



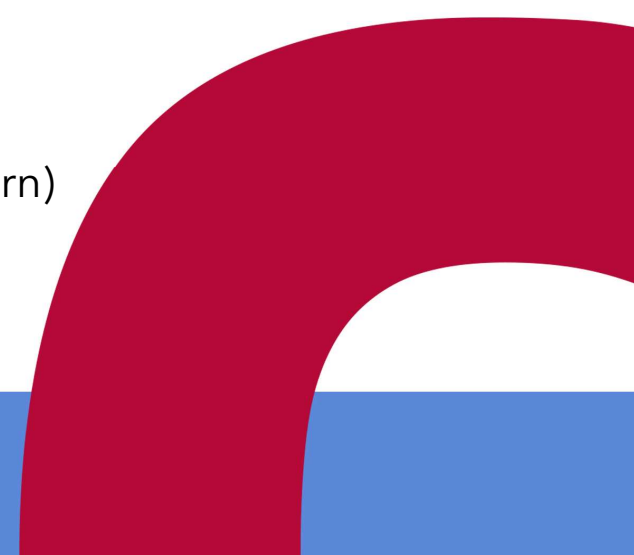
Giving Beyond Cash Encouraging Creative Gift Making with Complex Assets

Greg Rousos, Presbyterian Foundation

James W. Murphy, ECF

Bryan Clontz, Charitable Solutions

September 20, 2023 - 12:00-1:00pm (Eastern)



Our Agenda Today

12:00 - Introductions

12:05 - Overview of Donor-Advised Funds & our programs

12:10 - Moving beyond cash gifts and new strategies

12:15 - **Beyond Cash: Creative Giving Ideas**

12:50 - Questions and comments

1:00 - Farewell

Episcopal Church Foundation (ECF)?

Overview:

- Independent and lay-led foundation
- ECF's mission is to strengthen the **leadership** and **financial** capabilities of Episcopal congregations, dioceses, and other institutions
- ECF carries out this mission through a wide array of programs including...

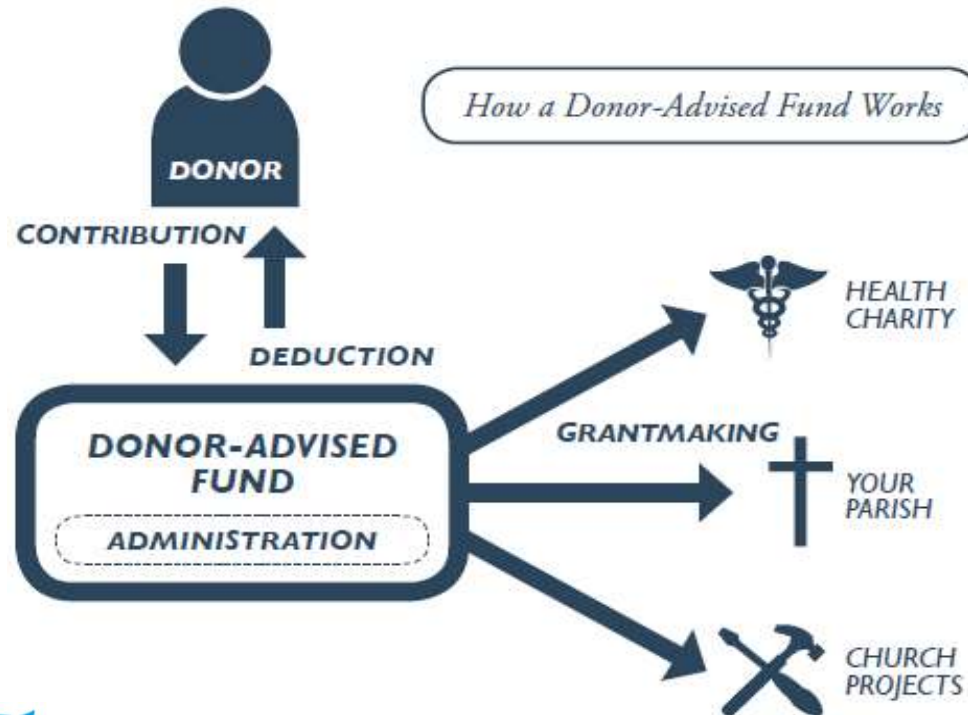
Leadership Resources

- ECF Vital Practices (ecfvp.org)
- Vestry Resource Guide
- Finance Resource Guide
- Fellowship Partners Program
- Educational Events

