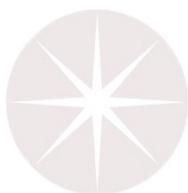




A Case Study: Calvary Church
WHY ESTATE STEWARDSHIP IS IMPORTANT
by Pastor Don Mann



Presented by PhilanthroCorp
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Year we started an estate stewardship ministry: 2000

Deferred gifts to Calvary: \$22,000,000

Deferred gifts to other ministries: \$34,000,000

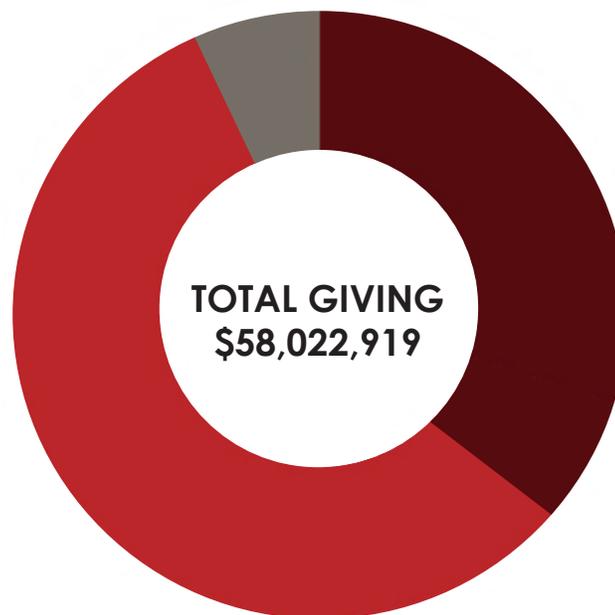
Current & matured estate gifts received to date: \$2,022,919

Most recent bequest received (2012): \$788,444

Calvary families who have completed planning: 109

Total return on dollars invested in the ministry: \$39:\$1

ESTATE & PLANNED GIFTS TO DATE



■ Estate Gifts to Calvary - \$22,000,000

■ Estate Gifts to Other Ministries - \$34,000,000

■ Estate Gift Receipts to Date - \$2,022,919

CALVARY CHURCH

WINSTON-SALEM, NORTH CAROLINA

ABOUT OUR CHURCH

Calvary began as a small downtown church in Winston Salem, NC in the early 1900's and has since grown to a large multi-generational and multi-campus congregation of 5,000 members. For the past 33 years I have served our congregation in a number of roles, and currently serve as the Pastor of Stewardship and Generosity.

We began a partnership with PhilanthroCorp in 2000 to provide a ministry to the entire congregation for lifetime stewardship. Church leadership clearly understood the benefit of receiving a portion of the wealth transfer in the US. However the primary motivation in launching a program was making lifetime stewardship of estate planning accessible to all members.

MY JOURNEY

I am currently the Pastor for Stewardship and Generosity and have been serving at Calvary for the past 33 years. My ministry background was previously in the area of family and marriage ministry, where I served alongside well known author and speaker on the family Dr. Gary Chapman.



Paster Don Mann

In fact, it was my years of marriage and family counseling that led me to understand the need of every family to have access to sound education and counseling surrounding financial issues. Not least among these was the need for wisdom in making decisions about the values and inheritance being passed to the next generation.

At the time I began my work in the area of stewardship, generosity, and donor discipleship at Calvary, I was completing a doctoral study in pastoral leadership in seminary. My interest was in investigating the biblical, historical, theological, and practical implications of wealth and the Christian, and how and why gift and estate planning was a central development strategy of social, educational, and healthcare non-profits but had been largely overlooked by the church. When I researched the potential amount of resources that could be generated for the Kingdom in just one church, I was astounded!

My personal study motivated me to lead an effort to start a planning ministry at Calvary.

It became my conviction that every family needed a sound plan for distribution of their estate, based on biblical principles, and that funding from these estates was part of God's plan to fund the advancement of the Kingdom.

THE CONTEXT FOR PLANNED GIVING IN THE LOCAL CHURCH



The church should be well-funded to fulfill its mission and significant gifts most often come from asset based gifts. For most, an estate bequest will be the largest single gift a church member is capable of giving, far exceeding what can typically be given during life.



The US is in the greatest intergenerational wealth transfer (\$57 Trillion+) in history, which will peak over the next 10 years and then subside. The generation passing-on this wealth are our most generous givers.



Churches are overlooked in estate gifts when the concept is not communicated and no accessible planning processes are available to members.



Most churches and non-profits compete only for the 9% of cash that exists in US wealth rather than the 91% that exists in accumulated assets.

FIRST STEPS

First things are important. Introducing the leadership of the church to a planned giving solution took careful explanation. So much of stewardship practice has been designed for budget-based education or capital campaign financing that it was important to build a case for the reason for planned giving as a ministry and not as long-term fundraising.

At the outset, our church could clearly see the benefit, but had no experience or context to organize or start. As we do before starting most new ministries, we asked key leaders to study the “how’s and whys” and to make recommendations. Out of this study group emerged findings that helped us to form an action plan.

OUR FINDINGS

We wanted to incorporate the principle of stewardship into planned giving in the same way as current giving through income was practiced; highlighting the truth that God owns it all and we are to be generous stewards. We knew how to collect tithes and offerings but we had no functional mechanism to facilitate and receive estate gifts.

We wanted to offer an estate planning resource that was thoughtful, prayerful, and based on biblical values with confidential, professional guidance to plan for the management and distribution of wealth accumulated during life.

