news & notes FOR ASSOCIATE COUNSELORS | October 2017 | Issue 3

CORRELATIONS

CHARITABLE PLANNING WITH IRA ASSETS

Most account holders are unaware that unspent tax deferred retirement assets from IRAs, 401Ks and TSAs will be taxed in the last income tax filing of an account owner who dies. Such taxation can be astronomical and shrink the accounts by 40-50 percent. Although planning strategies exist to spread out the tax, for many the tax will be assessed unnecessarily.

Leaving these assets to beneficiaries other than a surviving spouse through a will, revocable trust, or beneficiary designation doesn't avoid this tax. At best, payments can be stretched out, but as beneficiaries grow tired of waiting to receive the account values, they often trigger the tax in favor of waiting.

Charitably-minded individuals have another option that can accomplish goals for family and ministry. Account owners who are willing to make a gift to their cherished ministry(s) after their earthly lives are over can designate the charitable organizations as beneficiaries directly on the IRA account. When a tax-exempt organization is the beneficiary of these funds, the IRA account avoids onerous income taxation.

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TRAINING CALENDAR *free, practical learning & application!*

Learn successful "Lifetime Plan for Giving" donor interaction processes, endowment development resources, plus the "Transfer the Blessings" organizational gift planning initiatives from seasoned professionals. FREE registration is required for each training course. Click here to register:
http://www.lcmsfoundation.org/training-registration/

Want to practice gift planning more actively? Attendees have the option to complete a guided field experience to help develop gift planning endeavors within your ministry organization.

Dates	*Location*
Jan. 30- Feb. 1, 2018	*Florida-Georgia District Office Orlando, Florida*
May 1-3, 2018	*LCMS International Center St. Louis, Missouri*
June 26-28, 2018	*Milwaukee, Wisconsin Area*
October 2-4, 2018	*To Be Determined*


Craig Toerpe

IN THE LIMELIGHT: CRAIG TOERPE ASSOCIATE COUNSELOR

Craig Toerpe has led the Stewardship and Gifting ministries of St. John's Lutheran Church and School in West Bend, Wisconsin since 2010. A science graduate of Concordia University Wisconsin, Craig has taught in Lutheran high schools and developed the annual fund at Concordia during his career. He has a graduate degree in education administration. He is the husband of Leah and the father of four children.

Craig provides gift planning services to the members of St. John's, a congregation that worships over 1,100 people at four services. The congregation operates a large school ministry.

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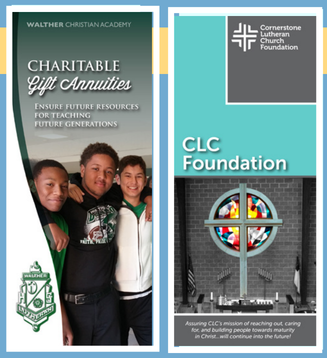
LCMS Foundation
TODAY | TOMORROW | FOREVER

1333 South Kirkwood Road, Saint Louis, MO 63122 | (800) 325-7912 | www.lcmsfoundation.org



RESOURCES IN A BOX

The Foundation's marketing team can help produce a custom planned giving production specific for the ministry you serve. The team has produced an array of planned giving promotions, including gift annuities, donor-advised funds, and general brochures, using retirement assets for gifts (for example), and these promotions can incorporate your ministry's logo, colors, fonts, and other styles to match existing promotions.

The collaboration will produce a print-ready file that may be used for in-house or professional printing. Marketing can also help you execute a planned giving promotional mailing for gift annuities or other types of gifts. Please contact Blake Tilley, Sr. VP of Marketing, 314-996-1681 or Blake.Tilley@lfnd.org, with any questions or to get started.

Be sure to check out the Foundation's online communication resources. These free downloads include bulletin inserts and newsletters, stewardship studies, bulletins, and newsletter articles. You may use these files to promote stewardship and gift planning within your own publications or online. Visit www.lcmsfoundation.org/resources.

BEST PRACTICE: LISTENING TO UNCOVER AND ILLUMINATE CHARITABLE INTENT

At the University of Redlands, Ray Watts (Associate VP for Development) and Patience Boudreaux (Director of Annual Giving) are experimenting with *"plannual giving,"* a division of labor that they define as letting people do what they do best. Their efforts toward *"ultimate integration"* was presented at the National Conference on Philanthropic Planning, now the National Association of Charitable Gift Planners (CGP) in 2014.

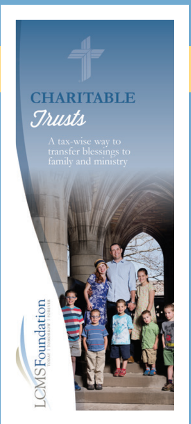
"Gift planners are skilled in visiting and personal contact, not marketing. Annual giving people are more naturals at marketing," says Patience. Why not release responsibility for bequest fundraising to annual giving staffers? Bequests aren't hard to explain, and most people would agree that loyal annual donors are great bequest prospects. When bequest metrics are transferred to the annual giving staff, the gift planners can do even more of what they do best—work with constituents who have special assets or charitable goals that call for more complex gift planning. This strategy may be easier in a small organization where fewer people have turf to control.

Here are some of their tips:

- Promote today/tomorrow/forever giving to everyone, and be ready to show that the biggest gifts blend all three categories.
- Don't worry that the annual giving emphasis will reduce planned giving—to supporters, it all encourages intentional generosity.
- Your loyal donors—large and small—think of you as a member of the family in the home rather than as stats on a balance sheet.