Financial Resources

- ECF360.org (Fundraising website)
- Planned Giving
- Donor-Advised Fund
- Endowment Management

What is a donor-advised fund?



What is special about a DAF?

- Anyone, even non-members, can create one
- Minimum donation of \$2500.
- Make as many grants as you want for \$100 or more each.
- 24 hours/7 days a week access to dedicated on-line portal
- Numerous investment options available
- You can make grants to any qualified charity





A vital part of the Presbyterian Church (U.S.A.), the Presbyterian Foundation cultivates, attracts, and manages financial resources of individuals and institutions to further Christ's mission.

The Presbyterian Foundation interacts with many in the PC(USA) through our field staff of Ministry Relations Officers and through our embedded trust company, New Covenant Trust Company.

Both organizations work to support churches and ministries, and to help individuals realize their charitable dreams. This includes what we're talking about today, which is working with donors who may have gifts that are not cash. We can help with that.

Additionally, we have received grants from the Lilly Endowment to develop programming and resources centered around church financial literacy and leadership for pastors. This includes coaching, online resources, and technology grants.

All of this work is aimed at helping PC(USA) congregations be financially healthy and stable.

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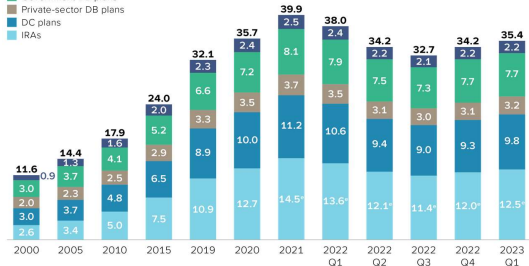
RDS0 We need a general slide about the Foundation. Do we have one?
Robyn Davis Sekula, 2023-09-12T12:56:36.667

- Congregations/parishes are very good at income-based giving:
 - Collection plate
 - Online giving
- We are good at receiving small gifts (income-based giving)
- However, the church is challenged at receiving major gifts; gifts from accumulated wealth
- Our members make major gifts, but those major gifts typically are to other charities and not to the church
- How do we help those in our parish or congregation consider giving from their wealth to make major gifts to the church?

US Total Retirement Market Assets

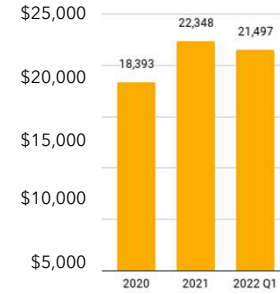
Trillions of dollars, end-of-period, selected periods

- Annuity reserves
- Government DB plans
- Private-sector DB plans
- DC plans
- IRAs



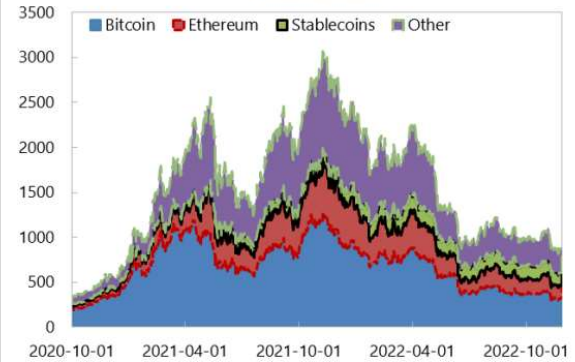
^o Data are estimated.
 Note: For definitions of plan categories, see Table 1 in 'The US Retirement Market, First Quarter 2023.' Components may not add to the total because of rounding.
 Sources: Investment Company Institute, Federal Reserve Board, Department of Labor, National Association of Government Defined Contribution Administrators, American Council of Life Insurers, and Internal Revenue Service Statistics of Income Division

