DOLLAR SEN$E

BUILDING YOUR CHURCH'S FINANCIAL FUTURE ONE BRICK AT A TIME!

Vol. IV: Issue 1 **A Service of the Desert Southwest United Methodist Foundation** **January 2026**

WELCOME!

This Newsletter's purpose is to provide clergy and lay leaders of the Desert Southwest Annual Conference's agencies, boards and churches with reliable and consistent financial information that we believe you need to help secure your church's financial future.

In every issue of DOLLAR SEN$E, information under the following headings is provided:

ENDOWMENT FUNDING

ESTATE PLANNING

CHARITABLE GIVING

INVESTING

Desert Southwest United Methodist FOUNDATION
DSUMF
602-266-6956

THANK YOU!

We had a great year as far as web site visitors is concerned. The average number of visits to the site in the 4th quarter was 200% more than the average number of visits to our site in the 1st quarter of 2005. Thank you for visiting our web site and spreading the word! Remember to "click a brick" to take the full tour. We're updating the content of our site monthly, so be sure to take a complete tour at least quarterly. It is 2006 and soon we'll be concerned with our 2005 taxes! Click on the Charitable Giving brick to learn about the deductibility of a variety of charitable giving vehicles.

ENDOWMENT FUNDING

In the November 2005 issue of DOLLAR SEN$E, we spoke about conducting special programs such as seminars to teach your church members about your Endowment Fund Program. In other past issues we described your Permanent Endowment Fund Committee's work as teaching with lesson plans, goals, objectives, etc. We spoke about using articles in your church's newsletter, one-liners in your Sunday Bulletins, etc. Now it is time to create a comprehensive plan. A suggested plan follows:

"A Two-Year Program of Promoting Planned Giving"

YEAR ONE:

February:1) Make a presentation at an Administrative Council meeting to church leaders on giving through endowments, memorials, and other planned giving vehicles. 2) Distribute a flyer on planned giving opportunities.

May:Send a mailing to the entire congregation about giving options through the church's Endowment Fund Program. (Enclose a copy of the Permanent Endowment Fund Program brochure.)

September:Make a brief presentation at the Administrative Council meeting and conduct a brief (anonymous) written survey. (Promise — and keep your promise — to report back to them on the results of the survey.)

Sample Survey:

1. Do you have a will?
2. Have you included your church in your will?
3. Would you consider adding your church in your will?
4. Would you like more information about ways to include your church in your will? (If "yes," please give your name.)

November:Send a mailing about the advantages of giving at year-end.

Use one-liners for bulletin and newsletters **at least 4 times during the year.**

Make presentations to existing groups (i.e. UMW, UMM, Senior Adults) **as often as possible.**

YEAR TWO:

January: Place an article in the newsletter (or insert in worship bulletin) about the importance of having a will.

ENDOWMENT FUNDING
Continued

March: Estate and Gift Planning Workshop (basics of estate planning and charitable gift planning).

April-September: Place a short statement or article about the church's Endowment Fund Program in the church newsletter **at least once each month.**

October: Send a letter and brochure to the congregation about giving through wills via bequests.

November: All Saints Day remembrance and recognition service.

A multi-year plan fosters consistency in your efforts. A commitment to provide a consistent educational program about endowment funding is the key to your ability to generate deferred gifts.

"The Church is of God and will be preserved to the end of time."

ESTATE PLANNING

In past issues of DOLLAR SEN$E, we discussed all the documents that are used to make a comprehensive estate plan. In a rare December estate planning seminar, hosts Reverends Bob Burns and Susan Brims at Green Valley UMC in Henderson, NV, and others in attendance had a revelation! The light went on! I could actually see expressions of "Now I get it!" come over some of the attendees' faces.

What they got was the understanding that creating an estate plan isn't just about protecting your financial assets during and after your life time. It is more than that. Doing a comprehensive estate plan is, more importantly, about protecting your family; it is about making hard decisions now so that surviving family members do not have to go through the painful process of trying to figure out what you would have wanted after you have passed away.

We've all heard, and perhaps even used that age old "Could-have, Should-have, Would-have" excuse. I hear the excuse all the time. It sounds like this: 1) "Oh, my cousin Bob could have avoided the high costs of probate if he had only known how!" or this, 2) "Susan would never have permitted her estate to take so long to settle if she had just known!", or this 3) "Those poor grandparents had to fight the legal system to get custody of their own grandchildren because their divorced daughter passed away without naming a guardian for her own children!"

These are the real reasons why we all need a comprehensive estate plan. We've discussed all the documents you should consider in your comprehensive estate plan. They include: 1) the Living Will, 2) Durable health Care Power of Attorney, 3) General Durable Power of Attorney, 4) the Last Will and Testament, and 5) Revocable Living Trust.

With an estate plan that includes all these documents, you will rest assured that not only your financial assets have been cared for, but more importantly, your family members have been properly cared for. Estate planning is all about being a good steward of your assets. And who other than family members are your most valuable assets?

