MortarStone
mortarstone.com

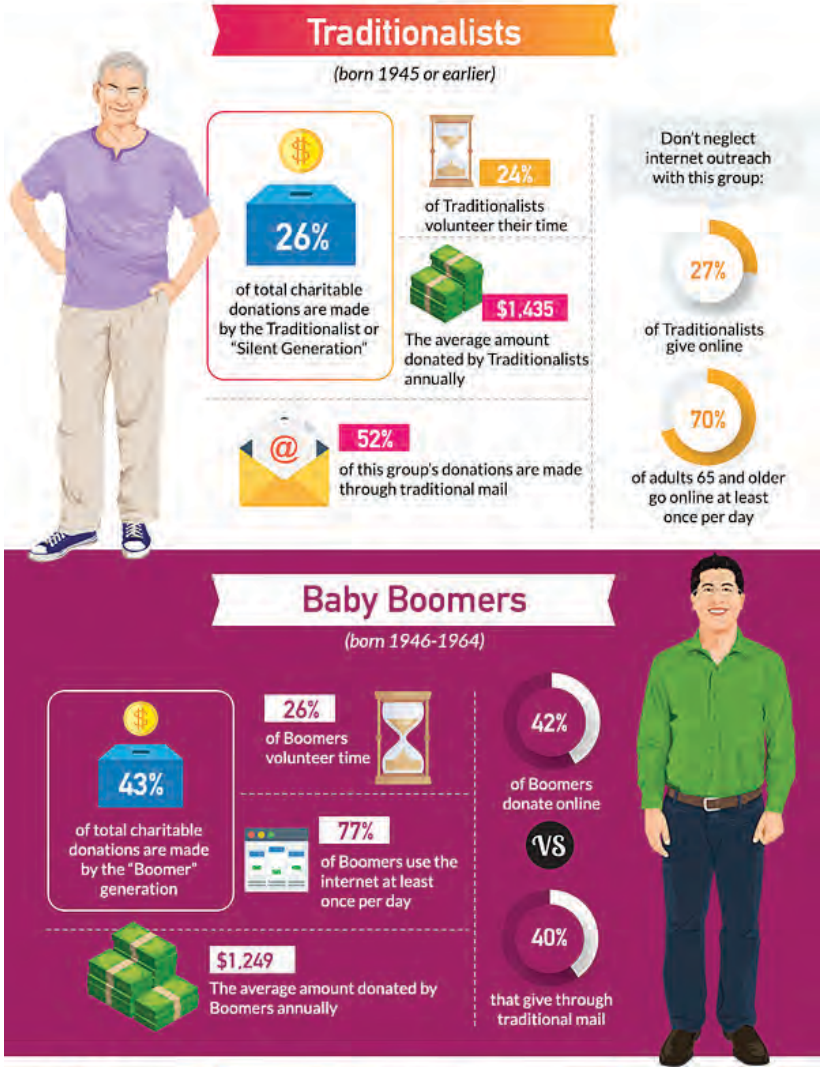
VIRTUAL
Creative Gift Planning

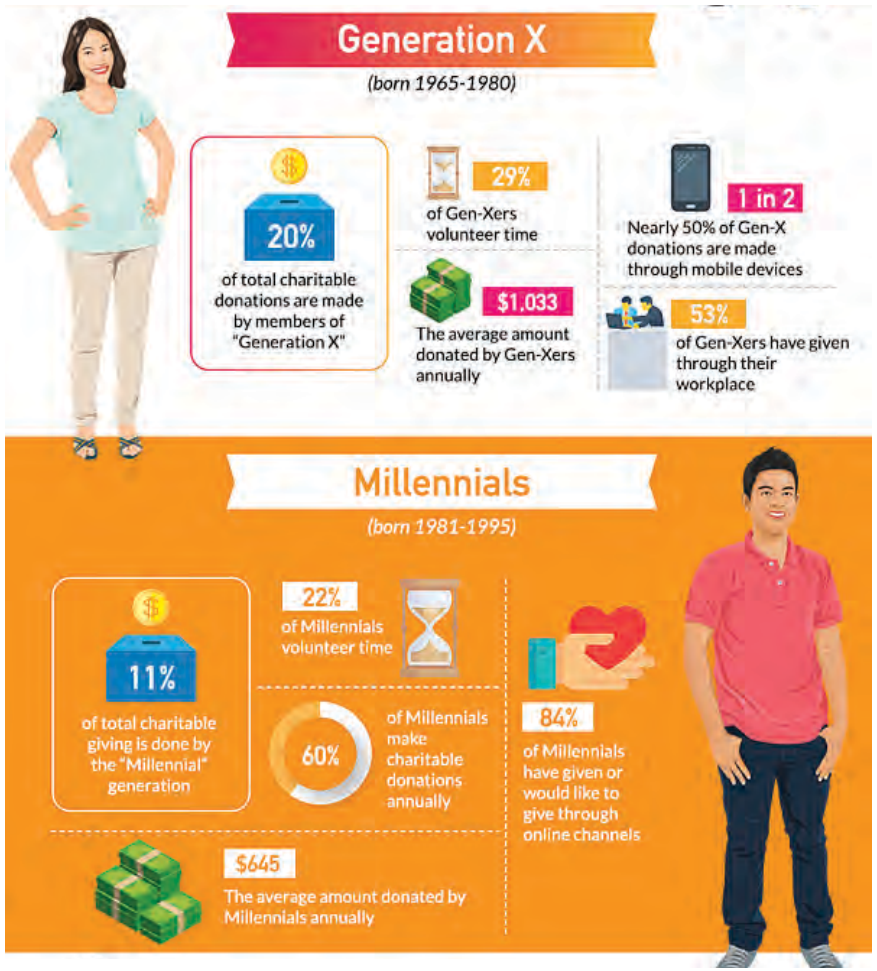
SETTING THE STAGE

Meagan Brown,

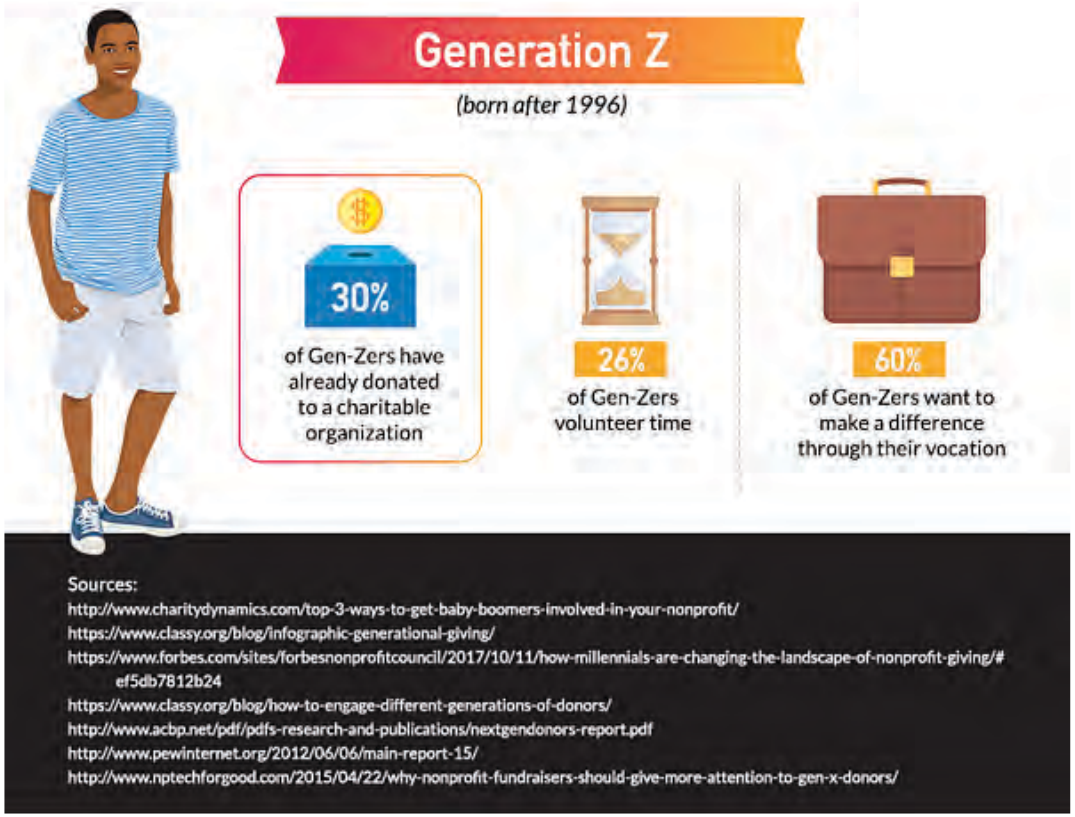
MortarStone - VP of Sales

SETTING THE STAGE & CURRENT GIVING STATS





SETTING THE STAGE & CURRENT GIVING STATS



How much did Americans give in 2018?

$427.71 billion

Americans gave $427.71 billion to charity in 2018 in a complex year for charitable giving.

Giving to foundations decreased the most, after experiencing strong double-digit growth in the year prior.

Where did the generosity come from?

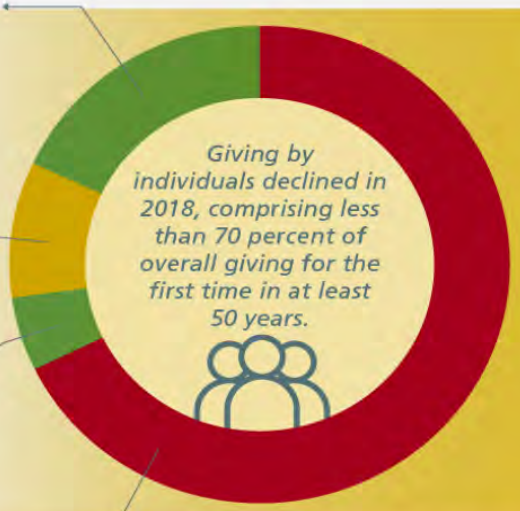
Contributions by source (by percentage of the total)

Giving by Foundations — 18% — 7.3% over 2017
$75.86 billion
(4.7% up when inflation adjusted)

Giving by Bequest — 9% — 0.0% same as 2017
$39.71 billion
(2.3% down when inflation adjusted)

Giving by Corporations — 5% — 5.4% from 2017
$20.05 billion
(2.9% up when inflation adjusted)

Giving by Individuals — 68% — 1.1% from 2017
