



Fayetteville First United Methodist Church  
175 East Lanier Avenue  
Fayetteville, GA 30214

Dear FFUMC Member,

What if we could plan our church's future the way commercial businesses and many non-profit organizations do? What if we could anticipate our needs for ministry and facilities and staff and set aside funds that would earn interest income to support our mission and ministry for the long-term? The answer is we can. ....and many churches do. Church endowments provide the income to maintain church buildings, generate funds for mission work or enhance other ministries. A properly structured endowment program can help us secure the financial future of our church. Endowments have provided a major source of funding for many institutions in our society for years.

Webster defines endowment as a "permanent fund or source of income." An endowment fund is made up of money or other financial assets that are donated to charity. The principal is invested and the resulting income may be used for further investments and supplementary expenditures. Most endowments have guidelines that state how much of each year's investment income can be spent. When properly managed, endowment funds will generate earnings that can enhance the ministry of the church in the years ahead. The difference between endowment funds and other types of funds, such as operating or capital funds, is that assets are invested in perpetuity. The whole point of an endowment is to provide a steady, predictable source of income over time. An endowment fund can be established for anything which serves the mission and ministry needs of the church. It adds a completely separate income stream. An endowment's existence will encourage deferred gifts to the church that might otherwise have gone to an alternate charity. Endowments also provide opportunities for donors to give gifts in honor and in memory of family and friends.

Simply by having an endowment program, our church can signal that it is doing a good job of long-range planning. At the same time, our church is affording its members an opportunity to practice life-long giving, and to include their church in their present and future financial plans. This Legacy Giving ministry will be a permanent benefit to God by maintaining a place to make disciples forever, to our church by establishing long-term financial stability, and our members as a legacy for future generations. All gifts received by the Legacy Giving Fund will be invested in established trust accounts at the Georgia United Methodist Foundation. The Legacy Giving Fund will be administered by the Legacy Giving Committee of Fayetteville First United Methodist Church under the authority granted by the Charge Conference.

The materials included in this packet are intended to give you a general overview of our Legacy Giving program and the process involved in making a donation to our endowment fund. If you have any questions, please let me know or feel free to contact any of the endowment committee members.

Thank you for your consideration,

Rob Webber

Chair – Legacy Giving Committee

# 10 Reasons for Legacy Giving

- 1 Legacy Giving is important to the long-term success of our ministry and helps the long-term financial security of the church.
- 2 Legacy Giving provides a steady, predictable source of income over time that can support the church's vision for ministry.
- 3 Legacy Giving acts as a source of income apart from, and beyond, the annual budget.
- 4 Legacy Giving can act as a hedge against unforeseen expenses or economic downturns.
- 5 Members have a way to leave a personal legacy and/or a legacy for family or friends.
- 6 Legacy Giving can provide funding for new services and programs.
- 7 Legacy Giving helps future generations of our church by providing a funding source that anticipates future needs in terms of program and outreach opportunities, maintenance, facility upgrades and expansions, staffing and unbudgeted expenses.
- 8 Because of Legacy Giving, current contributions given in support of the on-going annual budget are freed up to strengthen and even expand existing programs.
- 9 Giving to the Legacy Giving Fund creates a gift that keeps on giving.
- 10 Legacy Giving reinforces the principle that stewardship is not a one-time commitment, but a way of life.

# How Legacy Giving Works

Endowment giving was established at Fayetteville First United Methodist Church through the Legacy Giving Fund in November 2015. This is how it works.

## How to give



Donor completes a FFUMC Legacy Giving Survey.



Donor completes a FFUMC Legacy Gift Confirmation Form.



Donor completes necessary legal documents to complete the gift to the Legacy Giving Fund.

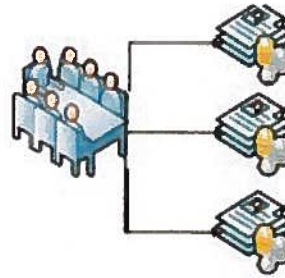


Upon receipt of the outright gift or planned gifts as they are distributed from a donor's estate, funds are invested and managed by the Georgia United Methodist Foundation.

## How money is distributed



Various designated church functions or committees can request a grant from their designated fund or from the general fund.



