

CATHOLIC FOUNDATION

for Brooklyn and Queens



Faith-Based Estate and Legacy Planning Program

Planned Giving Training For Priests



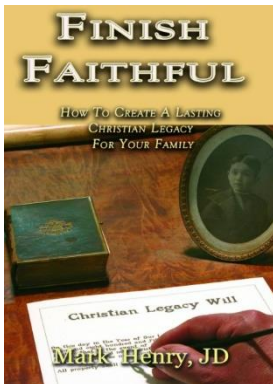
presented by:

Mark Henry, JD, CPA
Stewardship Planned Giving



Professional Background

Mark Henry, JD, CPA Stewardship Planned Giving



- Providing philanthropic planning counseling to Catholic community for over 20 years
- Recipient of International Catholic Stewardship Conference Planned Giving Award (2018)
- Author – *Finish Faithful*
- Speaker at national Catholic stewardship conferences, colleges, dioceses and Catholic radio and television programs





Overview of Presentation

- Defining Planned Gifts
- Why Parishes Need Planned Gifts
- Survey and Case Study
- Common Planned Giving Opportunities
- Easy Planned Giving Conversation Starters With Parishioners
- Catholic Estate Planning
- Parish Planned Giving Toolkit
- Questions and Answers





What Are Planned Gifts?



Gifts that are coordinated with a person's estate plan, including:

- Bequests from a Will or Trust
- Gifts of Retirement Assets
- Gifts of Insurance Policies and other financial assets
- Gift Annuities
- Charitable Trusts

Why Your Parish Needs Planned Gifts...

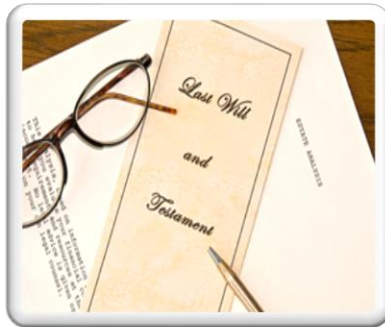


•**Question:** What will the financial impact be on your Parish when its top 20 senior (Age 65+) parishioners pass away?

•**Answer No. 1:** If they have not remembered your Parish in their Estate Plan, your offertory will decrease significantly as those parishioners have died and can no longer donate to your parish.

•**Answer No. 2:** If they have left a bequest to your Parish, you will financially benefit as those parishioner's financial support will increase by an average of \$78k per bequest.

Opportunity – Encouraging Parishioners to Continue Lifetime Giving via Bequests



- Many parishioners want to leave a lasting legacy to their faith community
- A bequest from a Will or Trust is a common way for a parishioner to leave a lasting financial legacy
- Priests can provide important encouragement to parishioners in this area
- A single bequest can make a big difference in your Parish's financial position
- Average Size Bequest is \$78,630*

*Per Chronicle of Philanthropy, Survey of Wills, Eden Stiffman, August 28, 2019



“Funerals vs. Bequests” Reality Makes Planned Giving Strategy Necessary Not Optional

***Why? Because Many More Of Your Most Affluent
Parishioners Will be Passing Away During The Next 5 Years***

***Numbers of Parishioners Passing Away
in Diocese of Brooklyn:***

<u>Year</u>	<u>Number of Parishioners Passed Away</u>
2019	6362*

* Per Official Catholic Directory (2020)

Survey of Parish Pastors



A recent survey of Parish Priests asked:

1. How many funerals they had in their parish during the last 3 years
2. How many bequests they received from those deceased parishioners

The results were disturbing...

1. Most Parish Priests said their Parish had received **NO bequests** from deceased parishioners in the prior 3 years
2. Typically, Priests said they had presided over **30 – 40 parishioner funerals** during that period

Number of
parish funerals:

“Funerals vs. Bequests”

40

30 – 40 Funerals

30

20

Number of bequests
received from deceased
parishioners:

10

5

0

NO Bequests



Benefits To Parish Of An Active Planned Giving Strategy...