$292.09 billion
(3.4% down when inflation adjusted)



* All figures on this infographic are reported in current dollars unless otherwise noted.

Giving to international affairs showed the largest growth in 2018 of any sector.

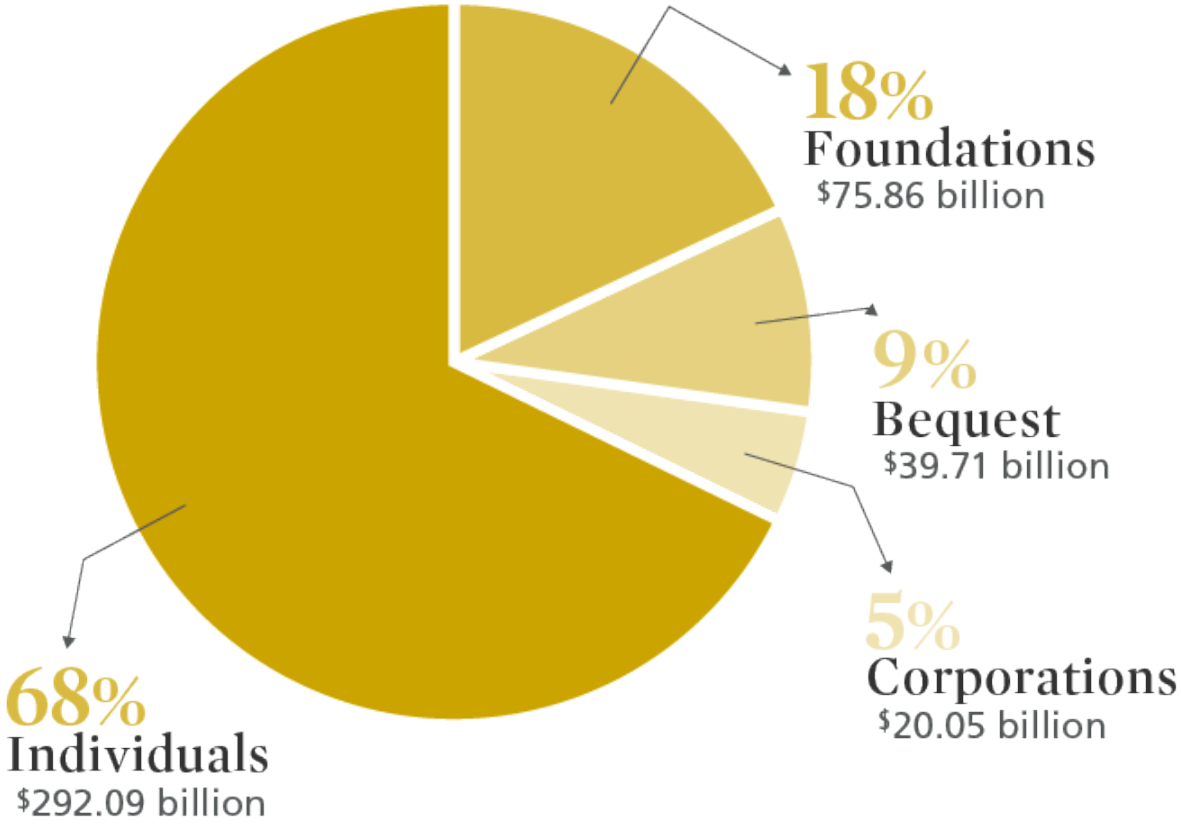
Where are all the charitable dollars going?

Contributions by source *(by percentage of the total)*

	% of total giving in 2018		% change from 2017	inflation adjusted
to Religion	29%	$124.52 billion	↓ -1.5%	-3.9%
to Education	14%	$58.72 billion	↓ -1.3%	-3.7%
to Human Services	12%	$51.54 billion	= -0.3%	-2.7%
to Foundations	12%	$50.29 billion	↓ -6.9%	-9.1%
to Health	10%	$40.78 billion	= 0.1%	-2.3%
to Public-Society Benefit	7%	$31.21 billion	↓ -3.7%	-6.0%
to International Affairs	5%	$22.88 billion	↑ 9.6%	7.0%
to Arts, Culture, and Humanities	5%	$19.49 billion	= 0.3%	-2.1%
to Environment/Animals	3%	$12.70 billion	↑ 3.6%	1.2%
to Individuals	2%	$9.06 billion	-	-

= indicates growth in current dollars with a decline after adjusted for inflation

