

Planned Gifts Fund – Operating Plan
First United Church, White Rock
November 2005

1. Purpose of the Planned Gifts Fund

First United Church's long and rich faith inheritance, since 1910, has been made possible by the witness and generosity of those who have gone before us. Week by week, we make faith statements through our offerings to God during worship. Gifts given in memory of an individual have been directed to the Memorial Fund, for disbursement according to its established procedures. From time to time, members have made bequests to our church through the Special Gifts Fund. It is now our turn to help ensure our congregation is in a strong position to carry on for future generations. The disposition of our personal resources and assets accumulated over the years is also a faith statement, and can make a great difference in helping our church meet the challenges of its mission both now and in the future. Therefore First United Church encourages its people to continue to support the life and work of our church in their wills or other planned gifts.

The First United Church Planned Gifts Fund will provide a way for members to recognize and give thanks for their relationship with the church.

The Planned Gifts Fund will be used to enhance the ministry of First United Church specifically by:

- *Reaching Up*- to support education which enables individuals to learn, grow, and mature in Christian faith and service; to develop aspects of worship, including music and drama
- *Reaching Out* - to support programs and services reaching out to our immediate community and the world; to support persons in our area who are in spiritual and/or economic need; to support projects of The United Church of Canada at home and overseas, including the Mission and Service Fund
- *Reaching In* - to support programs created in response to the needs of our congregation, e.g. programs and services for our children, young families or seniors; and to fund improvements to our church facility, equipment, and grounds

2. Types of Planned Gifts

Planned gifts come from the accumulated assets an individual has built up over time rather than regular income.

Planned gifts can be *undesignated*, or *designated* by the donor for a special purpose. An individual may designate the principle of his/her gift to be retained in perpetuity, with only the income from that principle being disbursed

Some examples follow of how an individual may wish to contribute: Contributions to the fund may provide tax benefits during the person's lifetime and or to the person's estate:

- in his/her will, leave a specific legacy to the church
- in his/her will, leave stocks, bonds, mutual funds, or other securities to the church
- in his/her will, leave real estate, art works, antiques, or other real property, to the church
- in his/her will, leave a contingent bequest, i.e. a share of his/her estate in the event of the prior death of other named beneficiaries
- in his/her will, leave the proceeds of an RRSP or RRIF to the church
- transfer ownership of an existing life insurance policy to the church, or purchase a new policy in the church's name

- purchase a United Church gift annuity to provide regular income to the individual during his/her lifetime, with principle remaining at the time of death left to the church
- purchase a charitable remainder trust to provide regular income to the individual during his/her lifetime, with principle remaining at the time of death left to the church
- make an interest free loan to the church, from which the church can generate income
- purchase a stripped bond, which increases in value over time, for the church
- make a gift to the church of cash, securities or other property

3. Planned Gifts Committee's Purpose will be to manager and promote the Planned Gifts Fund.

Committee members will be appointed at a congregational meeting, to include:

- one member from the Board of Trustees
- one member from the Finance Committee
- two members from the congregation
- the church treasurer as an ex-officio member
- one of the church ministers as an ex-officio member

4. Management Guidelines for the Planned Gifts Fund -

Disbursement of Funds

- All disbursements must be directly related to the specific purposes defined in Section 1 above
- The Planned Gifts Committee will recommend specific fund allocations to Church Council for its approval at regular or special meetings of Church Council
- *Undesignated Gifts* - A maximum of 50% may be spent in the first year after being received; income earned and the balance may then become available for disbursement.
- *Designated Gifts* – These gifts will be disbursed as they are received
- If the donor has requested that the principle of his/her gift be retained in perpetuity, only the annual income from the gift may be disbursed

Gift Acceptance – If a gift has associated costs (e.g. maintenance, repairs, appraisals), the Planned Gifts Committee will carefully consider these, and may recommend to Church Council that the gift not be accepted

Allocation of Funds

- To suggest a funding allocation, Church members or committees will forward a proposal to the Planned Gifts Committee, describing how the proposed use meets the Fund's purposes in Section 1. The proposal will provide an itemized estimate of costs
- The Planned Gifts Committee will consider the proposal and decide whether to recommend the disbursement to Church Council

Fund Investment – The Planned Gifts Committee, through the Church Council are custodians of the Fund and are responsible for investing and administering the Fund. This includes safekeeping and maintenance of all financial records.

Record Keeping and Reports – The Planned Gifts Committee will:

- maintain a permanent record of donations to and disbursements from the Fund
- provide to Church Council, as part of the annual budget process, a financial statement describing planned giving commitments, gifts received, and disbursements from the Fund, for review along with other congregational financial records

The Special Gifts Fund will be merged with the Planned Gifts Fund beginning with the 2006 budget year.

5. Promotion of Planned Gifts

a. *Education and Support* – The Planned Gifts Committee will:

- Develop and regularly update and display *Planned Gifts Fund* brochures for congregational members
 - purposes of the First United Church Planned Gifts Fund
 - types of planned gifts, and how they can benefit both the church and the donor
 - management of the Fund examples of initiatives, programs or capital improvements funded by previous gifts
 - where to get additional information, and how to advise the church if making a gift
 - how to submit a proposal for use of funds
- Set up and maintain a display of resources available through the Regional United Church Gift Planner
- Contact the Regional United Church Gift Planner:
 - for follow-up with individuals interested in planned gifts, e.g. for answers to specific questions regarding tax benefits, and for assistance with gift planning that will serve their specific current needs and estate planning wishes
 - for resources and ideas for promoting planned gifts, e.g. the *United Church Will Workbook*
 - to develop congregational educational programs as appropriate
- Encourage anyone planning a gift to seek professional advice from a lawyer or chartered accountant as appropriate

b. *Recognition and Celebration*

- On receipt of any gift, or on notification that a gift has been planned, the Planned Gifts Committee will acknowledge and receipt the donor or surviving family members
- The Committee will inform the congregation of gifts as they are received. Donor's confidentiality will be respected.

The Committee will develop and implement a variety of donor recognition strategies, e.g. prepare articles from time to time for First United's newsletter, *News at First*, recognizing gifts, celebrating what the church has been able to achieve with planned gifts, e.g. ♦ a donor wall, ♦ a book recording bequests displayed in a suitable location, ♦ naming opportunities, ♦ plaques, dedication ceremonies, ♦ a Planned Gifts Sunday held annually to recognize the Planned Gifts Program.

c. *Confidentiality*

- Some donors may choose to remain anonymous. Their choice will be honoured.
- The Committee shall request permission from the donor before publicizing any commitments to make planned gifts.
- The Committee shall request permission from the donor, or the donor's estate, before publicly recognizing any gifts received.

6. Changes to Operating Plan

- Any changes in the Purpose of the Planned Gifts Fund (Section 1 above) or in the Management Guidelines for the Planned Gifts Fund (Section 4 above) must be supported by a majority of congregational members voting at a congregational meeting
- Other changes may be made with the approval of the Church Council