

WHAT IS YOUR MINISTRY'S LEGACY?

ENCOURAGING DEFERRED
GIFTS TO YOUR CHURCH
OR MINISTRY



RESOURCES FOR COVENANT MINISTRIES



COVENANT TRUST COMPANY®

your financial services partner

trustee services • asset management • retirement planning • legacy planning

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"Success Significance

is ABOUT THE LIFE WE LIVE.

is ABOUT WHAT LIVES ON
BECAUSE OF THE LIFE WE LIVE.



NOT ALL THAT GOD WANTS US TO
ACCOMPLISH THROUGH OUR LIFE
WILL BE ACHIEVED
WITHIN OUR LIFE'S SPAN."

Gary Walter
President
Evangelical Covenant Church

LEGACY is what we leave or pass down to those who follow us. Although we usually think of legacy as applying to individuals, ministries can have legacies too. There are three types of legacy:

- *Financial legacy* -- money and possessions
- *Social legacy* -- the impact we make on the world around us
- *Personal (ministry) legacy* -- accumulated wisdom, traditions and values.

The heirs of a ministry's legacy are not just the leaders of the future and those who directly participate in or support the ministry; but society as a whole, charities we support, and the people whose lives the ministry touches.

A ministry's legacy is the ongoing responsibility of its leaders. It takes careful thought and diligent planning, and is a work-in-progress from beginning to end. Planning for the present is as important as planning for the future. *Stewardship* is the management of everything God has entrusted to us: time, talent, treasure—all the elements of legacy.

**WHAT IS YOUR *MINISTRY'S* LEGACY?
HOW CAN WE HELP YOU BUILD IT?**



WHAT WE DO

- Assist Covenant ministries as they focus on legacy-building goals for their present and future
- Suggest available options to achieve the goals you identify, and help put plans into action
- Bring a total stewardship perspective to legacy planning
- Work with the members and friends of your ministry in their legacy planning. **Please note: It is not necessary for a person to be a member of a Covenant church to work with Covenant Trust Company.** For example, both non-Covenant alumni of North Park University and non-Covenant residents of Covenant Retirement Communities have made their legacy plans with the assistance of Covenant Trust Company

OTHER BENEFITS

- There is no obligation on your part for requesting information or meeting with a Financial Services Representative
- There are no high-pressure sales tactics from us
- We pledge total confidentiality and privacy
- Trained Financial Services Representatives [FSRs] are available to give assistance whenever needed. There is an FSR in each regional conference. Each Covenant Retirement Communities campus receives regular visits from its own Financial Services Representative
- Any donor designation of a gift for a specific Covenant ministry or institution is honored. **The donor decides which Covenant ministries will benefit from their legacy**





SERVICES AVAILABLE TO COVENANT MINISTRIES

Covenant Trust Company is your financial services resource. Financial Services Representatives are available to:

- Meet with boards to discuss ministry goals, suggest options and help you act on your plans
- Provide resources on how to increase bequests to your ministry
- Assist in monitoring complex estate situations to insure your ministry's interests are protected
- Provide personal legacy planning assistance to ministry leaders and staff
- Present a legacy-planning workshop for staff, members or friends of your ministry; or at larger gatherings such as retreats, annual meetings, etc.
- Present a *Creative Giving* workshop series in connection with a capital campaign to illustrate several different ways to participate
- Serve as a resource for written materials for your ministry newsletter

Covenant Trust Company is a non-depository trust company chartered and regulated by the Illinois Department of Financial & Professional Regulation, Division of Banking, Bureau of Banks, Trust Companies & Savings Institutions. Covenant Trust Company can assist individuals and Covenant ministries nationwide; and currently manages in excess of \$440 million in fiduciary assets.

Your Financial Services Representative can explain how Covenant Trust Company provides:

- Answers to questions on how to process gifts of stock
- Professional investment management through Investment Management Accounts for ministry funds
- Management for Covenant Endowment Trust accounts which preserve the principal and pay income to your ministry

[Some services are fee-based. Ask your Financial Services Representative for a copy of our fee schedule.]

