



Making a Planned Gift to Benefit Your Congregation/Episcopal Institution

Webinar for donors

Jim Murphy, Managing Program Director

June 18, 2013



Episcopal Church Foundation



Empowering Congregations!



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.





Types of Gifts

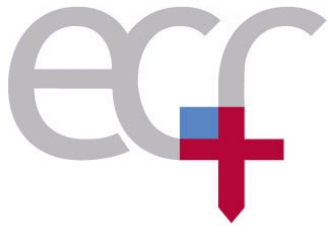
- **Ordinary** - Annual Stewardship/Annual Giving
 - Funds contributed toward on-going daily ministry and operation of a congregation or institution.
- **Extra-Ordinary** - Capital Campaign
 - Special funds raised for a specific need, typically for new or enhanced facilities.
- **Ultimate** - Planned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

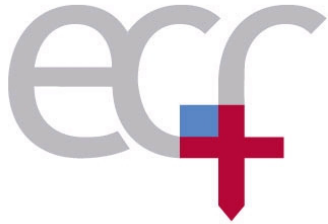




Resources for Ministry

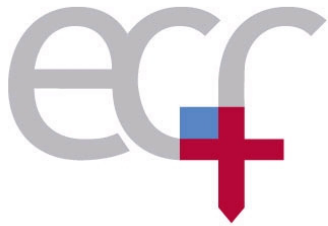
Ultimate - Planned Giving

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)



Types of Planned Gifts

- Bequests given through wills
 - (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



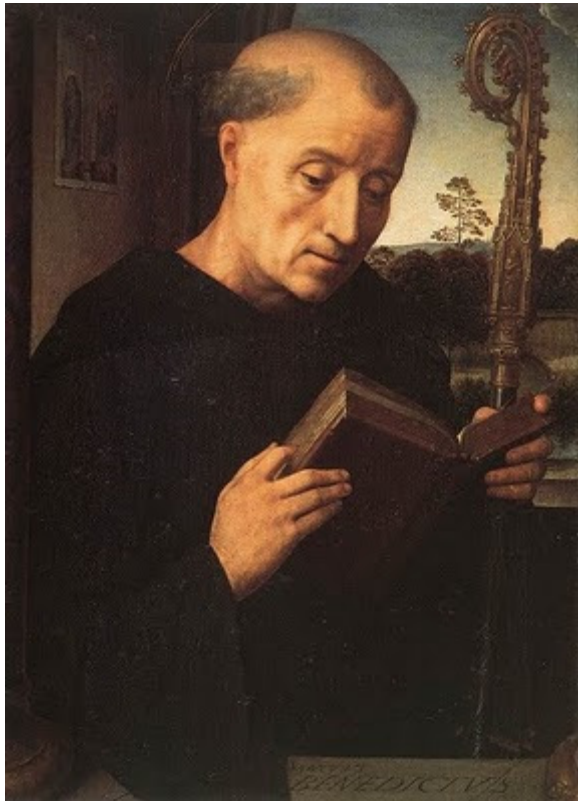
Bequests through Wills

80% of all planned gifts are in the form of a bequest in a will.

- 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 or institution



Life Income Gifts 101

Pooled Income Fund (PIF)

- Donor income varies based on fund performance
- Current yield 3.26%
- 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

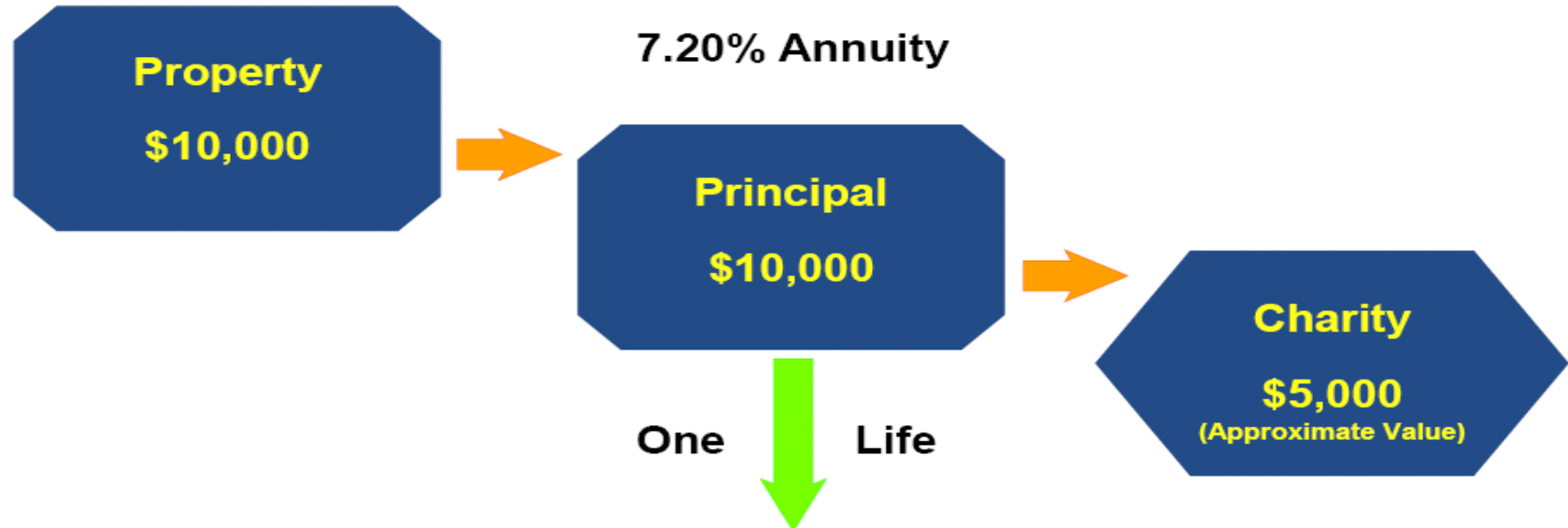
- Minimum gift \$100,000
- Minimum age: 50
- Payments set by trustee with donor input
 - Fixed Annuity (CRAT)
 - Variable based on performance (CRUT)
- ECF attorney can draft trust documents for donor attorney review
- Variety of options for appreciated assets