We wanted to offer this service as a ministry to families, not direct fundraising, and with a focus on passing along values, not just finances, as a legacy for our families and faith.

OUR FINDINGS (CONTINUED)

We wanted this service to be available to all families, not just our seniors or the wealthy.

We wanted to communicate "estate stewardship" in our teaching in the same way as current giving through income is taught, highlighting the truth that God owns it all and we are to be generous stewards, as prescribed in the old and new testaments.

We wanted an action plan; an in-place process we could provide for those who responded to our teaching and communication on the topic.

We wanted to avoid the problematic issue of referring people to members of the church or local advisors for the planning portion of estate work.

- Exposure to conflict of interest issues for church was too great.
- Where was no way to measure, and no direct accountability as to how biblically based principles were used in private firms.
- The firms had no incentive to consider client gifts to the church.
- We wanted the ongoing freedom of operating the ministry independent of the business needs or obligations of various planning firms.
- We were confident that once planning was completed, each of these professions could serve to implement the plan (legal, insurance, investment).

OUR DECISION

Calvary chose to partner with PhilanthroCorp over a number of other options because they fit the goals we uncovered in our study group and for the following additional reasons:

- ✓ We evaluated the fact that PhilanthroCorp's business model, to provide a fee-based planning service, gave us comfort that members would be served with no motives by our partner to secure income on products sold or investments secured.
- ✓ We were skeptical of over-the-phone planning, but learned that the majority of clients appreciated the privacy this offered them.
- ✓ Having a regularly-reported return on investment helps measure the results of our investment. We weren't interested in "checking the box" by simply providing members with information...we wanted results with measurement.
- ✓ Utilizing a retainer fee structure eliminated budget risk and simplified the explanation to financial teams.
- ✓ Having a track record of income from those individuals who chose current giving strategies as part of their estate plan helped to redefine the planning process as a bequest-only process.
- ✓ Outsourcing this service gives us flexibility to change directions quickly and was a much lower over-all cost than bringing on staff with similar expertise.

WHAT WE HAVE LEARNED:

Systematic promotion creates a high potential to advance the momentum for planning and as a result increase current and deferred giving.

Membership involvement will not rise above leadership involvement. Leadership (pastor and pastoral staff, deacons, finance and foundation board members) involvement in personal estate planning is critical.

Senior pastor sponsorship, one-on-one invitations to plan, personal testimonies, and consistent marketing were essential to increasing casework from membership.

Regular acknowledgment of legacy donors and reminders to update plans every 5 years are the priority strategies to maintain donor loyalty for estate gifts. We have held dinners and receptions, given meaningful gifts around the Thanksgiving season, and written stories of impact from the estate gifts received.

We are currently re-launching efforts to engage the entire congregation including:



Median and Senior adults.



Business owners who may be considering sale or transfer.



Young families who need children's guardians and basic wills.

We have asked all staff and leadership to increase awareness and communication of prospects, and encourage planning for those in their network.

We have set aside a day, Legacy Sunday, as a part of re-launch efforts. It includes donor acknowledgement, celebration of the church's 95th anniversary, testimony, and pastoral advocacy of the planning. We are planning a renewed emphasis in gift planning to complement a capital campaign; primarily for donors who need to evaluate a significantly larger gift in light of their overall estate and business planning.

We have noticed increased giving and commitment from those who have completed an estate gift to the church, which is not a surprise given the wisdom of Matthew 6:21...Where your treasure is, there your heart will be also.

SUMMARY

The initial decision to start the ministry, was for us, an uphill climb. Because we were one of the first churches in our denomination to begin this ministry it took prayer, patience, and the wisdom of key advocates who could see the strategic way forward. Churches today have far more peers offering this ministry and measurable results give confidence.

For me, it's clear that God used all these things to direct and give success to the things that have been and will be accomplished. However, it's tempting to assume that all of these things "just happened" or that everything always went smoothly. I do not want to leave the impression that over the 15 years of our partnership with PhilanthroCorp everything we have done has been successful. Our church has undergone 2 significant leadership changes in the past 15 years.

Leadership confidence and planned giving are closely related, so we have experienced ups and downs in response to gift and estate planning. We have had some surges in participation and we have had some dormant periods. Yet overall, we have made significant advancement that is growing in support.

The response and appreciation we have had for offering this ministry to the congregation is overwhelming. One of our beloved members, a lady who lost her husband, a prominent business man, went through the process. She was so appreciative of being able to feel understood in the planning process. When her plan was complete, she came to personally thank me. She said, "I feel the burden has been lifted! I never realized what a burden I had been carrying, trying to do with this money what my husband would have wanted done.

Now, I realize it's the Lord's money and He has given me the stewardship privilege of deciding – but I don't have to decide alone. I have godly spiritual people that can help me."

Her story could be repeated many times over. Many of our members have been so appreciative of the service that they have made special gifts back to us to fund the ministry for others who need planning. It has provided an opportunity for us as a staff to talk to our members about the vision of the church, and to do so in specific ways, where they can have an opportunity to fund the vision of the future.

The issue for us has come into sharper focus as some of our strong giving members are aging and retiring, and the gifts from younger members are not replacing regular giving trends. With a regular on-going gift and estate planning process in place, it is an ever more important strategy to balance the transitions we will have with what the Lord provides for our ministry.

I thank God for our friends at PhilanthroCorp. They have seen our church through many opportunities and challenges and have been a constant counsel and resource to our ministry.

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