Planned Giving – *What is it?*

**ANNUAL GIVING**

- Home: 47%
- 2nd Home: 13%
- Furniture: 5%
- Checking: 1%
- Savings: 2%
- Investments: 3%
- IRA: 26%
- Cars: 3%

Planned Giving

- Trends & Competitive Advantage
- Ground Work
- Action
  - Basic
  - Expansive
  - Advanced
- Top 5 Lists
  - Best Practices
  - Challenges

www.PresbyterianEndowment.org
(1) Increasing Competition for Charitable Dollars

(2) Our tactics are the same as when there was no competition and when we were younger and simpler
<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRESBYTERIAN</td>
<td># Churches</td>
<td>10,904</td>
<td>10,821</td>
<td>10,752</td>
</tr>
<tr>
<td>BEQUESTS</td>
<td># Churches Receiving</td>
<td>2,765</td>
<td>2,665</td>
<td>2,537</td>
</tr>
<tr>
<td></td>
<td>% Churches Receiving</td>
<td>25.4%</td>
<td>24.6%</td>
<td>23.6%</td>
</tr>
<tr>
<td></td>
<td>Total Value of</td>
<td>$163M</td>
<td>$129M</td>
<td>$136M</td>
</tr>
<tr>
<td>AVERAGE</td>
<td>Charitable Bequest</td>
<td>Mid-$30k</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bequest for all PCUSA Churches</td>
<td>$15k</td>
<td>$12k</td>
<td>$12.7k</td>
</tr>
<tr>
<td></td>
<td>Bequest for those PCUSA Churches reporting any bequest</td>
<td>$59k</td>
<td>$49k</td>
<td>$54k</td>
</tr>
<tr>
<td>BEQUEST AS % OF CHARITABLE GIVING</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Profit Industry</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>PCUSA</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Planned Giving Department</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>

www.PresbyterianEndowment.org
NON-PROFIT Growth 2000 through 2009

10 years = 33% increase

# 501(c)(3)

www.PresbyterianEndowment.org
Planned Giving

In 2010 bequests to charities totaled $23,800,000,000.

This has caught the attention of major charities, and they have allocated significant resources to pursuing planned gifts.

Those charities are run like a business:

They’ve hired staff, assigned goals, developed enormous marketing budgets, implemented sophisticated tools and brought in vast sums of money.

www.PresbyterianEndowment.org
LARGE NON-PROFIT

Staff

• Dozens. Even 100+
• Full Time
• Professional (CFRE)
• Goals (Contacts and $)
• Support: Marketing & Admin

Large Budget

CHURCH

Staff

• No staff
• Volunteer
• Minimal experience
• None
• None

Budget = small

www.PresbyterianEndowment.org
Competitive Advantage
Use it

Large Non-Profits would trade almost any tool in their belt for ONE THING you have...

Having our audience meet within our walls every week.

www.PresbyterianEndowment.org
Having our audience meet within our walls every week. … for their lifetime

Regular givers

Regular volunteers Favorably Inclined

Participate(d) in leadership VERY Inclined

Spend life’s most important moments here Slam Dunk

Proclivity to Give
Competitive Advantage: Church

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Groundwork Decisions?

Endowment or Reserve: Where do planned gifts Go?

Distributions: How will funds be used?

Committee and structure

Policies

Legacy Circle

www.PresbyterianEndowment.org
Planned Giving Program

Basic  Expansive  Advanced

www.PresbyterianEndowment.org
CAST A WIDE NET

- General
- Un-targeted
- Small bites
- Varied Media
- Constant, Year-Round
- Low Hum
- Effort: Relatively Low

www.PresbyterianEndowment.org
Basics

Content

• Inspirational
• Estate Planning
• Gratitude
• Personal (Testimonials)
• Recognize Past Gifts
• Acknowledge What Gifts Have Done

www.PresbyterianEndowment.org
Basics

Plan Each Year

12 Blurbs
4 Articles
2 Announcements
1 Legacy Sunday

www.PresbyterianEndowment.org
A will represents a person’s final wishes and intentions. After providing for your loved ones, please consider one final testament of faith through a bequest in your Will or living trust that provides enduring support for our vital work. For many of us, this will be the most significant gift we will make – our gift of a lifetime.
Jean went home to be with the Lord on August 27, 2002, at age 82. She never married, but had two cousins who lived in Missouri, so most folks who knew Jean said she had no close family. I’ve thought about that phrase – “no close family”. The more I’ve thought about it, the more strongly I feel that Jean Smith had more close family than most of us will ever have. And most of her close family was centered at her beloved church. Yes, Jean remembered her family – her church family – in her will. You and I were part of Jean’s family.
We met here, we were married here, our kids were baptized here. In a place where everything changes so fast, this church has been our constant, our foundation.