Total Assets Managed in Brokerage Accounts at end of period



USD in billion

Figure 1. Crypto-Asset Market Capitalization
(In USD billions)

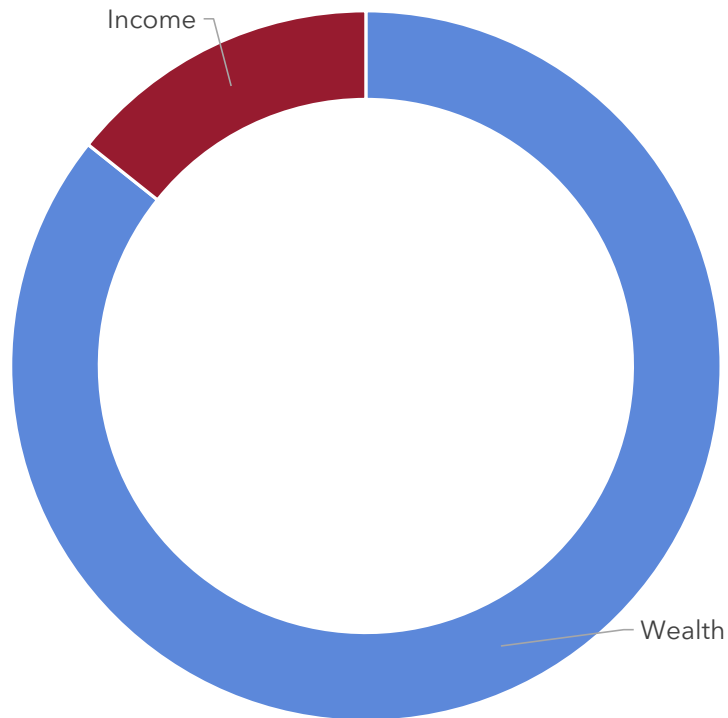


Source: Coingecko, and IMF Staff Calculation

\$840 billion

TABLE 1: DONOR-ADVISED FUND METRIC OVERVIEW (\$ BILLIONS EXCEPT AS NOTED)

	2020	2021	Change
Charitable Assets	\$167.81	\$234.06	39.5%
Total Grants	\$35.68	\$45.74	28.2%
Total Contributions	\$49.58	\$72.67	46.6%
Payout Rate*	24.2%	27.3%	12.7%
Average DAF Size	\$167,748	\$182,842	9.0%
Number of DAF Accounts	1,007,745	1,285,801	27.6%