LEGACY



STEPS TO ENCOURAGE DEFERRED GIFTS TO YOUR CHURCH OR MINISTRY

When was the last time your ministry received a legacy gift? These are gifts designated in wills, trusts, gift annuities and other charitable agreements by people who loved and supported your ministry during their lifetime. Bequests received today were planned some time ago. Plans people make now will benefit your ministry in the future. Would you like to grow the number and amount of bequests your ministry receives? Are you doing everything you can to encourage those who support your ministry to designate a gift in their estate plan? We're here to partner with you in making it happen. Here are some steps you can take:

DEVELOP, COMMIT TO AND COMMUNICATE A LONG-RANGE VISION

Your ministry must have a clear vision of both current and future goals. This goes beyond your mission statement; to use a business term, it is your "strategic plan." Your vision may include elements of both programs and property. It should be put in writing, then revisited regularly. The first step is developing the vision. Then your ministry must commit to the vision. *Finally, you must communicate the vision to members and friends in a way that excites them and makes them want to have a part in making the vision a reality.*

EDUCATE MEMBERS AND FRIENDS ABOUT THE IMPORTANCE OF ESTATE PLANNING

More than 50% of Americans do not have a will. This means they voluntarily give up control over the disposition of their assets after death—who will be named guardians for their children, and who will decide what provisions to make for various family members. *It also guarantees that no charitable bequests will be made* from their accumulated assets; and means the settlement of their estate will be a matter of public record and probably bear the burden of maximum taxes and settlement costs. Covenant Trust Company can provide information and personalized assistance, with no obligation.



REGULARLY ENCOURAGE MEMBERS AND FRIENDS TO INCLUDE COVENANT MINISTRIES IN THEIR ESTATE PLAN; USE THE RESOURCES OF COVENANT TRUST COMPANY

We encourage you to include some mention of bequests (even something as simple as *“Have you included XYZ Church in your will?”*) in every Sunday’s bulletin and/or every issue of your newsletter.

Encourage members, friends and ministry staff to make the Covenant Trust Company website (www.CovenantTrust.com) the first stop for information about: resources for ministries; retirement planning; charitable gift planning; building your legacy; planning your future; managing your money. Covenant Trust Company has resource materials you can use in your ministry. Call toll-free at 800-483-2177 to discuss your needs.

“What is YOUR Legacy?” workshops can educate and encourage members and friends of your ministry. When scheduled annually or every other year, these workshops have proved effective in increasing the number of bequests received. Contact your local Financial Services Representative to schedule a workshop for your ministry. [NOTE: it may be helpful to schedule a workshop for your board when you are developing the ‘strategic plan’ referred to above.]



LEADERSHIP



CELEBRATE BEQUESTS THAT ARE RECEIVED AND THE MINISTRY THEY MAKE POSSIBLE

Regularly announce bequests that are received, and what they will be used for. There are three times you can do this:

- **As soon as you become aware** of an impending estate gift for your ministry, announce it in your bulletin or newsletter, even if details are still unknown, e.g. *We have been informed that we are the beneficiary of the estate of the late [name]. We are grateful to them for including us in their legacy plan.*
- **When you receive the proceeds**, make another announcement. Include what the gift will be used for, e.g. *“We have now received [\$amount] from the estate of [name]. As provided in his/her will/trust, these funds will be used for [purpose].”*
(If undesignated: *“Since these funds were unrestricted, the [board, etc.] will decide the future use of these funds.”*)
- **When an expenditure is made**, use an announcement to remind other members and friends where the money came from, e.g. *“At its monthly meeting, the [board] voted to spend [\$amount] of the estate gift received from [name] for [purpose].”* Or *“In accordance with the wishes of [deceased name], [\$amount] of their estate gift has now been used for [purpose].”*

By informing members and friends at each step, you repeatedly plant the idea that your ministry can be a beneficiary of an estate gift, that it will provide a lasting benefit to the ministry, and the appropriate decision-making body is capable and responsive.

