



A More Excellent Way

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United Church of Christ

Living the Love & Justice of Jesus



www.sneucc.org/stewardship

+ A More Excellent Way

- Faith foundations: Moving from transactional giving to transformational giving.
- Inspiring generosity: Moving from “Pay the bills” to “Live the vision.”
- Best practices from the non-profit world. Understanding why people give and making your case.
- **Building a planned giving ministry in four “easy” steps**



+ Sutton's Law



- Income
- Savings/Assets
- Estate
- Annual Pledge
- Major Gifts/Capital Campaigns
- Planned Giving

+ Planned Giving Ministry



■ Why Ministry?

- Goal is not to get people to give more money
- Goal is to help people to a more faithful place regarding their distribution of assets when the die
- Conversion or transformation are ongoing processes that strengthen faith
- Faith is not believing, it is behaving
- Generosity is one of the fruits of the spirit

+ Why Consider a Planned Gift?

- Same reasons you give now!
- Endow your pledge
- Dream Job: Philanthropist!



+ Why Consider a Planned Gift?

- Leave a Legacy
- What impact will your life have on the world?
- Add meaning and satisfaction to your life
- Redemption for missed opportunities



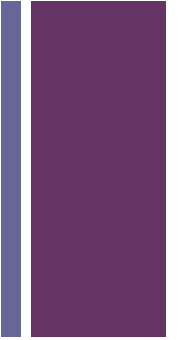
+ Why Consider a Planned Gift?

- Giving, while alive, involves tradeoffs; some would say sacrifices.
- Giving, after your life is done, is painless!



+ Some Practical Considerations

- Avoid taxes
- Increase current income
- “Unlock” property value
- Many gifts revocable



+ Leaving a Legacy

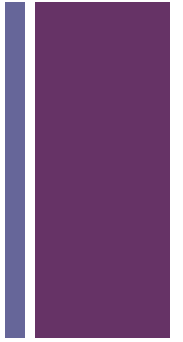


Anyone can give
away
\$1,000,000...

+ The Secret

It's not that life is so
short;

It's that you are dead
for so long.



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Idea 1: Little by Little



Give \$100,000 as permanent
endowment

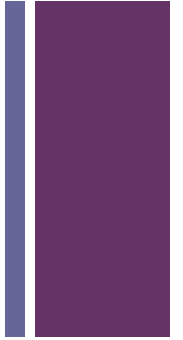
Endowment provides \$4,000 per
year

25 years = \$100,000

250 years = \$1,000,000

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Idea 2: Grow and Harvest



Give \$100,000 as permanent endowment

Defer spending until fund reaches \$1,000,000

At 8% annual rate of return

Wait = 30 years

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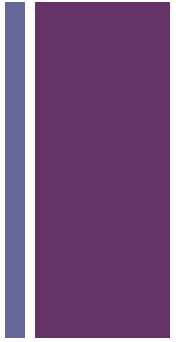
Small Is Beautiful



\$10,000 = Endowed
Silver Lake Summer
Camp Scholarship

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Rule of 25



You can pledge forever

Bequest = 25 times annual
pledge

Imagine the impact

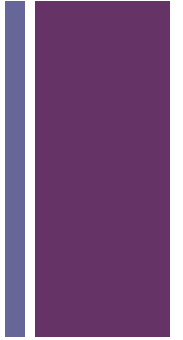
+ Direct Gifts



- Bequests
 - Have a will!
- Death Beneficiaries
 - Financial accounts
 - Retirement accounts
- Life insurance
 - Beneficiary
 - Donate Policy
- Property



Life Income Gifts



You CAN have your cake and eat it too!

The cake: Gift to the church

The meal: Continued income for life



But Wait, There's More



Not just replacing income you would have earned, more after-tax income!

Often higher rates of return

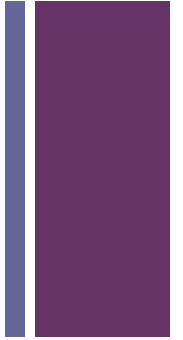
Tax reductions (gift deduction, some income tax free)

Especially advantageous to give appreciated stock

Can't outlive income



Not So Fine Print



With a few exceptions:

Gift is irrevocable

One or two people can receive lifetime payments (one at a time)

Minimum age of recipient is 35 (donor any age)

Minimum gift amounts

Modest administrative fees

+ UCC Services



Staff

Boston law firm

United Church Funds

+ A missed opportunity

- 32% of giving from living people
- <10% of planned gifts
- Scale of opportunity – Trillions of dollars!



+ Planned Giving Ministries in four “easy” steps

1. Case Statement
2. Policies
3. Prospects
4. Solicitation



+ Case For Support



- Why are you asking for this support?
 - What the world needs and your mission
 - Impact of gifts
- Articulate your theology of stewardship and wealth
- Extend the mission and ministry of the congregation beyond the resources of living members
 - Specific aspects of mission and ministry?
 - Sustain facilities and staffing model that living member cannot sustain?

+ Case = Gift Instrument

- Be careful what you wish for!
- Unrestricted gifts add the gift of allowing future members to discern God's call in that moment.
- Donor restrictions are legally enforceable.
- Any gift solicitation becomes a "gift instrument."
- Always give yourself some flexibility when asking for gifts.
- Consider setting goals



+ Restricted/Directed Gifts



- Balance donor passion for specific use of funds with need for flexibility, especially over decades and centuries
- Broad categories
 - Worship – includes music
 - Programs – includes faith formation
 - Outreach – compassion extended outside of congregation

+ Policies



- Investment
- Drawdown – distribution of assets
- Spending – allocation of distributions
- Policies will reflect character of assets
 - Endowment
 - Quasi-endowment

+ Investment Policy



- Investment Objective
- Benchmarks
- Asset Allocation & Rebalancing
- Manager Selection
- Risk Management
- Cost Management
- Ethical Investment Guidelines

+ Drawdown – distribution of assets



- Various approaches
 - Rainy Day Fund
 - Drawdown Formula
 - Linked to spending plans
- True endowments subject to UPMIFA unless very specific language is used to exempt



Spending Policy – What the funds will be used for



- Pitfall to avoid: Allowing the endowment to undermine generosity.
- Guideline: Extend mission and ministry beyond the means of active members
- Connect to the “WHY”

+ Identify Prospects



- Children “launched” and/or provided for
- Adults without children
- Engagement with congregation
- Commitment to mission and ministry

+ Ask!



- Education is necessary, but not sufficient
- Broadcasting is inefficient
- Right person (to ask, to do the asking), right time, right place, right amount
 - The right person to do the asking will already have made a planned gift
 - If a committee is asking, all members will already have given
 - Don't let all these rights become a wrong
 - 100% of the shots you don't take don't go in – Wayne Gretzky
- Create a legacy society

+ Thank!



- Never overlook and opportunity
- Personalize!
- No one has to do everything, everyone has to do something
 - People who are uncomfortable asking for gifts can contribute by thanking people for gifts!

+ Tell!



- People respond to stories
- Have a book to record all gifts
- Celebrate gifts from earlier generations – All Saints Day

+ Capital Campaigns



- Healthy to have a campaigns periodically
 - Every five to ten years
- Fear not!
 - Important and positive events
 - Will not reduce annual giving

+ Capital Campaigns



- Hardly ever a bad time, except-
 - Active or unresolved conflict
 - Pastor leaving
- Consultants are worth it for major campaigns
 - Threshold for major campaign is *usually* somewhere between two- and three-times annual pledging

+ Resources



- ucc.org/giving_local-church-planned-giving
- plannedgiving.net & plannedgiving.com



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