Planned Gifts Your Parish Could Receive With An Active Planned Giving Program:

\$ Planned Giving Opportunity \$

(Assuming 40 Parishioners in your Parish pass away per year)

1. **With Active Planned Giving Program & just 10% of deceased parishioners leave charitable bequests to your parish**
2. **Estimated no. of bequests your Parish could receive per year - 4**
3. **Multiply number of bequests receivable by: x**
4. **Average Sized Bequest Amount ① : \$78,630**
- =**
5. **Planned gifts your Parish could receive per year: \$314,520**

① Per Chronicle of Philanthropy, Survey of Wills, Eden Stiffman, August 28, 2019



Bequest of IRA

Advantages of Planned Gift of IRA

- Easy to do – just change IRA beneficiary designation form
- Gift To Parish bypasses income tax otherwise payable by family
- Can gift all or part of IRA



Parish



Bequest of Stock

Gift of Stock, Securities,
Mutual Funds

- Outright gift or via Charitable Trust
- Tax benefits



Parish

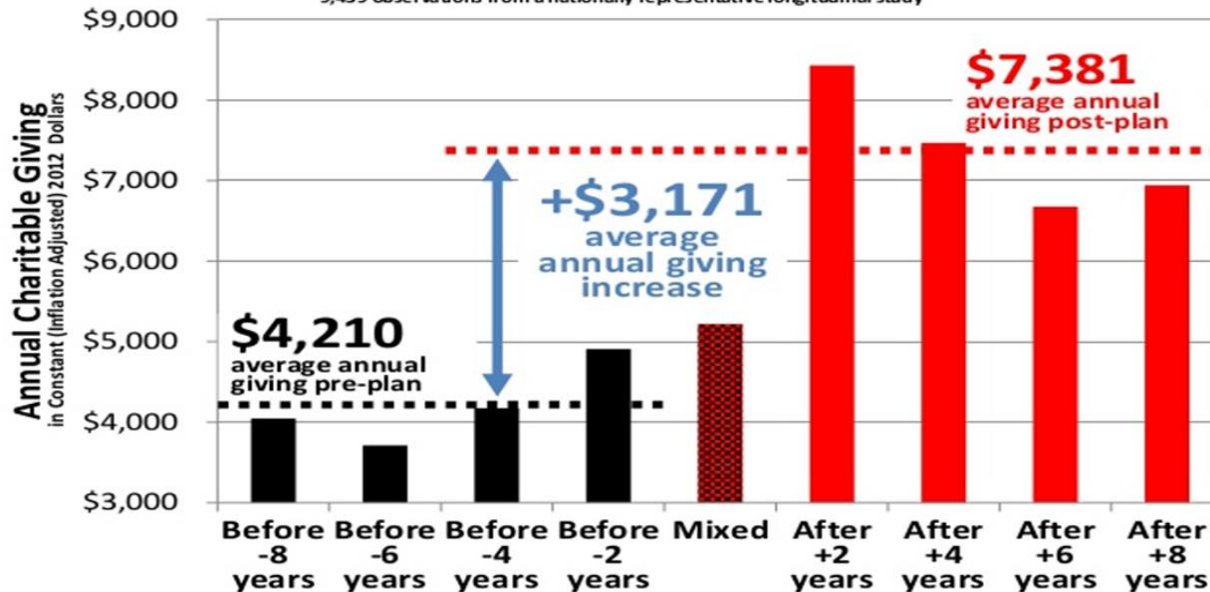


Fundraising Myth – Asking Parishioners For Bequest Reduces Current Offertory

When People Make Planned Gifts, They Usually Increase Their Current And Future Giving