CONTRIBUTORS



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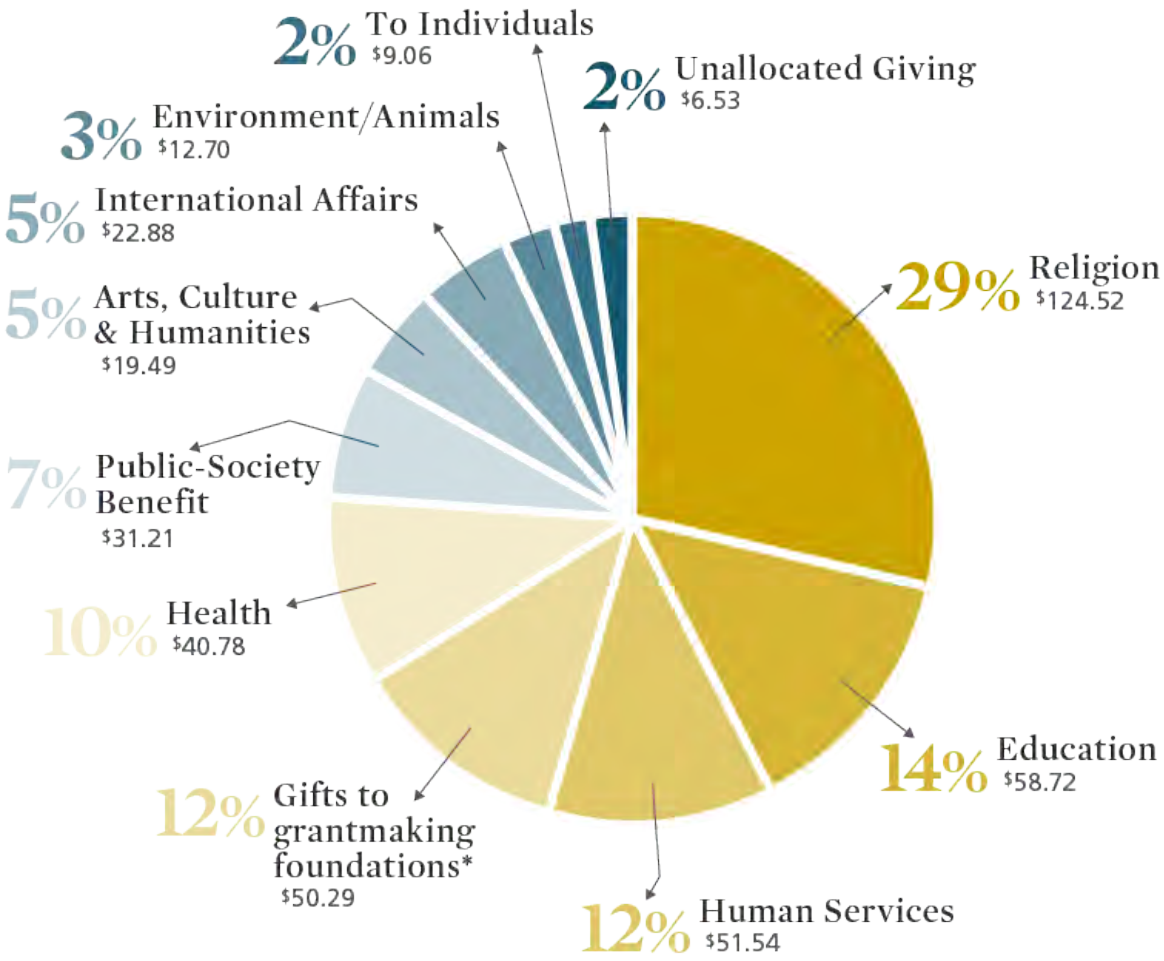


What is Gift Planning

David Thoroughman,

MortarStone - CEO, Co-Founder

WHAT IS GIFT PLANNING

- Planned Giving is the process of making a significant charitable gift during a giver's life or at death as part of their financial or estate plan.

3 Types of Generosity Initiatives

1. Annual gifts *(recurring, lifeblood)*
2. Capital gifts *(special, stretch gifts and pledges for specific outcome)*
3. Planned giving *(largest gifts, legacy gifts, asset based gifts)*

WHAT IS GIFT PLANNING

1. Annual Gift
An annual exclusion gift is simply a gift that qualifies for the annual exclusion from federal gift taxes.

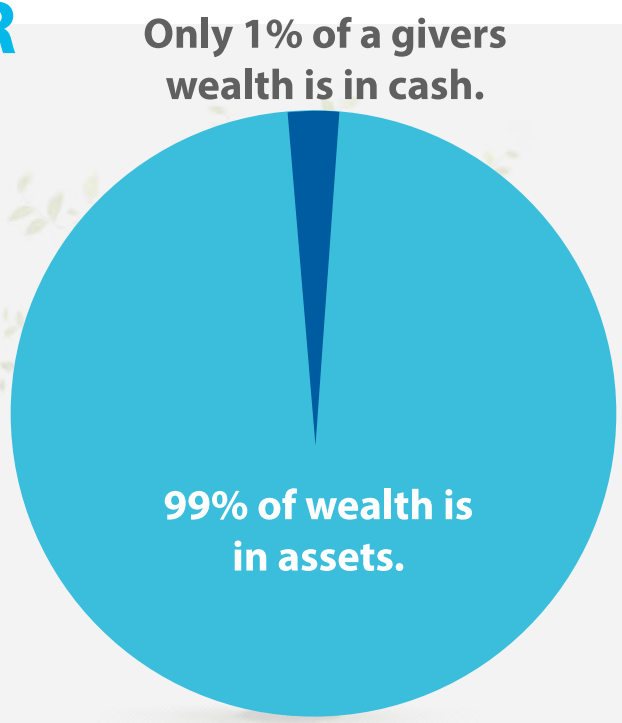
2. Capital Gifts
Known as capital gifts, these gifts are typically given in the form of cash, appreciated securities, or tangible property.

3. Planned Gifts
Planned giving is the process of donating planned gifts. A planned gift is a contribution that is arranged in the present and allocated at a future date.

