

Grow Your Endowment Wisely and Effectively

Top 10 Tips



Growing your endowment can be a complex affair, and while there's no universal formula to guarantee growth, the following 10 tips will help put your ministry in the best position to grow your funds, now and for years to come.



Keep in mind that the LCMS Foundation exists to provide assistance in these matters. Please don't hesitate to ask how we can help.

1 START WITH GIFT PLANNING

What is Gift Planning?

Gift planning consists of gifts left by donors after they've been called home to Heaven, and it's often the most effective strategy to grow your endowment. Sometimes referred to as "legacy gifts," these gifts benefit your church or school while also providing valuable tax savings and additional benefits to the donor's family.

How Gift Planning Works

People often have greater assets than they think. Once you account for life insurance, IRAs and other physical assets (home, vehicles, etc.) the numbers can add up quickly.

Gift planning counselors, like those that work with the LCMS Foundation, help donors create and structure gift plans that will best provide for their family, while also leaving significant gifts to ministry.



Ask potential donors to consider including a gift to your endowment in their gift plan. They may opt to establish a charitable remainder trust, donate an unneeded Required Minimum Distribution (RMD) from a retirement account, designate life insurance proceeds or earmark a bequest in their will. The LCMS Foundation can provide guidance as you begin gift planning conversations with prospective donors.

Why Gift Planning?

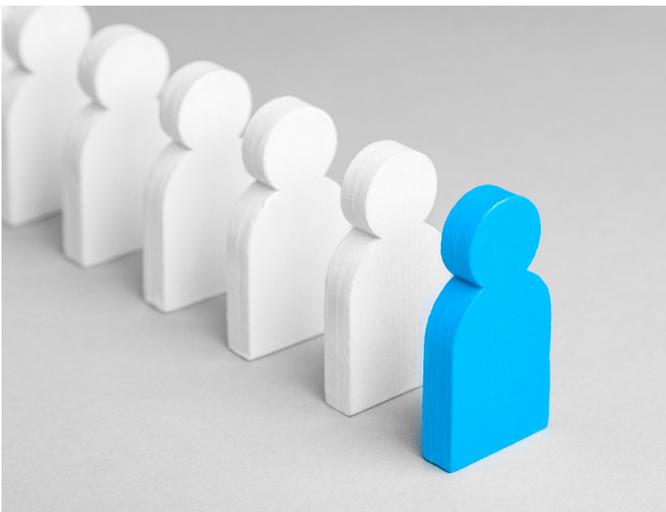
Planned gifts can be transformational and permanently alter the future of your church or school forever. As with many worthwhile pursuits, gift planning can require patience, but endowed gifts are sometimes the donor's last and largest gift to the organizations they value most. Donors can receive great satisfaction from making significant investments



in the future from assets accumulated over their lifetimes. And their gifts can help further ministry goals for years to come.

2 LOOK BEYOND DOLLARS AND CENTS

Donating appreciated assets like stocks, real estate, or collectibles will offer tax benefits to the donor, while providing valuable resources to your ministry. Taking non-cash assets into account, the total holdings your donors possess may surprise them. Land, properties, highly appreciated securities; be comprehensive when asking potential donors about the gifts they might consider giving.



3 FOLLOW THE LEADERS

When publicly launching an endowment, it's optimal to have 1/4 to 1/2 of the funds already raised and applied toward your goal. In order to create this influx, approach your endowment leadership team, your organization's key donors, some supportive foundations, and other top prospects to try to raise a large portion of your goal prior to publicly rolling it out. In our experience, ministries with active and engaged leadership experience significantly more success. By personally investing in the process, these leaders are modeling behavior to the rest of the prospective donor pool. It works.

4 SHARE YOUR PLAN

A clear, well-articulated, comprehensive endowment plan is critical. Your donors want your organization to flourish now and in years to come. Endowment donors give because they want your organization to be sustainable; they want to contribute to the continued health of your ministry. Therefore, it's vital that you share your vision and plan with donors and prospects. In short: Consider how the endowment will be applied, assemble a strategic plan, and share it with any/all interested parties.



5 HAVE A STRONG "WHY"

Why does your endowment exist? What are its specific aims and goals? Answer those questions with every dialogue between your ministry and a prospective donor. Additionally, it will benefit your gift planning greatly if you provide current (and potential) donors with a clear picture of how your endowment is performing and what disbursements are being used for. Offer consistent proof of performance.



6 USE EXPERTS TO INVEST

There is no reason to "go it alone" when experts, such as the LCMS Foundation, are available to you. This can make the process easier and give you confidence that your funds will be professionally invested and managed. When seeking an investment partner for your endowment, make sure they align with your goals, have reasonable fees, and can clearly show a history of performance. Potential donors will want to know that your funds are professionally managed and well-invested, and by attaching your endowment to the credibility of an expert investment partner, you'll be offering your donors valuable peace of mind.





7 ENRICH CAPITAL CAMPAIGNS

Perhaps you're pursuing a new building or raising funds for a renovation project. Capital campaigns of all types benefit from the inclusion of planned gifts. Work gift planning into your capital campaign's narrative, options and dialogue, bearing in mind that many donors aren't in the position to give as much today as they could from their estate after they are deceased.

8 ENDOW WEEKLY GIVING

Request that your regular, weekly givers endow their giving, so that they can continue to bless your ministry for years or generations after they're gone. An endowment gift gives donors the option to repeat their weekly offering in perpetuity. This concept is often appealing to older donors who give on a set schedule. In practice, this process would allow a \$25 weekly donor to ensure those weekly gifts go on for generations to come, by putting about \$30,000 into an endowment, either during their life or as a gift after they're called home to Heaven.



9 HAVE A GREAT BROCHURE

As you approach donors, you'll want to have a professionally designed, compelling and informative brochure that explains what the endowment is, why your ministry is raising the endowment and what the endowment will fund. Major donors not only want to see and understand your plan but will evaluate the quality of your marketing materials as a potential "proof of professionalism." A smartly assembled and sharply-designed printed piece can reassure donors that their funds are in good hands. The Foundation can help ministry partners by providing professional templates or design services for brochures and other marketing materials that incorporate the specifics for your ministry and your endowment.

10 CREATE DONOR VIDEOS

Ask your donors to communicate, in their own words, why they gave to your endowment and the many benefits and joys the process afforded them. Capturing these testimonials through video and sharing them can be a powerful and motivating tool.



It's important to remember that there's no "one thing" that will help your ministry create a significant endowment. Most often, it's a combination of the tactics listed above, implemented and supported by dedicated leaders.

To learn more about how we can help your ministry create or grow an endowment, or invest existing funds, please don't hesitate to contact one of our staff members below.



GIFT PLANNING

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Senior Vice President for Gift Planning Services
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INVESTMENT SERVICES

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For LCMS ministries, keep in mind that you have a resource available to help.

The LCMS Foundation was created specifically to provide gift planning and investment services for congregations, schools, RSOs and other LCMS ministries and organizations.