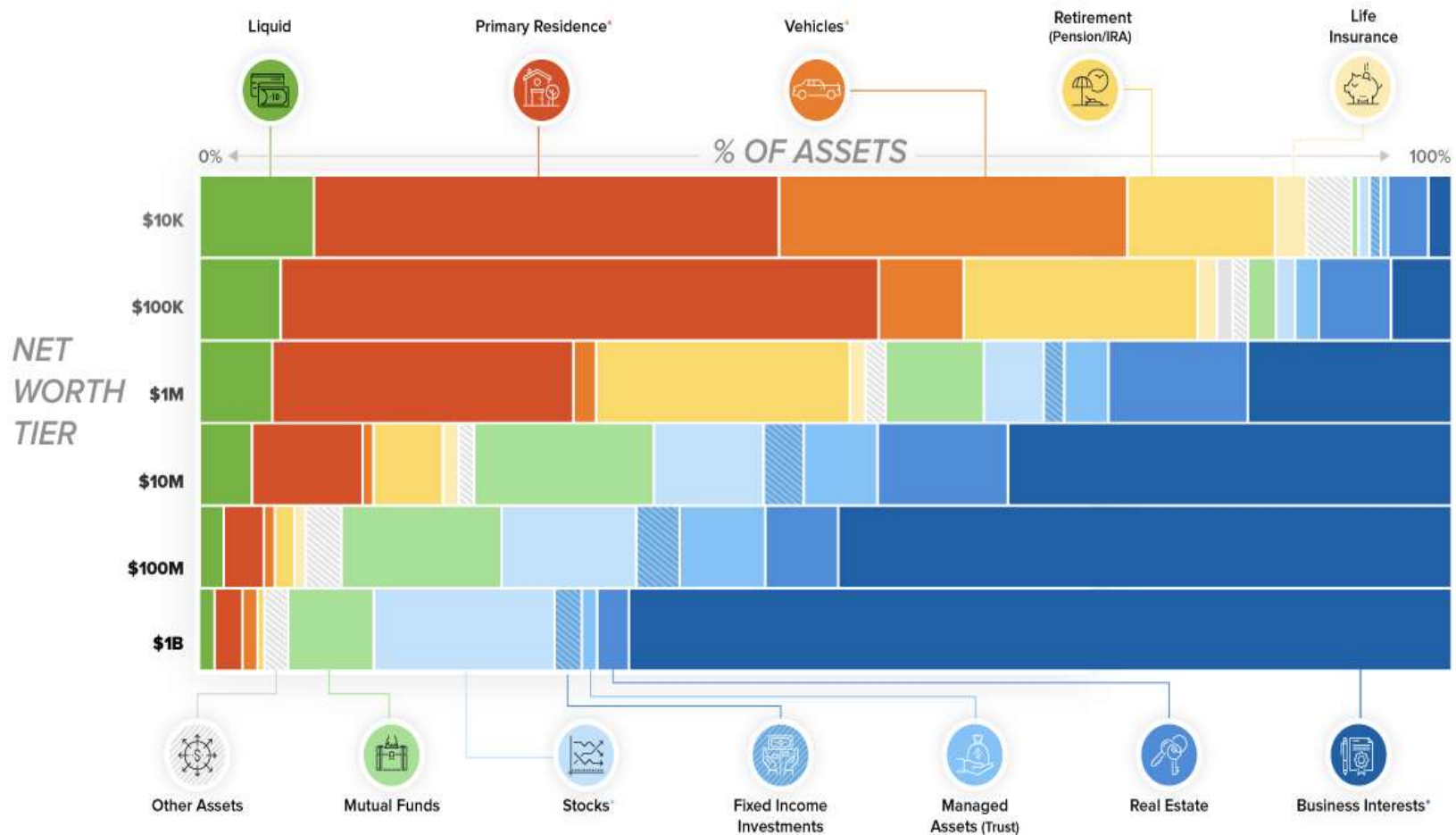


Giving from Wealth results in a sixfold increase in giving

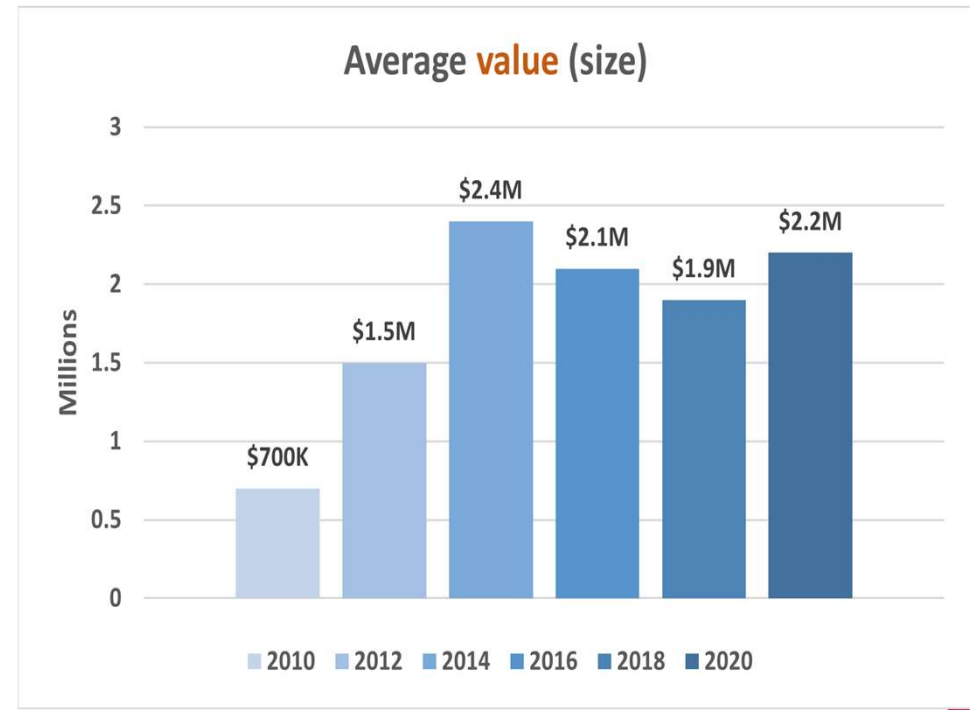