WHAT IS GIFT PLANNING

GIFT PLANNING BENEFITS THE GIVER

1. Tax Deductions
2. Create Income Streams
3. Everyone Has the Ability to Give
4. Does Not Always Require Cash Up Front



WHAT IS GIFT PLANNING

GIFT PLANNING BENEFITS THE CHURCH

1. Sustainable Giving
2. Legacy and Largest Gifts Come to the Church
3. Give More than They Could via Cash

5 Year Average Growth in Total Fundraising
(2010 - 2015)

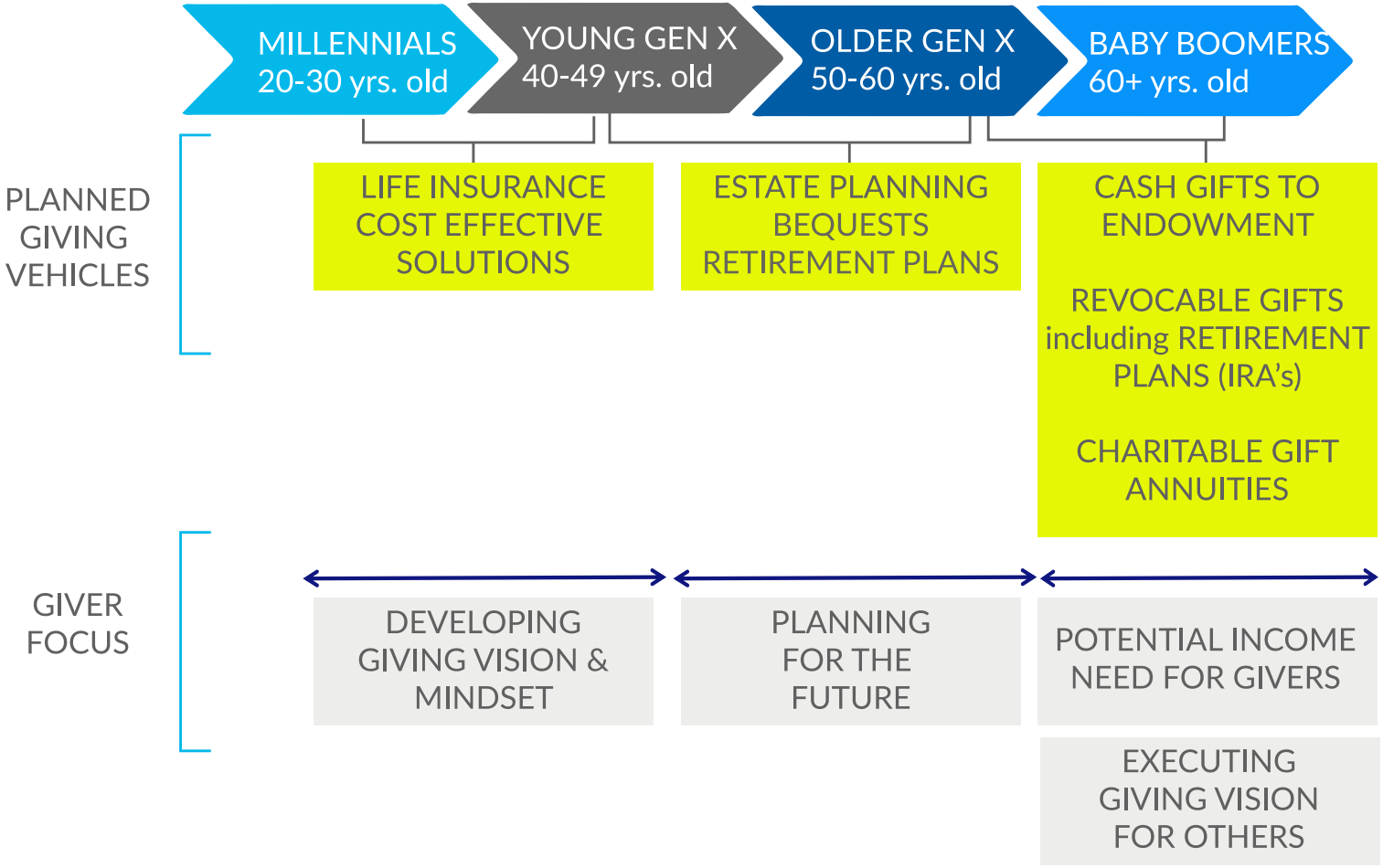
NON-PROFITS receiving ONLY CASH GIFTS	NON-PROFITS receiving ANY NON-CASH GIFTS	NON-PROFITS receiving SECURITIES NON-CASH GIFTS
11% GROWTH	50% GROWTH	66% GROWTH

DEMOGRAPHICS OF ASSET-BASED GIVERS

DEMOGRAPHICS OF ASSET-BASED GIVERS

Typical Giver Journey Towards Planned Giving

DEMOGRAPHICS OF ASSET-BASED GIVERS



DEMOGRAPHICS OF ASSET-BASED GIVERS

Currently your church has 197 households in bands 4 and 5. Bands 4 and 5 represent households giving $5,000 or more per year.

These 197 households are giving a total of $212,7724.39 to the total annual budget, which is 67.30% of annual giving.

These households make up only 14.2% of the church giving.

Households

	Prior Jun 02, 2018 - Jun 01, 2019	Recent Jun 03, 2019 - Jun 01, 2020	Difference
Band 1	364 (30.9%)	477 (34.5%)	113 (↑31.0%)
Band 2	299 (25.4%)	356 (25.8%)	57 (↑19.1%)
Band 3	328 (27.9%)	351 (25.4%)	23 (↑7.0%)
Band 4	119 (10.1%)	129 (9.3%)	10 (↓8.4%)
Band 5	67 (5.7%)	68 (4.9%)	1 (↑1.5%)
Total	1,177 (100%)	1,381 (100%)	204 (↑17.3%)

Giving

	Prior Jun 02, 2018 - Jun 01, 2019	Recent Jun 03, 2019 - Jun 01, 2020	Difference
Band 1	$23,201.45 (0.8%)	$31,203.80 (1.0%)	$8,002.35 (↑34.5%)
Band 2	$145,914.75 (5.0%)	$169,368.59 (5.4%)	$23,453.84 (↑16.1%)
Band 3	$784,759.08 (27.0%)	$837,221.68 (26.4%)	$52,462.60 (↑6.7%)
Band 4	$838,161.27 (28.8%)	$900,606.43 (28.5%)	$62,445.16 (↓7.5%)
Band 5	$1,114,249.51 (38.3%)	$1,227,117.96 (38.8%)	$112,868.45 (↑10.1%)
Total	$2,906,286.06 (100%)	$3,165,518.46 (100%)	$259,232.40 (↑8.9%)

DEMOGRAPHICS OF ASSET-BASED GIVERS

Currently your church has 68 households designated at Top Givers. Each of these households gives in excess of $10,000 per year.

These 68 households are giving a total of $1,227,117.96 to the total annual budget, which is 38.8% of annual giving.

The households comprise 4.9% of the church giving population and 37 of these households are aged 50+ years.

	Prior Jun 02, 2018–Jun 01, 2019	Recent Jun 03, 2019–Jun 01, 2020	Difference
Households	67 (5.7%)	68 (4.9%)	1 (↑1.5%)
Giving	$1,114,249.51 (38.3%)	$1,227,117.96 (38.8%)	$112,868.45 (↑10.1%)