- Capital Improvements/ Unbudgeted Property Maintenance
- Children's Ministry
- Joel Blalock Music Ministry
- Outreach & Missions Ministry
- Special Needs Ministry
- Youth Ministry

Upon request and approval, the Legacy Giving Committee will distribute an annual amount from the designated fund to the designated church ministry.

Typically this will be up to 4% of the rolling 3-year-average fair market value of the fund.

Note: The committee can modify this distribution formula as approved by the church Council and Charge Conference.

# Ways to Give

*While cash is the most common method of giving to Fayetteville First United Methodist Church, a number of other options exist for members and friends who wish to give. Below are some examples of how you can support the church through your giving.*

**1. CASH.** The most common form of a cash gift is writing a check. You may also make a gift online [www.fayettevillefirst.com](http://www.fayettevillefirst.com) at the church by using your credit card. The church accepts American Express, Discover, MasterCard and Visa.

**2. APPRECIATED STOCKS.** Gifts of appreciated stocks can be one of the most advantageous ways of giving. If your gift of stock is one you have owned for more than one year, you may deduct the full market value of the stock as a gift, while by passing capital gain taxes.\* Please contact Joyce Mucha at 770-461-4313.

**3. QUALIFIED CHARITABLE DISTRIBUTIONS THROUGH YOUR RETIREMENT (IRA, 401K, 403b, or tax deferred savings plan).** This is a tax benefit for persons 70½ or older. You may transfer your required distribution directly to your church and not pay income taxes on the gift.

**4. APPRECIATED REAL ESTATE.** Gifts of appreciated real estate are like gifts of appreciated stock. Assuming you have owned the property for more than one year, you may deduct the fair market value of real estate as a charitable contribution while avoiding all capital gains taxes.\*

**5. APPRECIATED PROPERTY.** Gifts of tangible appreciated personal property (e.g., art) related to the church exempt purposes are fully tax deductible at fair market value.

**6. GIFTS-IN-KIND.** Gifts of provided services or other intangible items related to the church's exempt purposes are fully tax deductible at fair market value.

*\*The appreciated portion of the investment may or may not trigger the alternative minimum tax. Check with your professional advisor.*

## PLANNED GIVING AND DEFERRED GIFTS

**7. WILL.** A properly drawn will is an excellent way to remember the church and make a significant contribution. Gifts may be a designated amount, part of an estate or the residue of a will given at the time of the donor's death.

**8. BENEFICIARY DESIGNATIONS** One of the easiest ways to leave a gift to your church is through a beneficiary designation on assets such as retirement accounts, savings and investment accounts or life insurance policies.

**9. DONOR ADVISED FUND.** A donor advised fund allows the donor to make a gift and take the income tax deduction. The distribution of the funds can be made in later years. This fund is attractive for persons who receive large distributions and would like to delay donation decisions. It is also useful for families who want to contribute and make gifting decisions as a family.

**10. LIFE ESTATE AGREEMENT.** Donors may contribute a personal home, a farm or other assets to the church and retain the right to live in the home or farm and use the property to produce income. At the donor's death, the property would go directly to the church without going through probate or taxation.

**11. RETIREMENT ASSETS.** A gift of your retirement assets (IRA, 401K, 403B, pension or other tax deferred plan) is an excellent way to give due to the high taxation to heirs.

**12. INSURANCE.** Life insurance is a unique way to give to the church. To qualify, the church needs to become the owner and beneficiary. If the policy is paid up, your charitable contribution is generally the replacement value or cost basis of the policy, whichever is less. Premiums paid on a gift life insurance policy also qualify for a charitable deduction.

**13. CHARITABLE TRUSTS.** Charitable trusts can offer you substantial tax savings while providing income to you and your family and resulting in a substantial gift to your church. Examples of each trust with illustrations are available at [www.gumf.org](http://www.gumf.org) > planned giving > gift options.

**14. GIFT ANNUITY.** A charitable gift annuity is a contract between you and the Georgia United Methodist Foundation. The Foundation promises to pay quarterly to the annuitant(s) for life in exchange for transferred assets. Your church receives a portion of the initial investment at the end of life.