Giving Before and After Adding Charitable Beneficiary to Estate Plan

9,439 observations from a nationally representative longitudinal study

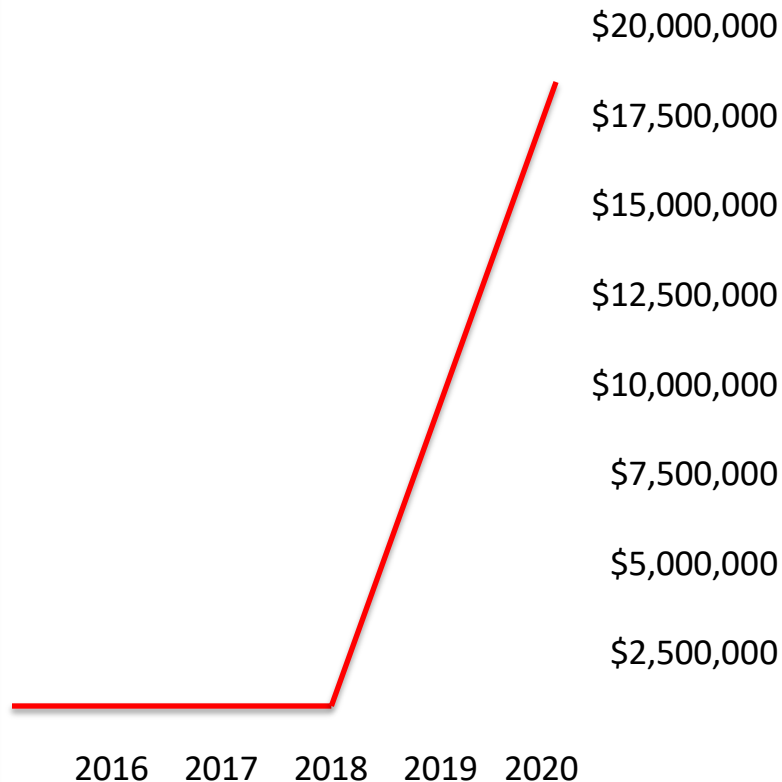


Once Parishioners leave a lasting legacy via a planned gift to the Church, they are emotionally more committed to the Church and their overall giving levels rise.

Case Study – Parish Planned Giving Strateg



Multi-Parish Planned Gift Strategy^①



Parish Based Planning Giving Strategy

- Prior to 2018, Planned Gifts were sporadic and infrequent
- Late 2017 – Planned Giving Program designed
- Jan. 2018 – Planned Giving Program launched
- Description of Program:
 - Emphasizes Catholic estate planning strategies
 - Parish planned giving event driven
 - Easy for parishes to host
- From Jan. 2018 – Nov. 2019 **\$18 Million** planned gifts were generated

^① Case study results from Diocese that Mark Henry established planned giving program for in 2017 – 2018.



Seven Significant Gift Triggers

- | | | |
|----|---|---------------------------------------|
| 1. | Real Estate Transactions | Avoid Cap Gains Tax |
| 2. | Sale of Business | Avoid Cap Gains Tax |
| 3. | Excess Income over lifestyle | Lower Income Tax |
| 4. | Taxable Estate Gifts | Lower Estate Tax |
| 5. | Large Retirement Plans,
IRAs, 401Ks, Annuities, etc. | Avoid IRD Tax |
| 6. | Large amounts of Corporate
Stock or Stock Options | Lower Income and
Capital Gains Tax |
| 7. | Un-Needed Life Insurance | Lower Estate Tax |

Step One

The first step in getting parishioners to make planned gifts is to start a dialogue with them

Ways of communicating with parishioners about planned giving:

- Personal conversation with parishioner by Pastor or staff
- Planned giving presentation to small group of parishioners
- Letters and emails from Pastor to parishioners
- Planned giving ads in parish bulletin

Priest can start a conversation with parishioner about planned giving as follows:

Hi, Joan (parishioner) may I ask you a question?

(Parishioner Joan) Of course, Father

(Priest) You have been such a blessing here at the Parish, in so many ways, financially and otherwise. Would you consider continuing your lifetime giving by leaving a lasting legacy for the Church through a bequest in your estate plan?

(Parishioner Joan) Yes, Father, I have been thinking about getting my estate plan done, but I am not sure who to help me with this.

(Priest) Joan, I know just the person to call. Their name is (Foundation gift planning staff), can I have her/him give you a call?

(Parishioner Joan) Yes, Father, thank you, I will look forward to her/his call.



Step Two



Promote Planned Giving in Parish Bulletins

Bulletin insert suitable for placement in 2 column page layout:
(bulletin insert is intended to remain in bulletin permanently with
no change in content or location)

Please remember St. _____ Parish in your Will.

For free information on making a will or making a
bequest to our parish, please contact:

Jeanne Farnan Mulry

Catholic Foundation for Brooklyn and Queens

Email jmulry@cfbq.org Tel. 718.965.7375 x1621

Step Two

Promote Planned Giving in Parish Bulletins

Column insert suitable for placement in 2 column page layout:
(bulletin insert is intended to remain in bulletin permanently
with monthly change in content)

Leave A Lasting Legacy With A Gift From Your Retirement Plan

All IRAs, 401Ks and other retirement plans have beneficiary pages. Because leaving these plans to children can result in a large percentage going to taxes, you may want to consider naming the parish endowment fund as a beneficiary of your retirement plan. It will be a charitable gift so no taxes are due on the gift. You can even leave just a percentage of the retirement plan to the parish endowment fund. For information about changing your beneficiaries on retirement plans or other legacy planning ideas contact

Jeanne Farnan Mulry

Catholic Foundation for Brooklyn and Queens
Email jmulry@cfbq.org Tel. 718.965.7375 x1621



Effective Planned Giving Conversations



Parishioners Are More Likely to Make a Planned Gift to The Church if You Help Them Get a Catholic Estate Plan

Testimony from recent donor of planned gift to their parish:

Dear Mark:

We want to thank you for the opportunity to make this bequest. This planned giving program is truly worthwhile and we are glad that we were made aware of it by your presentation. Having people come to the parish to explain the Catholic perspective on wills and trusts was the push start that we needed to actually take the steps to implement this donation.