GIVING VEHICLES

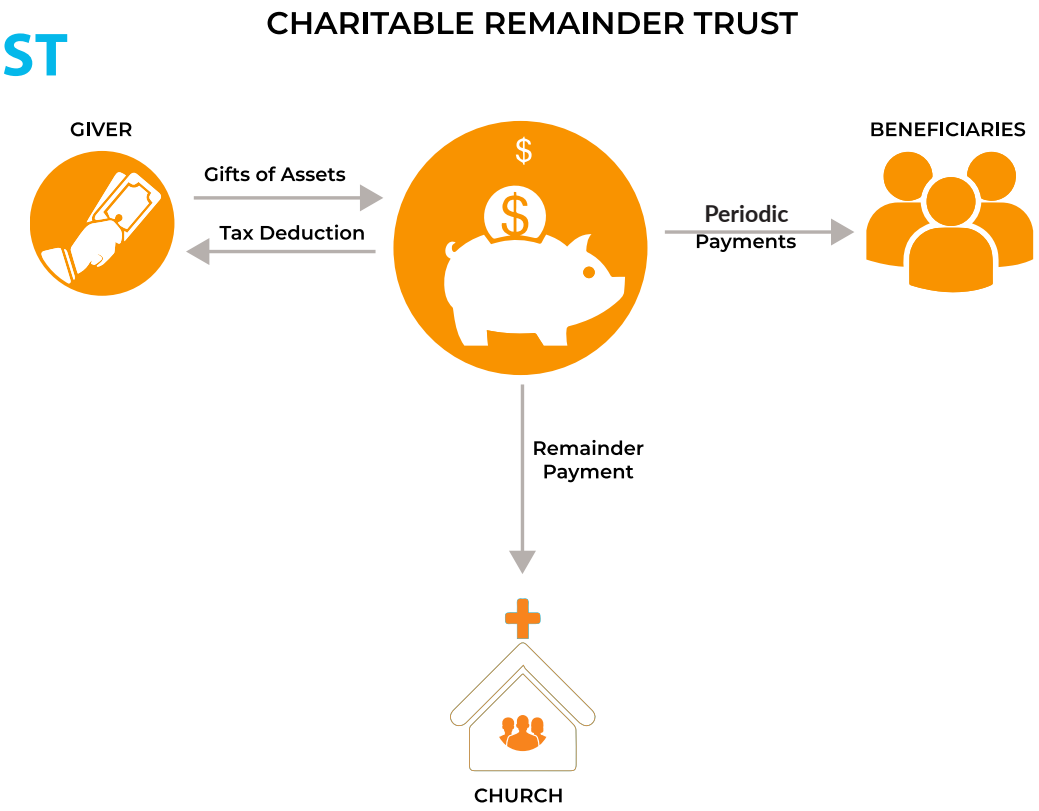
Emanuel Kallina

Kallina & Assoc. - Managing Member

WHAT IS A GIVING VEHICLE

CHARITABLE REMAINDER TRUST

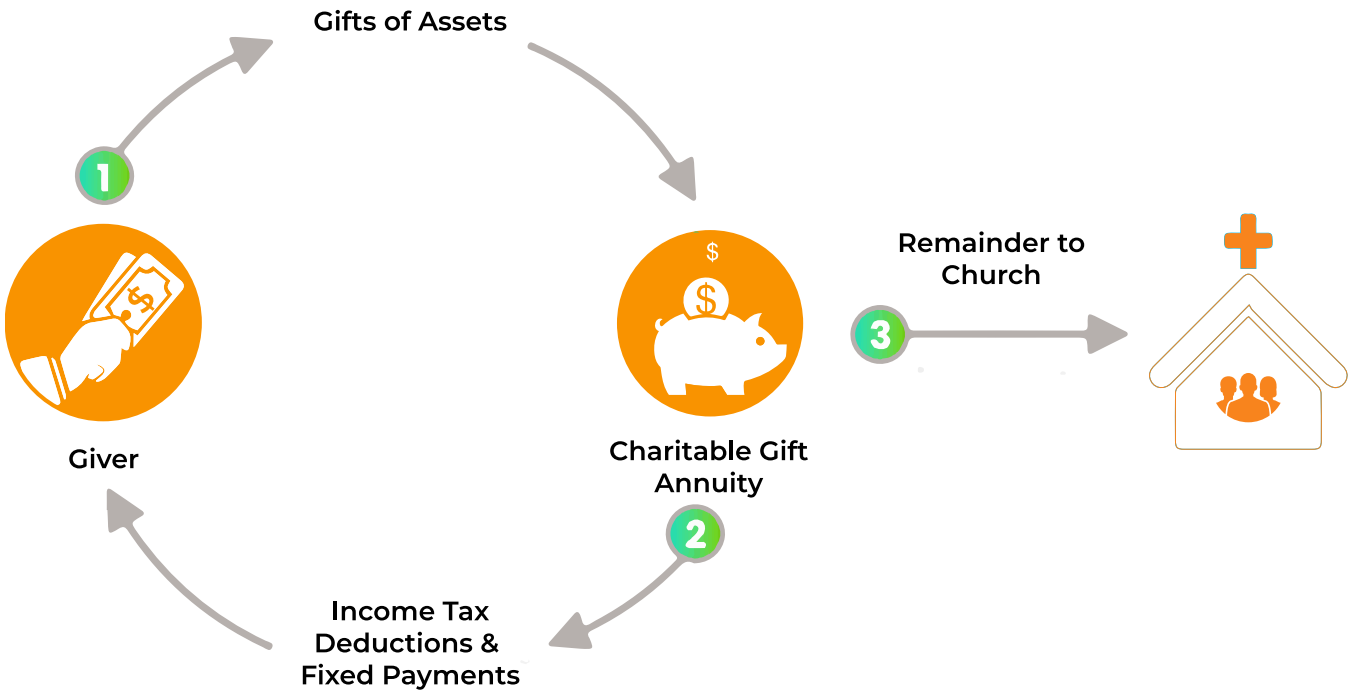
An irrevocable trust that pays income to one or more individuals either for life or for a number of years and then distributes its remainder to one or more charitable organizations.



WHAT IS A GIVING VEHICLE

CHARITABLE GIFT ANNUITY

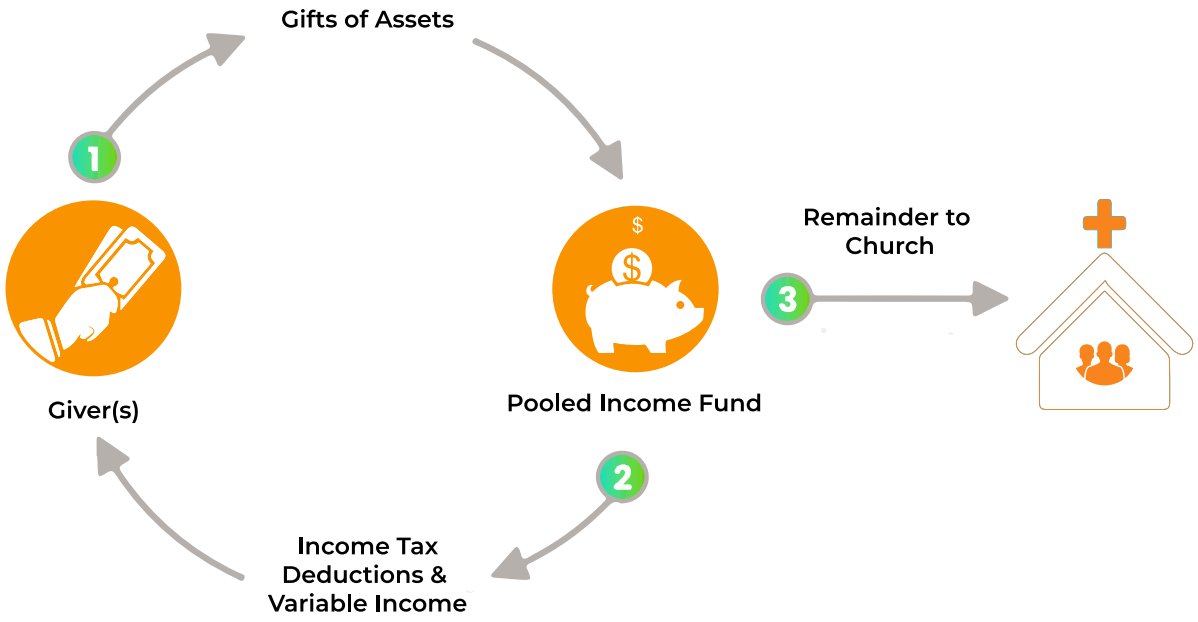
A contractual promise issued by the charity to pay typically a fixed dollar amount annually for the lifetime of one or two individuals. The contract is issued in exchange for a contribution and is backed by the financial assets of the issuing charity.



WHAT IS A GIVING VEHICLE

POOLED INCOME FUND

Givers gather together to contribute property, money, appreciated assets to a pooled investment fund operated by a church.



