

# Thoughts on Planned Giving for Stewards of God's Bounty

Gifts to St. John's Episcopal Church are a trinity of stewardship:

- † **Gifts of Gratitude** support our annual budget. These gifts come out of our current earnings and income stream.
- † **Memorial Gifts** honor the memory of a family member or other loved one. These gifts also come out of current income.
- † **Planned Gifts** come from our assets such as life insurance, retirement plans, trusts and other physical assets which we have accumulated throughout our lifetime. They can also include gifts to our church that are specified in our will.

## **What is a planned gift and how will it help me and my church?**

*A planned gift is any gift that a donor plans and thoughtfully arranges with their church, diocese, or any charitable organization. It may be an outright gift of money, but may also be a gift of stock or other property. A planned gift may be completed over several months or years – even after one's death.*

## **Isn't planned giving just for people with a great deal of money who can make big contributions?**

*Not at all! A planned gift of any amount is a welcome gift. Planned giving is a resource available to meet the needs of the donor first and is very versatile regardless of the size of the estate.*

St. John's invests its Endowment Fund with the Diocese of Indianapolis where it is managed by the Diocesan Investment and Finance Committee. The Diocese pays all the management fees, thus increasing the return to St. John's. At the direction of the Vestry, the total return earned on the investments can be used for Capital Needs, Outreach Ministries & Grants, New Ministries, Vestry Approved Initiatives and Other Purposes that are specifically designated by donors whose gifts have been accepted as part of the Fund.

Undesignated gifts to the Endowment Fund enable St. John's to address future needs as they arise without restrictions. Donors interested in a particular ministry or need of St. John's may designate their gift for that purpose; however, there is a minimum amount set for designated gifts, and the Vestry must ultimately accept the gift for the named purpose.

Members of the Planned Giving Committee are available to discuss specific questions and concerns our parishioners may have as they consider making a Planned Gift to the Endowment Fund.

While you should consult with your attorney or financial advisor for guidance in determining the planned gift approach that is right for you and your family, we suggest the following options:

### **Gifts by Will**

By your will (which you may change at any time by adding a codicil) or your revocable trust (which you may change by an amendment), you can make St. John's the beneficiary of cash, securities, and/or other property. You may designate the gift to be a specific amount or a percentage of your estate, or you may make St. John's a residual beneficiary of your will or trust; that is, a recipient of some part of the balance after payment of specific bequests, expenses, and taxes.

As you review your testamentary plans, here are three language samples you may consider using:

**Specific Amount for General Purposes**

"I give, advise, and bequeath to The Rector, Wardens, and Vestry of St. John's Episcopal Church in Crawfordsville, Indiana the sum of \$\_\_\_\_\_ to be used at their discretion for the general objectives and purposes of said St. John's Episcopal Church."

**Percentage Amount for a Specific Purpose**

"I give, and bequeath to The Rector, Wardens, and Vestry of St. John's Episcopal Church in Crawfordsville, Indiana, \_\_\_\_\_% of the rest, residue, and remainder of my estate, to be used at their discretion for the general maintenance of the physical facilities of St. John's Episcopal Church."

**Unrestricted Bequest to St. John's Episcopal Church's Endowment**

"I give, and bequeath to The Rector, Wardens, and the Vestry of St. John's Episcopal Church in Crawfordsville, Indiana, \_\_\_\_\_% of the rest, residue, and remainder of my estate, to be placed in The General Endowment Fund, for use at their discretion."

These are only samples for your consideration. Your legal counsel can help you to refine the bequest language to suit your specific wishes for St. John's as well as working with your tax advisor to clarify any tax implications the gift may have on your estate.

**Gifts of Appreciated Stock or Property**

Giving appreciated stock allows a donor to "realign a portfolio," balance charitable contributions against annual taxes, and be generous to the church. Consult your broker for details.

**Gifts from Retirement Plans**

The simplest planned gift of all, and the most tax efficient, is made from a tax-deferred retirement plan: 401(k) plans, 403 (b) plans and individual retirement accounts (IRAs). Left as part of an estate, tax-deferred assets will be subject to income tax and possibly other forms of taxation. Where qualified, however, naming St. John's Episcopal Church as a beneficiary of a retirement plan allows the gift to pass directly to the Church free of any taxes.

This is also one of the easiest gifts to put in place. In most instances, simply go to the web site of the trustee or custodian of the plan and change the beneficiary designation. Like a bequest from a will or trust, the gift may be a specific dollar amount or a percentage of the plan assets. To designate St. John's Episcopal Church as a retirement plan beneficiary, St. John's Episcopal Church's tax ID number is 35-1079683. Please consider sending us a copy of your beneficiary form for our records.

**Gifts of Life Insurance Policies**

Using a life insurance policy is a quick and convenient way to make a planned gift commitment to St. John's. For example, you can purchase a new policy and make the church the owner of the policy or you can make St. John's the sole owner of an existing policy you no longer need. You also may consider adding St. John's as an additional beneficiary of an existing policy. Please discuss these options with your insurance agent and ask your agent to use the form "St. John's Episcopal Church in

Crawfordsville, Indiana" in the beneficiary designation. Please consider sending us a copy of your beneficiary form for our records.

### **Current Gifts with Income Retained**

During your lifetime, you may make gifts of securities or other property and retain a stream of income for yourself or other designated beneficiaries. These can be complicated instruments that may be prepared by your financial advisor or by the Episcopal Church Foundation. If you reserve income rights, a portion or all of such income will be taxable to you. You will also receive a charitable tax deduction for a portion of your gift. At the death of your surviving beneficiaries, the principal then goes to St. John's. Samples of these gifts include Charitable (or Deferred) Gift Annuity, Pooled Income Fund, Charitable Remainder Trust, Charitable Lead Trust and Retained Life Estate. More information of these and other types of gifts is available [here](#) on the Episcopal Church Foundation web site.

### **Other Types of Gifts**

Guidelines for St. John's acceptance of all types of gifts and bequests, including gifts of real estate, publicly traded securities, closely held securities and tangible personal property are covered in detail [here](#) in the *Endowment Fund Policies and Guidelines* ) and [here](#) in the *Gift Acceptance Policy*.