Thank you, our church family, for being there for us, carrying us through some of our hardest times and greatest moments. We want to be there for you too, so we wanted you to know that you are a part of our estate plans.

www.PresbyterianEndowment.org
Basics Legacy Sunday

- **Sermon**

- **Seminar** – on Estate Planning and/or leaving a Christian Legacy

www.PresbyterianEndowment.org
Information
Library
Planned Giving
Web Pages
Communications
Plan
Education Materials
Brochure/Article
Templates

#3 Know All Available Tools

www.PresbyterianEndowment.org
Membership Includes
A Library
Of great materials

Primary Categories:
1) Development
2) Governance
3) Distributions
4) Investments
A Message from the Pastor

All of us are indebted to the past, to those who precede us. We drink from wells we have not dug. We enjoy liberties we have not won. We share faith whose foundations we have not laid.

At the same time, we are seeds of the future, for those who succeed us. We dream and envision and see visions in motion. The fruition of our decisions will be known only to others whom we will not meet. We are called to act and in faith walk with those who have gone before us and so offer the best that we have to give to those who will follow.

Donor Stories

Jean Smith Remembers Us in Her Will

I don't know Jean Smith, but I wish that I had. From what her friends have told me about her, she sounds a lot like my high school English teacher...

Read more...

Legacy Giving is...

STEWARDSHIP

God calls us to make wise and faithful choices about the use and disposition of our property. By planning our future gifts now, we are gradually responding to the blessings in our lives, reflecting our faith that we will continue to recognize God's generosity. Legacy gifts create a vision of abundance for the church of the future, empowering its mission to continue long after we are gone.

STRATEGY

Legacy giving enables you to make a meaningful gift while potentially enhancing your current financial well-being.
<table>
<thead>
<tr>
<th>Gift Type</th>
<th>Summary</th>
<th>Goals</th>
<th>Minimum Dollars</th>
<th>Difficulty</th>
<th>Next Step</th>
</tr>
</thead>
</table>
| Charitable Gift Annuity| An irrevocable gift of cash or securities where you receive a predictable fixed income for life. At termination, the church receives the residual value of the annuity. Rates: Single Life / Two Lives | - Significant support for church  
- Predictable Income  
- Simple contract; no donor fee  
- Immediate income deduction for a portion of the gift  
- Income treated as part ordinary income, part capital gains income (15%), part tax-free | $10,000          | Easy to Moderate | Go to Presbyterian Foundation's Gift Calculator  
Consult with:  
- Charitable Gift Planner  
- Professional Advisors |
| Charitable Remainder Trust | An irrevocable gift of assets into a charitable trust that provides you a fixed (Annuity Trust) or variable (Unitrust) income for life or a set term. At the trust’s termination, the trust assets become a generous gift to your church. At termination, the church receives the residual value of the annuity. | - Significant support for church  
- Potentially increase income  
- Charitable income tax deduction for a portion of the value of the gift  
- Diversify source(s) of income  
- Reduce estate size (and tax) | $200,000 (varies) | Complex Wks-Months | Go to Presbyterian Foundation's Gift Calculator  
Consult with:  
- Charitable Gift Planner  
- Professional Advisors |
Charitable gift annuity: how it works

1. **You make a gift**
   - Complete a simple standardized contract
   - Make an irrevocable gift by transferring cash or appreciated securities to the gift annuity administrator (NOT the church)

2. **You get a fixed income & potential tax benefits**
   - You receive:
     A) a fixed income for life. Income rate determined by the number of annuitants (1 or 2) and their age(s).