WHAT IS A GIVING VEHICLE

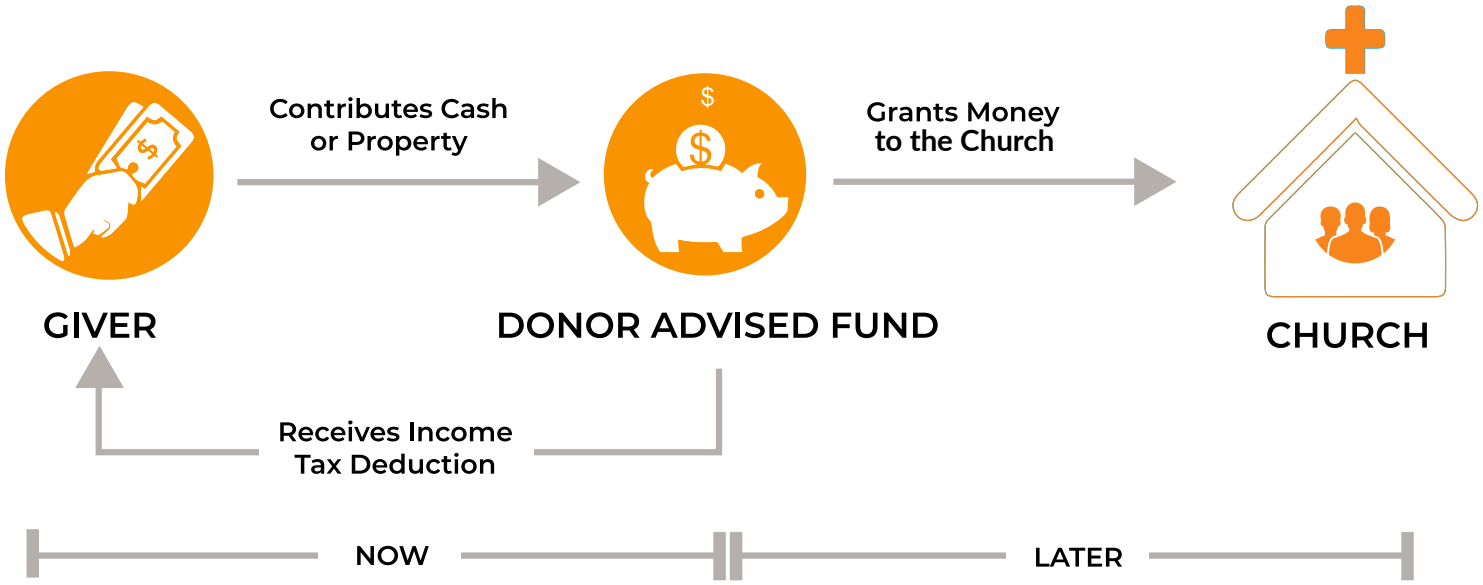
BEQUEST

A direction in a Will to distribute property or money – a 'legacy.'

WHAT IS A GIVING VEHICLE

DONOR ADVISED FUND

Keyword – Donor Advised – you pick where they gift.



VISION & CLARITY

Greg Gibbs,

Auxano - Senior Lead Navigator

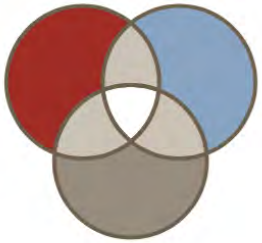
VISION & CLARITY

Rethink

Pumpkin Jars

What obstacles are we facing?

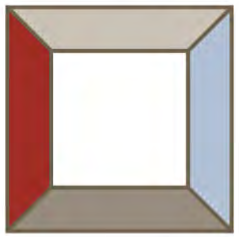
Uncover



Kingdom Concept

What can we do best?

Talk Up



Vision Frame

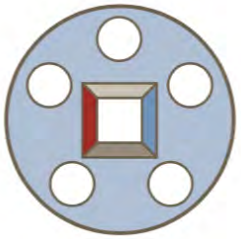
What holds our vision together?

Go Ahead

Vision Proper

Where is God taking us?

Live Out



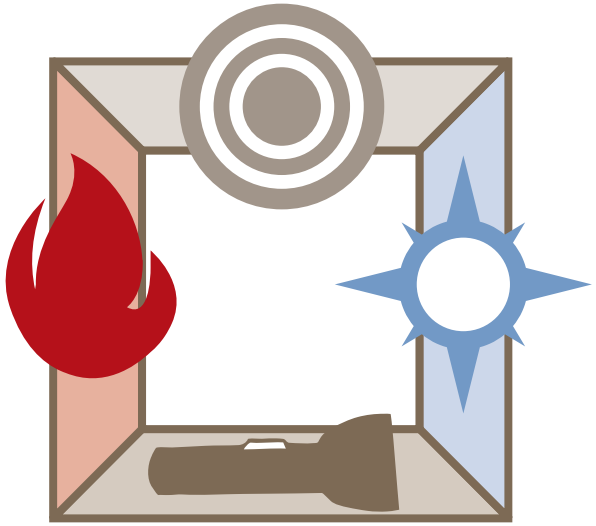
Integration Model

How do we live out the vision?

VISION & CLARITY

VISION & CLARITY

Five Irreducible Questions of Clarity



What?
Why?
How?
When?
Where?

VISION & CLARITY

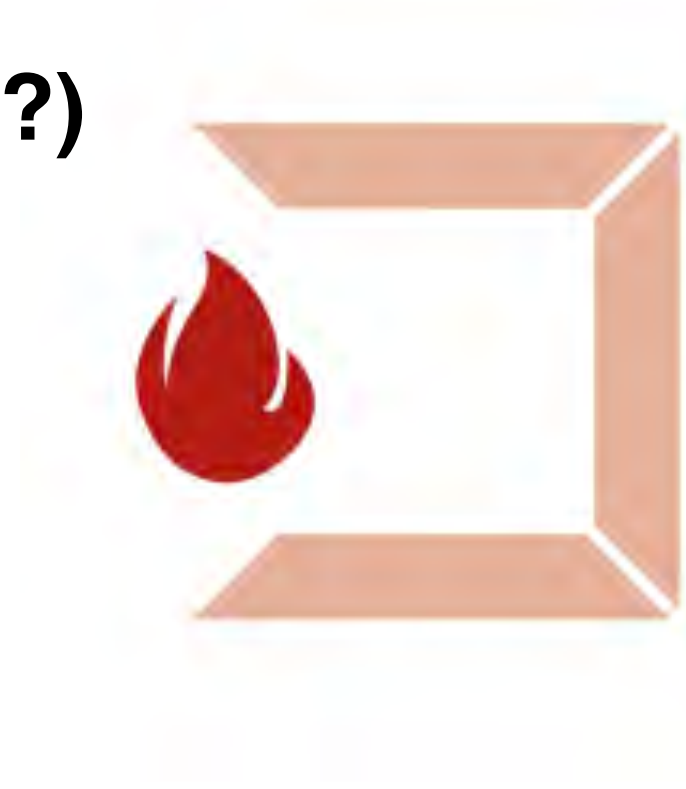
Mission (What are we doing?)

- **Provides direction**
- **Golden thread**
- **Re-articulation of the Great Commission**

VISION & CLARITY

Values (Why are we doing it?)

- **Shared convictions**
- **Springboards**
- **Shapes culture and ethos**



VISION & CLARITY

Strategy (How are we doing it?)

- Process of how the mission will be accomplished
- Container
- Shapes culture and ethos

VISION & CLARITY

Measures (When are we successful?)

- Attributes of someone's life
- Bull's eye
- Portrait of a disciple

VISION & CLARITY

Vision (Where is God taking us?)

- Living language that illustrates and anticipates
- Travel brochure
- Horizon storyline

VISION & CLARITY

5 CRITICAL QUESTIONS

Mission (What are we doing?)
Values (Why are we doing it?)
Strategy (How do we do it?)
Measures (When are we successful?)
Vision (Where is God taking us?)

VISION & CLARITY

CASE FOR SUPPORT

What are we doing?
(our history, mission, focus…)

Why are we doing it?
(our motivation, commitments, values…)

How do we do it?
(our programming, services, venues…)

When are we successful?
(our discipleship, spiritual growth, ministry fruit…)

Where is God taking us?
(our short and long term dreams and aspirations)

PANEL DISCUSSION:

How to Build a Gift Planning Ministry

STEP 1: LEADERSHIP APPROVAL

- ✓ Has your organization been operating for more than 5-10 years?
- ✓ Has the church leadership and/or elder board approved of the program and agreed to provide the necessary financial resources to support the planned giving efforts?
- ✓ Does your church have the correct demographics for planned giving opportunities? (e.g., givers aged 50+ that are giving at least $10K per year to the church)
- ✓ Do you have an established communications team and plan for sharing financial needs and giving opportunities?
- ✓ Does your church have a dedicated team of generosity advisors to cultivate planned giving opportunities with givers?
- ✓ Is your church willing to undertake legal counsel to resolve a legacy gift question, if necessary?