*All information presented is for general informational purposes only and should not be acted upon without qualified professional assistance. Your attorney, accountant or other professional advisor can help you explore the ways of giving that have been introduced here.*

*For additional information regarding planned giving, please contact the Georgia United Methodist Foundation at 1.877.220.5664 (toll free) or visit the website at [www.gumf.org](http://www.gumf.org).*

# Frequently Asked Questions About Planned Giving and Endowments

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## Leaving a Legacy to Build the Kingdom

### 1 What is Planned Giving?

“Planned giving” means mapping out a plan for making gifts to your church. A person may integrate planned giving into his or her financial strategies during different phases of life. Many individuals consider planned giving when they decide how to transfer their estates to the places and people whom they want to benefit from a lifetime of hard work. In addition to fulfilling their charitable goals and acknowledging (financially and spiritually) their gratefulness to God, donors may receive tax benefits and lifetime incomes through several types of tax-favored plans. Planned giving takes many forms and is tailored to meet the needs and goals of the donor.

### 2 What is an endowment program?

An endowment is a permanent fund that can be invested to establish a long-term source of funds to support programs and ministries. A portion of the fund is available to spend on an annual basis. A healthy endowment can provide a source of funds – beyond the annual budget – for opportunities in operations and outreach and a hedge against challenging economic times.

### 3 What will a gift to the endowment fund mean to me?

A gift to the endowment fund is a reflection of our faith and love in Christ. As Christian stewards, we give back to God and neighbor as a way of life out of the abundance with which God has gifted us.

### 4 Is it necessary to establish an incorporated foundation? Who manages the endowment funds?

It is not necessary to incorporate a separate foundation. The Georgia United Methodist Foundation is an incorporated 501(c)(3) organization which is fully licensed in accordance with local, state and federal regulations to serve as trustee or custodian of charitable gifts to our church. These services include professional management of assets, record keeping and reporting and accounting and payment of income to a donor or beneficiaries.

### 5 How do the Trustees and Legacy Giving Committee work together?

The Trustees and Legacy Giving Committee work closely together to ensure the financial security of the church. The Legacy Giving Committee keeps the Trustees informed through annual or quarterly reports on the state of the endowment funds and how those funds are impacting the mission and ministry of the church.





## **6 How long will it take for the endowment to grow?**

It depends on how committed the church and the Legacy Giving Committee are to building a substantial fund and how well the endowment program is communicated and celebrated by the committee and church at large.

# **Planning to make a difference... now and for future generations.**

## **7 Who decides how the income is spent?**

The Legacy Giving Committee, with approval of the Charge Conference, establishes the funds that make up the endowment and is responsible for administering distributions to the respective ministries involved. From that point, the committee or agency of the church that is responsible for the ministry or function, in consultation with the Church Council and the Finance Committee, decides how to spend the money distributed to it by the Legacy Giving Committee.

## **8 Will endowment giving reduce other types of giving?**

Typically the addition of an endowment program creates a new stream of income for a church. In most churches, 99.5% of the operating budget is funded by gifts from income (cash, coins and checks) from its members. Likewise, most capital campaign pledges are funded by gifts from income, while planned gifts to the church endowment are given almost 100% from assets.

## **9 Does the leadership need to give?**

Absolutely. Members of the Legacy Giving Committee and other lay leaders should be prepared to "lead by example" when it comes to establishing a church endowment.

## **10 How are gifts to the Legacy Giving Fund different than regular gifts to the church?**

Your annual gift to the church funds the budget allowing the church to provide ministry each year. Gifts to the endowment fund are gifts that are invested to provide a funding source in perpetuity to support ministries above and beyond those provided for by the annual budget.

## **11 Where will gifts to the Legacy Giving Fund come from and what assets may I give?**

Endowments are funded through outright gifts, pledges, donations of securities or other noncash assets as well as through a variety of planned gifts. These gifts include bequests, charitable gift annuities, charitable trusts, and beneficiary designations in retirement plans, financial accounts, and insurance policies.

## **12 May I make my annual pledge to the Legacy Giving Fund instead of the general church budget?**

Please don't. We ask our members to continue their annual pledge and to give to the Legacy Giving Fund above and beyond their annual gift.

### **13 How long does an endowment last?**

Most endowment donors want their gifts to provide support for ministry in perpetuity. Typically endowments are established to last forever. This means that they are never totally exhausted. However, donors may also set up endowments for a specific term, at the end of which they may be exhausted, expended or transferred to a traditional type endowment.

### **14 Don't I need a large amount of money to make a Legacy Giving Fund gift?**

No, any gift of any size is important and very much appreciated.