Charitable Gift Annuity

Miss Smith - Age 80

7.20% Annuity



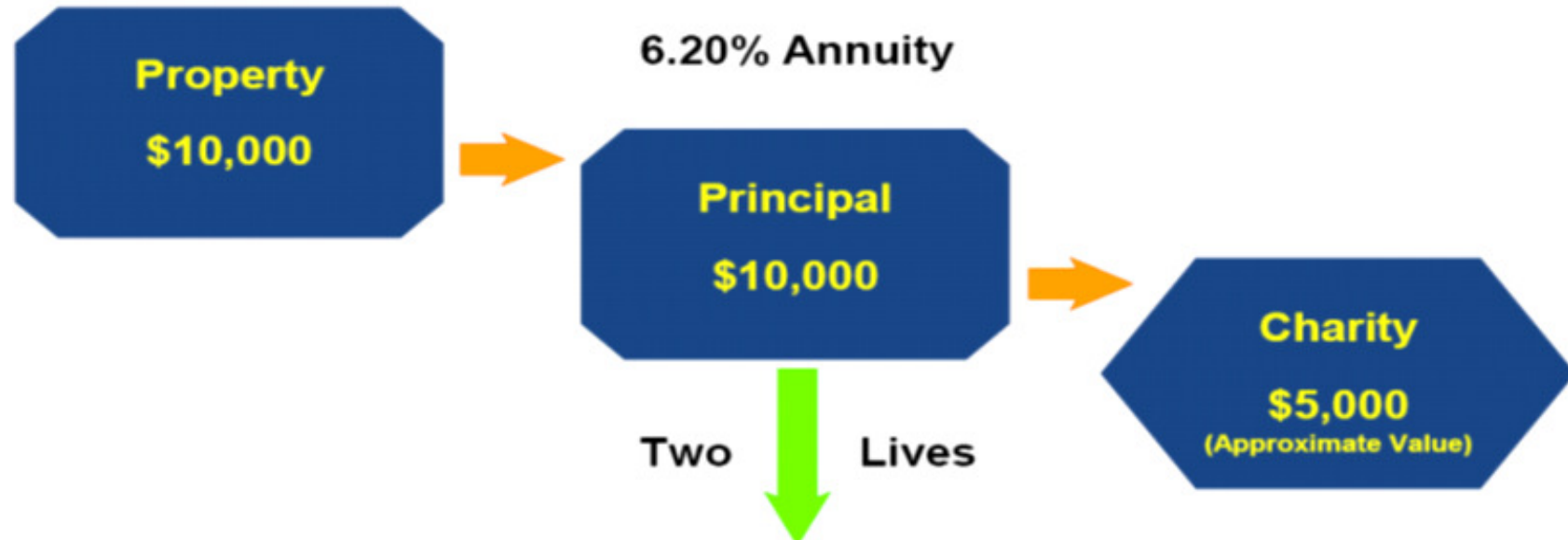
1. Gift property to charity. Donor receives contract for annuity payments. Income tax deduction of \$4,728 may save \$1,560.

2. Annuity of \$720.00 for one life. Tax-free amount \$560.88. Estimated one life payout of \$7,344. Effective payout rate 11.8%.

3. Quarterly payments for one life. Property passes to charity with no probate fees. There are also no estate taxes.

Charitable Gift Annuity

Mr Smith - Age 77 Mrs Smith - Age 82



1. Gift property to charity. Donor receives contract for annuity payments. Income tax deduction of \$3,671 may save \$1,211.

2. Annuity of \$620.00 for two lives. Tax-free amount \$476.16. Estimated two lives payout of \$8,928. Effective payout rate 9.7%.

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



At your service

ECF always available to assist
at (800) 697-2858

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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

Contact Jim at jmurphy@episcopalfoundation.org for links to recordings.



Upcoming Free Live Webinars

- **Successful Legacy Societies**
 - July 10, 2013 – 4:00 PM – 5:00 PM Eastern Time
- **Basics of a Capital Campaign**
 - August 21, 2013 – 7:00 PM – 8:00 PM Eastern Time
 - October 2, 2013 - 7:00 PM – 8:00 PM Eastern Time
- **Stewardship for the New Millennium**
 - September 10, 2013 – 7:00 PM – 8:00 PM Eastern Time
- **Basics of Parish Finance**
 - October 8, 2013 – 7:00 PM – 8:00 PM Eastern Time
- **Basics of Endowments**
 - October 29, 2013 – 7:00 PM – 8:00 PM Eastern Time

Check our website, under Events, for more info.





Questions?