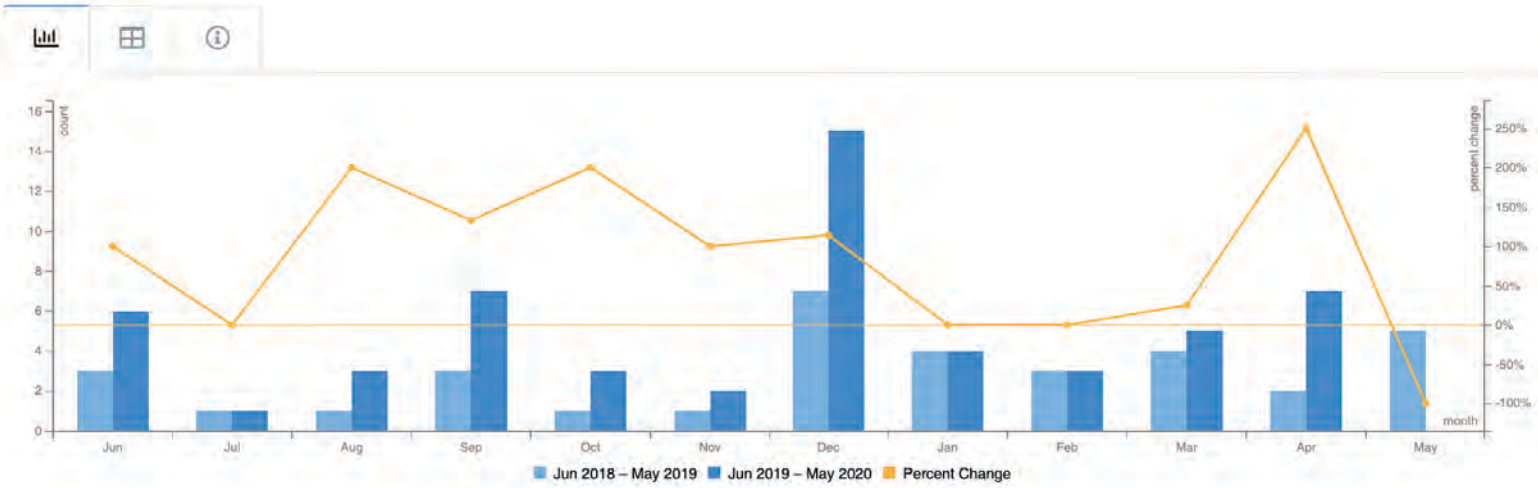
STEP 2: DEFINE YOUR MISSION & VISION

✓ **Church Vision & Case Statement:** This is where you get to share the history of the church, the accomplishments and where God is leading you for the next season of ministry. You will need to balance the future – the next one to three years, with a realistic goal that is attainable and connect that to a far bigger future (5+ years).

STEP 3: TRACK & SEGMENT TOP GIVERS

Acquired Top Givers

Households whose giving moved them into band 5



June Year Over Year

↓100.0%

Jun 1-30, 2019
6

Jun 1-2, 2020
0

Change
-6

Trailing 6 Months

↑36.0%

Dec 2018-May 2019
25

Dec 2019-May 2020
34

Change
9

Trailing 12 Months

↑60.0%

Jun 2018-May 2019
35

Jun 2019-May 2020
56

Change
21

STEP 3: TRACK & SEGMENT TOP GIVERS

1. Track and identify giving from households aged 50+ years.

2. Identify giving amounts and frequency.

3. Retrieve demographic information about these givers:
   - Marital Status
   - Children, Grandchildren & Ages
   - Responsibilities (Working, Retired, Financial Obligations)
   - Church Involvement
   - Hobbies/Interests
   - Wealth Indicators

4. Segment these givers into different groups for connection opportunities.

STEP 4: BUILD YOUR TEAM

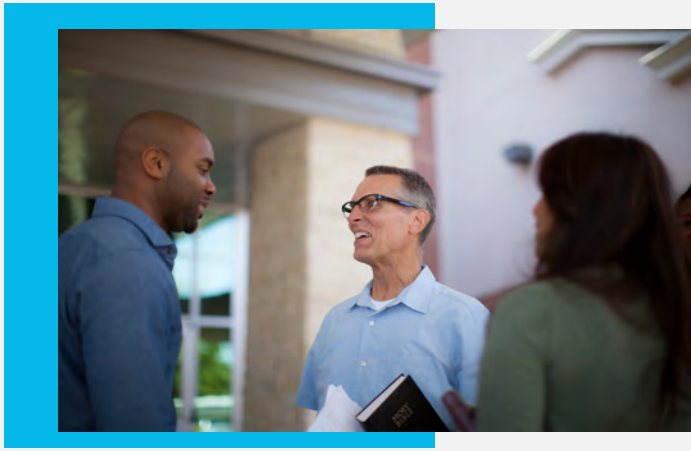
1. Develop the mission and vision for your ministry.

2. Advertise within your church communication channels the opportunity to help with the stewardship and generosity team.

3. Ask other ministry leaders if they have recommendations of people that could volunteer with your ministry.

4. Recruit financial professionals that work in your church.

5. Bring MortarStone in to help train your team on how to operate within the church.



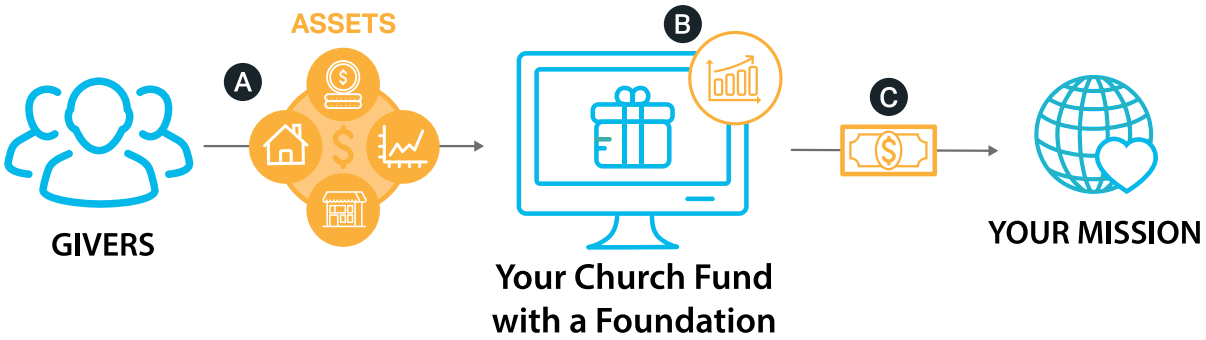
STEP 5: DEVELOP A CONNECTION PLAN

Your Marketing Plan Should Contain the Following –

- Sermon Teachings on Giving
- Planned Giving Options Added to Website, Tithing Envelopes, Giving Kiosks, & Church App
- Church Signage about Planned Giving
- 6-8 Training Events
- Personal Meetings with Top Givers
- Phone calls
- Emails
- Thank You Notes
- Marketing Postcards/Mailers
- Sermon Announcements
- Texts
- Social Media Posts
- Video(s)
- Testimonials

STEP 6: CONSULT LEGAL COUNSEL FOR GIFT ADMINISTRATION

HOW IT WORKS



- **A** The giver initiates a gift of any type to your established Church Fund with a foundation. The gift is liquidated, depending on the type of gift, and the proceeds are placed into the Church Fund.
- **B** While contributions are in the Church Fund, they can grow in biblically responsible investment pools.
- **C** When your church is ready to draw from the Church Fund, you can initiate the grant of funds.