### **15 Who invests the funds and how?**

We have invested the endowment funds with the Georgia United Methodist Foundation. The funds are invested to ensure that ministries are supported over a long period of time. The investment policy adopted by the church provides for diversified investments. For more information, please contact Rob Webber, at 770.719.2751, our representative on the Legacy Giving Committee.

### **16 How can I keep alive the memory of a special person?**

A gift to the Legacy Giving Fund is a wonderful way to memorialize a special person in your life. Memorial gifts to the endowment fund may be undesignated or added to an already existing designated endowment fund. Currently our existing designated funds are Capital Improvements and Unbudgeted Property Maintenance, Children's Ministry, Joel Blalock Music Ministry, Outreach and Missions Ministry, Special Needs Ministry and Youth Ministry.

### **17 What is a named fund?**

A named fund is a separate fund within the endowment fund that is named i.e. "The James Jones Fund." The fund may be designated for a specific purpose within the endowment fund or be used for undesignated purposes. You may create a new named fund with a minimum gift of \$20,000.

### **18 Who decides how my gift will be used?**

For undesignated funds, the Legacy Giving Committee accepts applications for ministry needs from other Church Council committees. All of the spending decisions are reviewed by the Church Council. Designated endowments are distributed according to the designations made by the donor.

### **19 Will the Legacy Giving Committee provide tax advice?**

Unfortunately no, we cannot. Please consult your professional advisor/attorney for tax and legal advice.

**Connect the generations  
through Legacy Giving.**

## **20 Where can I go to receive more information about different options of giving?**

Feel free to call or email Rob Webber, our committee chair, if you have any questions or need further information. You may also receive free confidential consultation from the Georgia United Methodist Foundation toll free at 877.220.5664 or visit the planned giving tab at [www.gumf.org](http://www.gumf.org).

## **21 How can I endow my annual giving amount?**

Endowing your annual giving amount for use for the annual budget would assure that your annual giving would continue in perpetuity. You may do this by leaving enough of your assets that the income from the assets would produce the same amount as your annual pledge.

## **22 How can I tithe my estate?**

You may tithe your estate by giving 10% of your estate to the endowment fund. One way to do this is by adding this statement to your will: "After all my bills are paid, I want 10% of my estate (a tithe) to go to the Fayetteville First United Methodist Church Legacy Giving Fund."

## **23 Do I need a will?**

YES! Without a will, the laws of the state will determine who will receive your assets and who will manage your estate. As a result, the state may not include all of the persons or charities that you would like to benefit. A will allows you to appoint a guardian for your minor children, choose a representative to carry out your wishes, and determine the final distribution of your estate assets. Making a charitable bequest (i.e., giving assets to charity through a will) is the simplest way to make a planned gift. You state in your will the amount or percentage of assets that are to pass to the church. You receive an estate tax deduction for the amount of the bequest. There is no limit on the amount that can be deducted for estate tax purposes.

## **24 Who do I contact to ask questions?**

Please contact Joyce Mucha at 770.461.4313 at the church. You may also receive free confidential consultation from the Georgia United Methodist Foundation toll free at 877.220.5664 or visit the planned giving tab at [www.gumf.org](http://www.gumf.org). In addition, you may contact members of the Legacy Giving Committee:

Rob Webber (Chair):

[rmwebber@bellsouth.net](mailto:rmwebber@bellsouth.net)

770.719.2751

Len Blalock:

770.460.5511

David Farley:

770.632.5489

Jeff Giglio:

770.460.7323

Mark Martin:

770.461.0789

Meredith Martin:

770.716.8209

Sharron Singletary:

770.461.1519

Martha Stephenson:

770.461.1843

Tommy Webb:

404.578.5762



# Legacy Giving Survey

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Would you consider a gift to the Legacy Giving Fund of Fayetteville First United Methodist Church **in your estate planning** in the form of cash, assets, real property, etc.?

yes       no

Would you consider **an outright gift now** to the Legacy Giving Fund of Fayetteville First United Methodist Church in the form of cash, assets, real property, etc.?

yes       no

Do you have a current estate plan?       yes       no

Would you like to be invited to a future estate planning seminar?

yes       no

Check all topics of interest to you:

- |   |  |
|---|--|
| <input type="checkbox"/> signed will  | <input type="checkbox"/> durable power of attorney |
| <input type="checkbox"/> designated health care agent   | <input type="checkbox"/> living will               |
| <input type="checkbox"/> advance health care directive  |  |
| <input type="checkbox"/> designated beneficiaries on assets that pass outside of the will (i.e. life insurance, retirement, etc.) |  |

