informed
- Keep track and respond to inquiries
- Keep saying “Thank You” !



Questions?



Starting PG in your parish

- Every Parish can have a Program
- Start where you are now
- Seek to move to the next level with the help of the Episcopal Church Foundation



Starting PG in your parish

Level 1: Getting Started

- **Appoint a PG Shepherd**
- Start talking about Planned Giving
- Get brochures and other resources
www.episcopalchurchfoundation.org/resource-library



Starting PG in your parish



Level 2: Becoming Pro-Active

- Seek out additional Planned Giving volunteers
- Use webinars to teach volunteers and donors
- Create/Review Endowment & Gift Acceptance Policies

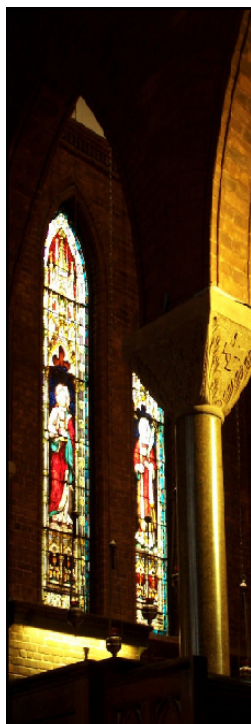


Starting PG in your parish

Level 3: Maintaining Contact

- Publicize Endowment & Gift Acceptance Policies
- Make people aware of planned giving options by sharing ECF materials, websites, webinar recordings
- Consider testimonials at Annual Meeting or other appropriate times
- Send a letter to possible PG Donors





Starting PG in your parish

Level 4: Creating an On-going Program

- Form a PG Committee for consistent follow up and brainstorming
- Plan the next 12 months
- Plan Estate Planning/End of Life Event



Forming a PG Committee

Members should:

- Have made a planned gift
- Be good listeners
- Be good stewards of donor's interests
- Have realistic expectations





Building PG in your parish

Level 5: Legacy Society Stage

- Expand the number of volunteers and share leadership
- Establish Membership Criteria & consider the “Founding Members” – Be as inclusive as possible –
- Plan the next 12 months and an inaugural event
- Remember to follow up!!

Legacy Societies

Why have a legacy society?

- Raise awareness of planned giving options
- Opportunity for witness
- Provide a system for acknowledgements
- Stay connected with donors, an opportunity for Ministry!





Legacy Societies



Creating a Legacy Society

- Establish a Name/Theme & Create promotional brochure
- Establish Membership Criteria & Consider the “Founding Members”
- Create Enrollment & Acknowledgement plan
- Hold annual “Thank You” event

Recorded Webinars to Empower your Leaders

- Basics of Planned Giving for Parish Leaders
- Basics of Endowment Management for Parish Leaders
- Prospective Donors of Planned Gifts
- Basics of a Capital Campaign
- Annual Stewardship
- Vestry Leadership 101

For links to recordings visit: www.ecfvp.org



Upcoming Free Live Webinars

***Check our website, under
Events, for more info.***



At your service

**ECF always available to assist at
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