3. **Your Church receives the remainder**
   - After your lifetime the remaining amount of the annuity is distributed in a lump sum to your church.
   - The church’s use of these funds can be restricted or unrestricted.
Expansive

More than the minimum

www.PresbyterianEndowment.org
Establish a Planned Giving Committee

Focus should be on inspiration and message, Not policies and investments

www.PresbyterianEndowment.org
Expansive Case Statement

Elevator Speech.
Define your purpose.
Share it with the congregation.
Share it again. Do it again. Again.

www.PresbyterianEndowment.org
KNOW YOUR MESSAGE
KEEP IT SIMPLE

- Women control 80% or more of household spending
- Women own over 60% of assets in America
- GI and silent generations passing in large numbers, more being controlled by women
- Wealth to surviving spouse:
  - Persons of average means out of necessity
  - Persons of wealth because of unlimited estate tax marital deduction
- 70%+ of bequests come from the estate of women
I am today's link in our Christian chain that stretches from where we have been to where we are going.

Faith, Family, Future

We are all indebted to the past, to those who precede us.....

Planting seeds for the future.

The promise is to you, our children and all those far off whom we will not know.
All of us are indebted to the past, to those who preceded us. We drink from wells we have not dug. We enjoy liberties we have not won. We share faith whose foundations we have not laid.

At the same time, we are seeds of the future, for those who succeed us. We dream and envision and set things in motion. The fruition of our decisions will be known only to others whom we will not meet. We are called to partner in faith with those who have gone before us and to offer the best that we have to give to those who will follow.

NEXT STEPS

IF YOU HAVE MADE A GIFT:
THANK YOU!
Please complete the enclosed response card and share it with us so that we may thank you properly.

IF YOU ARE STILL EXPLORING:
- Visit our Planned Giving link

Thank you for considering a Planned Gift.
Planting Seeds for the Future

Name(s): ____________________________________________

Address: __________________________________________ State ___________ Zip ___________

City: _____________________________ E-mail: __________________________

Phone: __________________________

We/I would like to:  
☐ LEARN MORE about how to plan a gift.
☐ INFORM THE CHURCH of our/my gift (identified on the reverse side).
☐ GET DETAILS on joining the ________

or

To tell the church about the gift

www.PresbyterianEndowment.org
Expansive Annual Report

Great tool for:

Transparency
Sharing the great things the gifts have accomplished
Demonstrating the Church handles gifts well

www.PresbyterianEndowment.org
Advanced

Leading edge

www.PresbyterianEndowment.org
Staff Buy-In

- Thank you!
- You’ve really improved my life!
- So this is covered? So I owe you (practically) nothing!
- I feel like I owe you something!

Patient

- You are welcome!
- We are so glad to help and that we made a difference.
- Yes, you are covered.
- You don’t owe us a thing.

Scheduler

- But you sound interested – you certainly can do something.
- Here is information on charitable giving. You can make what you’ve received available to those who don’t have it and cannot pay. Or, you can help with research so our resources are even better in the future.

Scheduler

www.PresbyterianEndowment.org
Advanced

Equip Staff with:

1) Simple responses for a grateful giver … as well as for the reluctant giver
2) Literature immediately for inquirers
3) Where the member can turn for information

www.PresbyterianEndowment.org
• I would love to give.
• But I don’t have those kinds of resources.

Staff
• I understand. Especially these days.
• You may be surprised at some of the creative ways... Most cases you give up nothing now.

Member

www.PresbyterianEndowment.org
• This church is always looking for new ways to get money.

• I hear you. It sure feels that way sometimes.

• This effort is really about much more than money – about leaving a Christian legacy. Money is just one way to...
Advanced Web Presence

Anything important to the whole congregation is on your website

Members can research without pressure

The message is constantly present

www.PresbyterianEndowment.org
Legacy Circle

Is a giving circle appropriate?

What is a giving circle is…

What are the benefits?

Are there drawbacks?

www.PresbyterianEndowment.org
Top 5 Challenges (& Remedies)

# 5 - Loss of momentum (12 months in)

# 4 - Technique-focused (instead of inspirational)

# 3 - All committee activities = endowment management

# 2 - Distrust of endowment

# 1 - Pastor disinterest

www.PresbyterianEndowment.org
TOP 5 COMMON PRACTICES
Of top bequest-receiving Churches

# 5 – Case Statement

# 4 – Planned Giving Committee

# 3 – Multi-Year Effort

# 2 – Regular Congregational Communications

# 1 - Pastor support and involvement