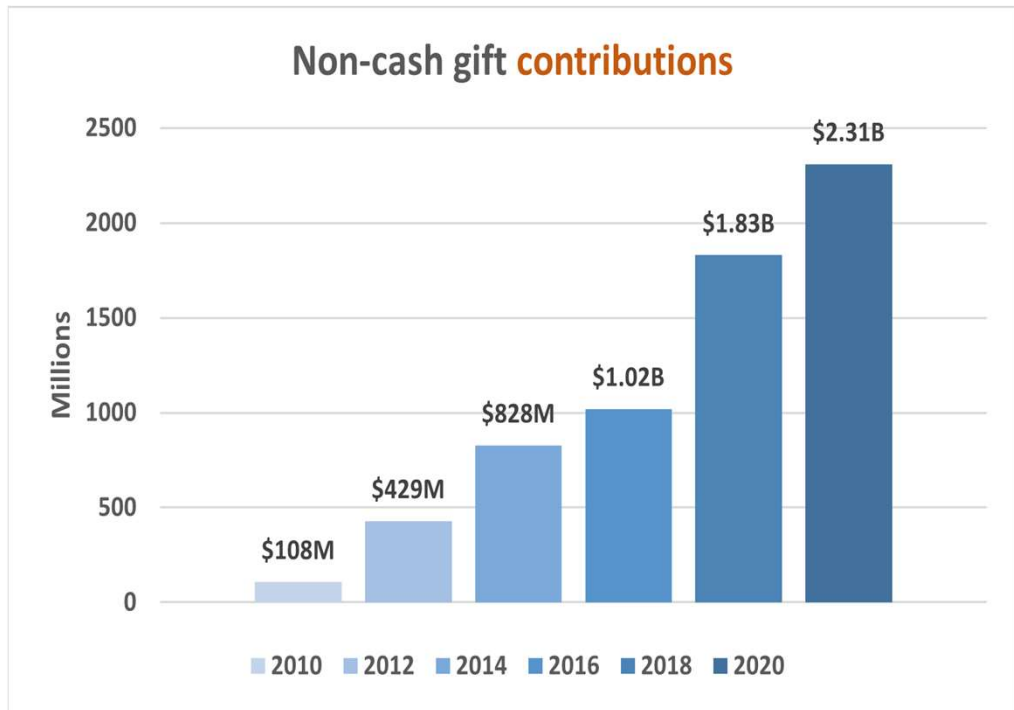
Objective

Encourage smarter ways to give:

Noncash Assets!