Would you like a Legacy Giving committee member to contact you for further discussion about FFUMC Legacy Giving?

yes       no

Name \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

Street Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_



Fayetteville First United Methodist Church, Inc.  
Legacy Giving Confirmation Form

Name of Donor(s) \_\_\_\_\_

**PART I: CONFIRMATION**

*Please describe the terms of your Legacy Gift.*

**A. Type of Endowment Gift:**

I/We have provided for Fayetteville First United Methodist Church through my/our:

- |  |   |
|--|---|
| <input type="checkbox"/> Will            | <input type="checkbox"/> Trust            |
| <input type="checkbox"/> IRA             | <input type="checkbox"/> Insurance Policy |
| <input type="checkbox"/> Retirement Plan | <input type="checkbox"/> Other _____      |

**B. Designation of Legacy Gift:**

- General Endowment:** Please add my/our gift to the church's General Endowment Fund.
- Restricted:** Please add my/our gift to the \_\_\_\_\_ Endowment Fund. (Please see the attached list of endowed fund gift opportunities.)
- Named Endowed Fund:** Please establish an endowed fund in the following name \_\_\_\_\_, to be used as part of the General Endowment fund or the \_\_\_\_\_ Fund. (I understand that a minimum of \$20,000 is needed to endow a named Endowment Fund.)
- Unrestricted Gift to the Church (not an endowment gift):** Please give my/our gift to the church to be used as decided by the Church Council.
- Restricted Gift to the Church (not an endowment gift):** Please give my/our gift to the church to be used for \_\_\_\_\_.

**C. My/Our Legacy Gift is in the following form and amount:**

- Estimated Amount:** (List either Fixed amount or a percent. Since estates fluctuate in value over time, designating a percentage of your estate vs. a dollar amount will maintain the proportionate value of your gift.)  
Fixed Amount \$ \_\_\_\_\_ or Percent of the Estate \_\_\_\_\_ %
- Cash:** Amount \$ \_\_\_\_\_ (This includes cash and other liquid assets.)
- Specific:** Property \_\_\_\_\_ (A specific Legacy Gift is one in which you designate specific assets to your church, such as real estate, artwork, stocks, bonds.)
- Residuary:** Estimated Amount \$ \_\_\_\_\_ (The church is bequeathed all or part of the remainder of your estate after other legacy gifts, debts, taxes and expenses have been paid.)
- Contingent:** Please attach the terms of the contingency to this form. (A legacy gift to the church takes place only if the beneficiaries named in your will predecease you.)

**PART II ACKNOWLEDGEMENT** Please let us know if/how we may recognize your generosity.

- YES, I give the church permission to publish my/our name(s) in church publications and donor acknowledgements. I understand that this will serve as an incentive for other faithful members to give.
- YES, please enroll me as a member of the Fayetteville First United Methodist Legacy Fellowship.
- How do you wish your name(s) to be listed in any publications that acknowledge your gift intention?  
\_\_\_\_\_
- I wish my gift to remain anonymous.

I understand that I am NOT making a legal, or binding, commitment by submitting this acknowledgement. Furthermore, the church should understand that the size of my future gift might be significantly different from the amount estimated above for the purposes of valuation.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name(s): \_\_\_\_\_

Phone: \_\_\_\_\_ Email(s): \_\_\_\_\_

Please return this completed confirmation form to:

**Fayetteville First United Methodist Church**  
**Attn: FFUMC Legacy Giving Committee**  
**175 East Lanier Avenue**  
**Fayetteville, Georgia 30214**

**Current Listing of Endowed Funds and Minimum Giving Levels**

<u>Name of Endowed Fund</u>	<u>Minimum Giving Level</u>
<b>1. General Endowment Fund</b>	<b>\$1</b>
This is the main endowment fund for Fayetteville First UMC which gives the latitude to use the proceeds from this fund in a way that best fits the current needs of the church and congregation.	
<b>2. Capital Improvements and Unbudgeted Property Maintenance</b>	
<b>3. Children's Ministry</b>	
<b>4. Joel Blalock Music Ministry</b>	
<b>5. Outreach and Missions Ministry</b>	
<b>6. Special Needs Ministry</b>	
<b>7. Youth Ministry</b>	