Sincerely,

Shawn and Gerry I.

(reprinted with donor permission)



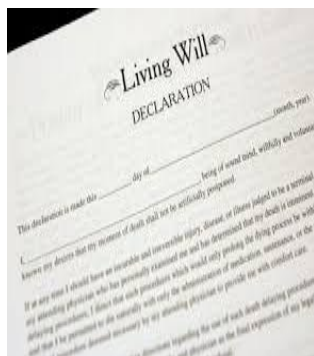
Encouraging Parishioners To Get a Catholic Medical Directive

A great conversation starter with Parishioners is asking if the medical documents in their Estate Plan are Catholic or Non-Catholic

Catholic Medical Directive vs. Secular Living Will

These medical documents are commonly included in Estate Plans and cover important life and death matters like:

- Nutrition/Hydration
- Medication
- Resuscitation



Most secular “Living Will” type forms are promote euthanasia and are contrary to Catholic pro-life teachings

A Catholic Medical Directive complies with Catholic teachings, including Samaritanus Bonus ①, and protects elderly and seriously ill from euthanasia and assisted suicide.

① *Samaritanus Bonus* (The Good Samaritan), a letter published by the Congregation for the Doctrine of the Faith on July 14, 2020, approved by Pope Francis, reiterates the historical Catholic teachings opposing any form of euthanasia and assisted suicide.

Encouraging Parishioners To Get Their Estate Plan Done



Close To 50% of Individuals Pass Away Without An Estate Plan

- If a parishioner does not get their estate plan done (resulting in no bequest to the Church) your parish gets disinherited, losing a potentially large bequest gift.
- As a Pastor, *you want your Parishioners to get their Estate Plans done.*
- Catholics are more likely to get their estate plan done once they learn there is a “Catholic” way to do their estate plan AND they are reminded that the parish needs their legacy gift.



Encouraging Parishioners To Get A Catholic Estate Plan

What is a Catholic Estate Plan?

Catholic Estate Plan

- ✓ Will, Living Trust
- ✓ Catholic Medical Declaration (protection against euthanasia)
- ✓ Sacramental Wishes Statement
- ✓ Legacy Will (shares love of Catholic faith with family/heirs)
- ✓ Bequest or other Planned Gift to Church
- ✓ Responsible Heir Inheritance

Secular Estate Plan

- ✓ Will, Living Trust
- ✓ Living Will (pro-euthanasia)
- No Sacramental Wishes Statement
- No Legacy Will
- Bequest/other planned gift to Church unlikely
- Lump-sum inheritance to heirs (increases likelihood of heir financial irresponsibility)



Sacramental Wishes Statement

What is a Sacramental Wishes Statement and Why do Priests love this?

Very Helpful Document, Avoids Leaving Family And Pastor Guessing (and **disagreeing) About Important Last Things**

Sacramental Wishes Statement includes:

- Name and tel. no. of Parish Priest to administer Anointing of Sick and other sacraments
- Name of family member or friend to assist with faith-based matters like Vigil and Funeral
- Directions for Catholic funeral, including
 1. Location of Vigil Service, special Prayer and Eulogy requests
 2. Funeral Mass details
 3. Burial service details
- Requests for offering masses and other faith-based matters



Every Catholic should have a Sacramental Wishes Statement in their Estate Plan



Parish Planned Giving Resources

Parish Planned Giving Toolkit*

Easy Steps To Help Parish Generate Planned Gifts:



- Follow-up planned giving coaching call for Priests and parish staff
- Planned giving ad for Parish bulletin
- Sample letter and email from Pastor encouraging parishioners to remember Parish in their estate plan
- Copy of “What Priests Need To Know About Estate Planning” booklet

*Additional parish planned giving development services available for additional fee



CATHOLIC FOUNDATION

for Brooklyn and Queens



The Catholic Foundation is here to serve
Pastors with Faith-Based Estate and Legacy
Planning Assistance

Foundation contact information:

Jeanne Farnan Mulry

Catholic Foundation for Brooklyn and Queens

243 Prospect Park West

Brooklyn, NY 11215

Email: jmulry@cfbq.org

D: 718.965.7375 x1621 | P: 718.965.7375 | F: 888.415.6328



Questions & Answers