Exponential Growth of Noncash Gifts to Only Three Charities



Dechomai ^{RDSO} Noncash Assets in 2021

<u>Type</u>	<u>Sub-Type</u>	<u>Number</u>	<u>Amount</u>
Total Donations		261	\$ 1,177,317,142
Real Estate		61	\$ 42,663,620
Business Interests		151	\$ 1,081,864,728
	<i>C-Corp</i>	49	\$ 506,194,583
	<i>S-Corp</i>	14	\$ 55,780,695
	<i>LLC/LTD/LP/ GP</i>	89	\$ 519,889,450
Cryptocurrency		37	\$ 28,142,376
Cash		7	\$ 3,430,548
Other (Foreign Stock, Life Insurance, Public Benefit Corporation)		4	\$ 21,215,870

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RDS0

Not a familiar term

Robyn Davis Sekula, 2023-09-12T12:54:54.318

Dechomai Noncash Assets in 2022

<u>Type</u>	<u>Sub-Type</u>	<u>Number</u>	<u>Amount</u>
Total Donations		154	\$ 560,572,932
Real Estate		48	\$ 45,424,123
Business Interests		91	\$ 496,831,540
	<i>C-Corp</i>	29	\$ 111,956,123
	<i>S-Corp</i>	9	\$ 26,835,490
	<i>LLC/LTD/LP/</i>	49	
	<i>Other</i>	4 RDS0	\$ 7,167,280
Cryptocurrency		6	\$ 7,013,643
Cash		3	\$ 3,655,000
Other (Foreign Stock, Life Insurance, Public Benefit Corporation)		6	\$ 7,648,626

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RDS0 On the LLC/LTD/LP line, there is a number, 49 but no dollar amount. I'm not sure if that should be that way or if something is misaligned.

Robyn Davis Sekula, 2023-09-12T12:54:40.341

Non-Cash Asset Types

- **Real Estate**
 - Residential vs. Commercial, Encumbered vs. Unencumbered, Partial vs. Entire Interests
- **Privately-Held Interests**
 - C-Corp and S-Corp Stock, Limited Partnerships or LLCs
- **Restricted Stock**
- **Tangible Personal Property - Art/Collectibles (New PPA Rules)**
- **Weird Stuff**
 - Quarterhorse, Seat on New York Mercantile Exchange, Gold Bullion, Euro-Denominated Bond, Beach House in Mexican Land Trust, Paris Condo, UPREIT Partnership Units, Patents, Timber Deeds, Clay Mineral Rights, Book Royalties, Oil & Gas Interests, Hedge Fund Carried Interest, NFL Team, Pile of Dirt, Historic Papers, and finally, Dead Animals

Reactive vs. Proactive Bird-Dog Training

- Cash **BAD** - Everything else **GOOD!**
- **Donor advised funds are especially attractive for multiple grants—only one acknowledgment letter/appraisal needed**
- **Capital gain property receives a fair market value deduction AND an elimination of capital gains tax if donated to a public charity**
- **Pre-sale business, real estate prospects conversations:**
 1. What is the legal asset?
 2. What is the approximate value?
 3. What is the likely exit/liquidity plan?
 4. Is there any debt or other issues with the asset?

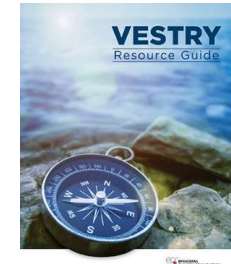
Questions?

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Other Resources from ECF

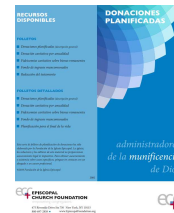
For Parish Leaders:

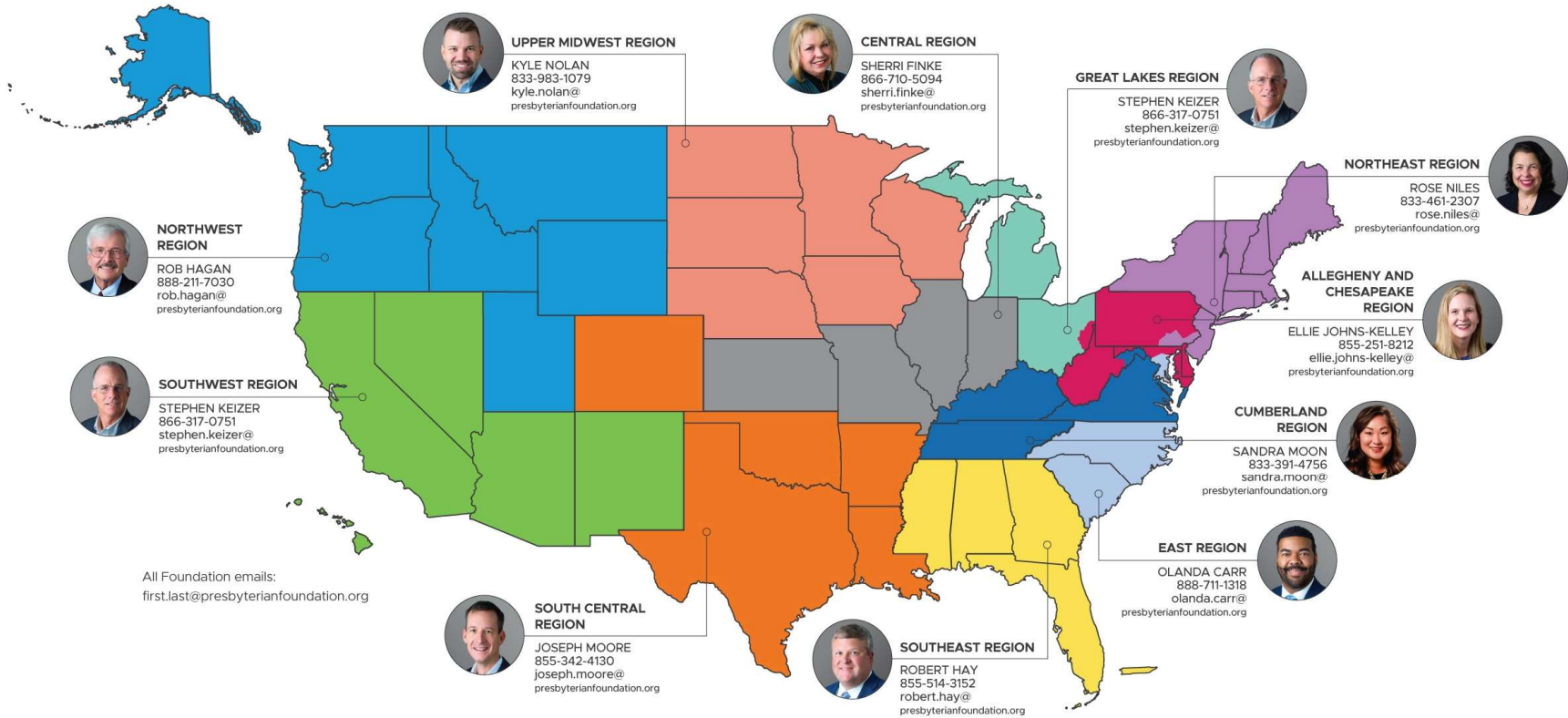
- *Vestry Resource Guide*
- *Finance Resource Guide*
- Endowment & Gift Acceptance Policies
- Investment of Permanent Assets
- ***Planned Giving on Demand***
- Funding Future Ministry
- Leadership Resource site: www.ecfvp.org



For Parish Members & Donors

- Donor Advised Fund (DAF)
- Life Income Gifts
- PG Booklets & Brochures
- Planned Giving Sponsored Website for Donors www.episcopalgifts.org
- Webinars for Adult Forums





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RDS0 Do we have a slide of the MRO map, or can we make one?
Robyn Davis Sekula, 2023-09-12T12:56:17.151

At your service

ECF always available to assist Planned Giving, Donor Solutions & Stewardship Services

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ECFVital Practices: www.ecfvp.org

General Inquiries

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