Charitable Planning continued from page 1

For account owners who want to provide income to family members as well, these IRAs can be distributed to a charitable remainder trust managed by the LCMS Foundation for any LCMS ministry. These charitable remainder trusts can be established without requirement for current funding. The charitable trust can not only pay income for up to 20 years after the account owner's death, but also preserves the corpus of the account for a significant gift to the named ministry(s) of the account owner. For a recommendation on how to conserve taxable assets through charitable planning, contact a Foundation Gift Planning Counselor or Associate.



INVESTMENT CORNER- CHARITABLE TRUSTS: PART ONE

Charitable trusts are established by LCMS members to benefit all kinds of LCMS ministries.

Since 1982, the Foundation has been given a Private Letter Ruling from the Internal Revenue Service permitting us to jointly invest the assets of charitable remainder trusts for which the Foundation serves as trustee. Joint investment permits the Foundation to serve more efficiently and cost effectively.

The Foundation has managed a group of joint investment vehicles for charitable remainder trusts, the Trust Funds since 2002. The Trust Funds facilitate the management by the Foundation of the more than 3,700 charitable remainder trusts currently under management. Diversification, reduced expenses, and easier record keeping are important benefits of the Trust Funds. The Trust Funds are not legal entities. They are simply accounting designations for the jointly invested assets of the charitable remainder trusts for which the Foundation serves as trustee.

GIFT PLANS: RECEIVING AND PROCESSING APPRECIATED SECURITIES

Encouraging donors to give gifts from non-cash gifts of appreciated assets will certainly increase the financial support they provide to your ministry. The Foundation is a partner to help you process these gifts. As with our team, so also for your organizations, advanced notice is ALWAYS required to ensure prompt and accurate processing of all gifted securities and wire transfers.

Sue Sehrt

For ministries that desire help regarding any security gifts and transfers via FED Wire, please contact Susan Sehrt at (800) 325-7912 x1621 or Susan.Sehrt@lfnd.org. Or contact any of the members of our Gift Processing department at 800-325-7912 ext. 3230 or gift.processing@lfnd.org

Because there are different ways a security may be registered or held we ask that donors please contact us to ensure the proper transfer instructions are being used. We have specific instructions, templates and direct transfer forms to direct the passion of donors to give to the ministries they care about. The Foundation is equipped to handle these gifts for a donor and/or a ministry organization if that is desired.

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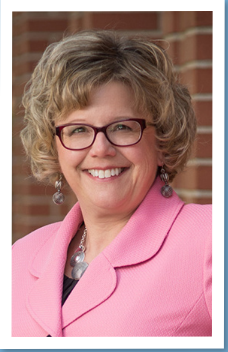
Craig helped coordinate a *"REACH"* campaign to build the new Early Childhood Center which welcomes over 120 students, 60 percent of whom are not members.

Each year Craig provides stewardship education to children and adults, including an economic curriculum in the junior high grades of the school. He meets with an average of 30 individuals or couple units per year to guide them through the congregation's Lifetime Stewardship Plan, a process that closely mirrors the Foundation's Lifetime Plan for Giving process.

Craig's pipeline report recently showed around 50 gift plans with more than $4,291,550 in gifts. Craig has recently reported custodial accounts, with the LCMS Foundation of over $200,000 and gift plans of approximately $1,000,000. God has shown favor on his efforts as the congregation received significant gifts from board members and members who recently passed away. One gift in particular has transformed the Foundation's ability to support the mission of the congregation. The congregation's gift planning future at St. John's is indeed flourishing!

WELCOME TO OUR NEWEST GIFT PLANNING COUNSELORS



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DATA MANAGEMENT FOR GIFT PLANNING

Phil Meinzen

A question often asked in our training is, "What kind of data management system should we have to encourage, track and report planned gifts?" The answer isn't simple, but there are helpful web sites.

Techsoup.com is a listing of top data management systems under $10,000 that can get you started.

Many organizations have a data management system and it is natural to ask whether this system has a planned giving module. Most of these are first generation software, but would be a decent place to start. In an analysis that I did several years ago, three systems surfaced to the top. These were DonorPerfect online, Sage Software, which has an ACT contact relationship management (CRM) tool, and Blackbaud's online access feature for startups known as eTapestry. Recently, numerous online systems have popped up for you to explore.

The Foundation uses a proprietary system that was built for our field staff. This system is currently not designed for other ministry organizations but it might be something that we can help you use to keep track of and report gifts. If you require assistance to explore data management for gift planning, call Phil Meinzen, Director of Training and Counselor Relations, at (800) 325-7912 ext. 1695 or email Philip.Meinzen@lfnd.org.

MISSION CASE MATTERS: LEADING WITH VISION

An oft-missed supposition when communicating the mission of a ministry organization is that it is far more effective to lead with vision than it is with need. When leaders communicate the need, they are almost always perceived as being manipulative. After all, everyone has 'needs!' Leading with vision gives others a common aspiration that can only be accomplished when we work together. Vision inspires collaboration and invites others to be better together than we can be alone. Yet, we naturally communicate our needs in language that often proves ineffective. Needs should be wrapped in visionary descriptions to capture people's aspirations and invite partnership.

ONLINE DEVELOPMENT COURSES AVAILABLE WITHOUT CHARGE

Could you use some encouragement with learning fund or gift development? Check out our comprehensive courses at www.lcmsfoundation.org. Scroll down to the *'Resources'* link and enjoy these free resources.