Have an annual bequest recognition event (perhaps on All Saints Sunday) to name those persons from whose estates bequests were received in the past year. Be sure to thank family members of persons from whom bequests have been received. If someone tells you they have made a bequest or deferred gift provision and is willing to talk publicly about it, give them opportunity for a personal or written testimonial about why they did it and how it made them feel.



FROM NEW-MEMBER ORIENTATION ONWARD, EMPHASIZE LEGACY PLANNING AS PART OF TOTAL STEWARDSHIP

Talk about ‘whole-life’ stewardship in new member orientation groups. This is a good time to share your church’s vision with new members. Referring to the vision in newsletters, bequest announcements, and during every stewardship emphasis, board meeting and annual meeting keeps it vital for every person involved with your church or ministry. Churches should not be afraid to mention the tithe in connection with deferred gifts and legacy planning as well as current giving.

Include statistics on bequests received and how they were used in your annual report, along with other information on income and expenses.

VISION





PUT A PAGE ABOUT GIVING ON YOUR MINISTRY'S WEBSITE

It's important to remind people there's more than one way to give. This page is the perfect place to talk about three topics: stewardship, volunteer or service opportunities, and how to make gifts: cash, securities, memorials, endowments, etc. Such pages often have titles like: *Giving [to ABC Ministry]; How to Make a Gift [to ABC Ministry]; Ways to Give; Gift Opportunities; How You Can Help; Stewardship*

Please put a link on your website to direct people with giving questions to the Covenant Trust Company website. On your giving page, please include the following:

“Current gifts to ministry usually come from current funds. But there's another alternative: a *deferred* gift, usually a legacy gift through a will, trust or life income agreement. This may be your best opportunity to make a significant gift to ministries you care about. Legacy gifts use accumulated resources to fulfill your charitable dream in a way you may not feel able to afford during your lifetime. This is part of your legacy—what you pass down to those who come after you.

“The Covenant Trust Company website is the gateway to a wealth of information about financial planning, charitable deferred giving, asset management, trustee services, and retirement planning (including IRA accounts). For more information with no obligation, visit www.CovenantTrust.com

“What is YOUR legacy? How can we help you build it?”

WWW...



LEAD by EXAMPLE

Be sure your members and friends have confidence in the stewardship of your ministry. Always be faithful to the donor's wishes when using bequest and gift monies. Failure to follow the letter and spirit of the donor's intent will undermine confidence in leadership and reduce future legacy gifts.

Use the best resources available for investing and managing donor-designated funds held by your ministry. These may include endowment funds, bequest monies or other restricted funds. Covenant Trust Company provides asset management services, and also serves as trustee for Covenant Endowment Trust accounts. Both can help your ministry by providing professional and consistent management for these assets.

Be sure your personal legacy plan is in order. As a leader, your example is important. Also, it gives you increased confidence to encourage others once you have done it yourself.





Be faithful in your commitment to ministry

Patience and perseverance are vital in this process. The benefits of financial and legacy planning include: 1) the peace of mind gained by those making the plan, in knowing they have taken steps to provide for the future of the individuals and ministries they care about; and 2) the increased resources and opportunities for the ministries included in legacy gift provisions.

The Scriptures tell us that we are responsible for the management of all that God entrusts to us. It is important for every ministry to remember that this includes the *people we serve*. God has entrusted them to our care, and part of *our* stewardship is our ministry and service to them. Every ministry has both active participants and those who can easily become invisible—the elderly, the shut-in, the lonely and the forgotten. The ministries that have a meaningful impact on the lives of people are those whose leaders are consistently concerned and caring; who encourage members to care for one another; who lead by example to remember, pray for, include, encourage and uplift all the members of the body of Christ.



Information contained in this brochure is for purposes of information and education only, and is not intended as either tax or legal advice. Consult your tax and/or legal adviser for specific information.

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