STEP 7: ACTUALIZE THE GOAL

Once you've got the items for your plan determined, it's time to put them into a schedule so that you can begin achieving your goals. Take the plan that you've created and assign dates and action items to each item.

Remember, planned giving cannot be done alone, your entire leadership team must be on board.

TALKING WITH GIVERS

Christianna Luy,

CCS Funding - Asst. Vice President

TALKING WITH GIVERS

THREE STRATEGIES

Annual Giving/Event

1

- Modest gifts made from discretionary income
- Made for current operations & immediate use
- Participation and increasing gifts is the focus

Major Giving/Capital Campaigns

2

- Gifts from assets or multi-year pledges
- Gifts to capital needs and special projects
- Gifts generally of significant size

Planned Giving

3

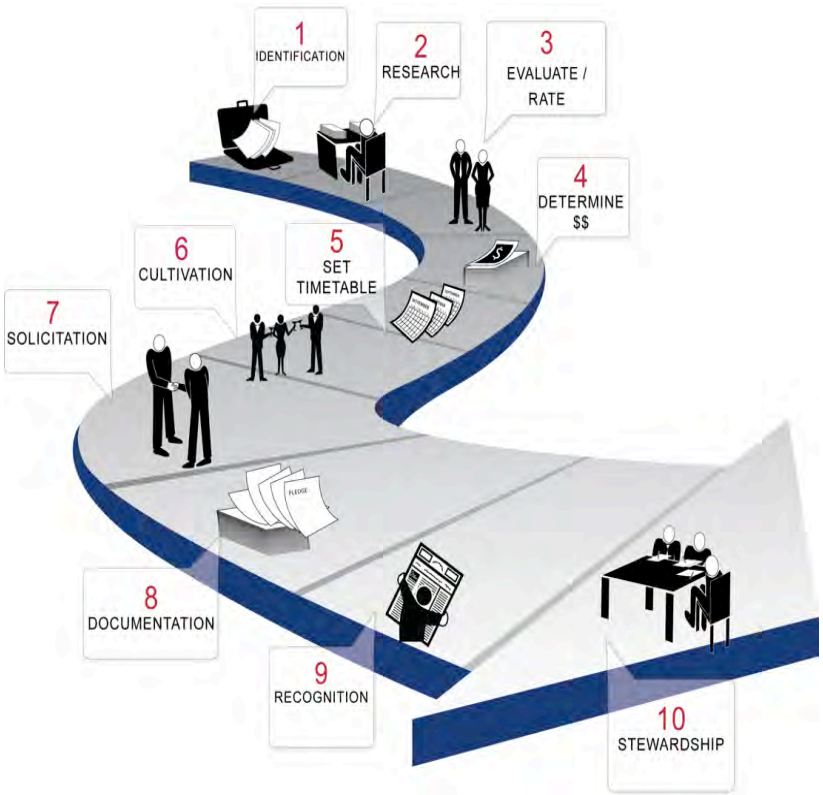
- Gifts from assets or estate wealth
- Gifts used for endowment or designated purposes
- Gift request is built over time
- Likely the giver's largest gift

TALKING WITH GIVERS

GIVER DEVELOPMENT

***Steps in a successful personal visit*:**

1. Identification
2. Planning and Evaluation
3. Cultivation and Preparation
4. Gift Request
5. Diligent Follow-up to Secure Commitment
6. Stewardship



MortarStone @mortarstone

TALKING WITH GIVERS

COMMUNICATION DO'S & DON'TS

Don'ts

- Discuss details via phone
- Go unprepared
- Make visits without confirming your own gift
- Apologize for your visit

Do's

- "We'd like to meet with you for 45-minutes to discuss your leadership in our project."
- Familiarize yourself with the potential giver prior to your visit.
- Visitors who make their own gift first are more confident, persuasive, and successful.
- You are offering the opportunity to expand the church's impact in your community for the immediate and the long-term.

TALKING WITH GIVERS

COMMUNICATION DO'S & DON'TS

Don'ts

- Forget to communicate the project/case and vision
- Rush!
- Forget to get the giver excited about the opportunity
- Presume capacity

Do's

- Share your passion for the church and your community. Discuss how your church plays a critical role.
- Be yourself. Take your time. Listen. Give the potential giver a thoughtful presentation.
- If you describe how their gift will be impactful they may ask, *"how much do you need?"*
- *"We have no idea what you are capable of, but we do know the impact your gift will have…"*

TALKING WITH GIVERS

COMMUNICATION DO'S & DON'TS

Don'ts

- As for *"whatever you can do."*
- Say a word after the request.
- Leave right away.
- Allow too much time to pass before following up.
- Be negative.

Do's

- *"We respectfully ask you to consider a gift of 'X' each year for three years for a total pledge of X. Do you think you can make this commitment?"*
- Listen. Listen. Listen and respond accordingly.
- Be prepared to respond to yes, no, maybe.
- Schedule time to follow-up to "confirm your decision" within 5-7 days.
- Your enthusiasm will be contagious and influential.

TALKING WITH GIVERS

WHAT WE CAN CONTROL

- Your time in prayer and asking the Lord to bless your relationship with the giver
- How well you make the Case
- The style in which you invite the giver's support
- The setting for the meeting
- How much time you have to talk
- The content you discuss
- How you respond to the giver's questions

TALKING WITH GIVERS

WHAT WE CAN'T CONTROL

- The giver's financial ability
- How the giver will react
- The giver's level of interest
- What the giver will initially offer
- Reasons why the giver won't give
- The giver's other circumstances
- What questions the giver will have

RESPONSES

- **Response 1:** “Yes, I will make a gift.”
- **Response 2:** “I need more time to decide.”
- **Response 3:** “I will make a gift, but not at the level you’ve requested. What if we did [amount]?”
- **Response 4:** “I am not going to make a gift at this time.”

GIVING TRUTHS

1. People **respond to opportunity** more than to need.
2. People **haven't always given everything** they have to give.
3. People **give in response to clear priorities**.
4. People want you to **invite them to give**!
5. It's **dignifying and effective to invite specific types of gifts** or amounts.
6. People **give in response to who asks them**.
7. **Personal visits result in larger gifts**.
8. **You know enough** to make the ask.

Giver Potential Concern	Possible Gift Option	Introductory Talking Points
• Concerned they'll outlive their money • High health care costs	• Testamentary Gift • Bequest Intention	"Would you consider a pledge commitment that isn't paid until you pass or when you no longer need it?"
• Want to provide for children's/grandchildren's college costs	• Gift Annuity • Testamentary pledge or Bequest Intention	"Would you be open to exploring ideas to ensuring you have income sufficient to help your grandchildren with tuition while also helping our church? We'd love to show you some ways you can keep funds available while committing to this effort."
• Concerned they won't have enough to support retirement	• Gift Annuity • CRT	"If we could show you a way to maintain or increase your income while also supporting your church would you be interested?"
• Not enough cash right now • Has an extensive art collection	• Gift of tangible property	"Would you be interested in giving art to beautify our church's walls as part of the blended gift you are considering?"
• Worried about retirement • Want to continue support of church's campaign	• Multi-year pledge to campaign • Testamentary pledge	"Your continued commitmentis so appreciated! Would you consider a multi-year pledge to ensure support for the event and a significant campaign pledge that is fulfilled once your estate is settled?"
• Inherited commercial real estate for retirement income which has become a burden	• A FLIP unitrust with the commercial real estate property • Bequest Intention	"Would you be interested in hearing how you could receive a steady stream of income while no longer managing the property and ultimate supporting our church?"

PANEL DISCUSSION:

Questions & Answers