To learn about estate planning, schedule a seminar at your church, or attend a seminar being held in your area. The DSUMF's seminar schedule is "on-line." Just click on the "Calendar" menu button on our web site at www.dsumf.org. The Foundation's presentations are listed in green blocks on the date of the seminar.

It is time to look at your church's spring calendar so you can schedule an

Estate Planning or Charitable Giving Seminar.

We already have 17presentations scheduled in the first half of 2006!

DO NOT DELAY!

Schedule your next seminar NOW!

CHARITABLE GIVING

In previous issues of DOLLAR SEN$E, we've discussed the giving of stocks and bonds. Gifts of securities are a convenient way for members to honor their annual pledge or to make contributions to your church's building campaign or to special mission project. Some members even use securities to fund charitable gifts such as Gift Annuities or Charitable Trusts.

As part of DSUMF's all-inclusive fee for managing long-term money, we provide a Security Gifting Transaction Service, free of charge for all depositors. Many of our depositors consider this service to be a BIG DEAL! Here's why.

When a donor gives securities to a church, 99.9% of the time the church will want to sell the security to generate cash for the donor's intended purpose. In order for a church to sell the security, it must have a relationship with a brokerage firm. If the church doesn't have the right kind of relationship with a brokerage firm, there will be a commission charged by the brokerage to negotiate that gifted security. I've been told these commissions have ranged from a low of $60 to a high of $350 per transaction depending on the type and value of the gifted security.

If the church is not familiar with the transaction process, it could take up to a couple of months before all the transactions are completed. This is not very convenient for the donor who makes a gift in the second week of December and is expecting to be credited for their gift by year's end for income tax deduction purposes.

Once the security is turned into cash for the donor's intended purpose, the church, is responsible for completing: 1) a properly worded "Donation Letter," if the gift is more than $250, 2) an IRS Form 8282, if the gift is more than $500, and 3) an IRS Form 8283 if the donor intends on claiming the gift as a deduction on an itemized tax return. DSUMF refers to these documents as the "Donor Packet." Preparation of these three documents by the church is ***required by law***. Therefore preparation of the Donor Packet requires specialized knowledge that most churches do not have readily available.

In addition to preparing and distributing the documentation in a reasonable time, the church is required to produce certain records for permanent files that are required by auditors. If a church is accepting gifted securities and is not producing either the Donor Packet or permanent records of the transactions, it runs the risk of "failing" a professional audit.

All of these transaction requirements are reasons why churches think our Security Gifting Transaction Service is a BIG DEAL! Not only do we properly prepare the Donor Packet in a timely fashion, but we also do it for FREE for members of our investing family. Furthermore, since the gifted security comes directly to DSUMF and not the church, we are the recipient organization that becomes responsible for producing all the "paper trails" required. We also keep the permanent records. All an investing family member needs to do is give the transfer instructions to their member donor and sit back a wait for a check from DSUMF.

Not only does DSUMF produce a good rate of return on our invested funds, provide monthly accounting, and an annual audit on all funds invested with us, but we also provide you a Security Gifting Transaction Service for one, low, all-inclusive management fee. Is it time to check us out? To learn more about Charitable Giving, go to our web site at www.dsumf.org, or give us a call at 602-266-6956 Ext. 203, or e-mail Dr. Rick Brown at rick@dsumf.org.

JOIN DSUMF on a September 2006 Alaskan Cruise!

Enjoy an elegant ship, gracious service, five-star, sophisticated dining, and the breath-taking, vistas of Alaska!

Enjoy fellowship and a couple of educational sessions with like-minded United Methodists too!

Go to our web site at dsumf.org for more information, pricing, and call our cruise specialists to book your travel now!

INVESTING

Whew! What a Year!

Until last year, the year 2004 was the Foundation's best year ever in terms of establishing new, and hopefully, long-term investing relationships with churches, boards, and agencies of the Desert Southwest Annual Conference. In 2004, new and existing depositors trusted us with just over $2 million in new deposits.

I guess the word is out that we do a pretty good job of managing money and providing accounting services for the members of our investing family, because in 2005, new deposits exceeded 2004 results by more than $1 million! That's right, DSUMF established relationships with 12 new investing family members. When combining all deposits from both existing and new depositors, DSUMF was entrusted with $3.266 million in 2005.

Whew, what a Year!

We warmly welcome the following new depositors, which are listed in alphabetical order, into our growing family of investors:

Ajo Federated Memorial Fund

Ajo Federated UMW Fund

Avondale Community UMC

Christ Church UM Foundation

DSAC Money Market Fund

El Divino Salvador UMC Parsonage Fund

First Tempe UMC Building Fund

Grace UMC Foundation

Green Valley Community Church Foundation

Rev. Fred Baum Youth Endowment Fund

The Fountains, A UMC

Univ. of AZ Campus Ministry Fund

If your church is interested in joining our investing family, all you need to do is call DSUMF at 602-266-6956, Ext. 203, or e-mail Dr. Rick Brown at rick@dsumf.org, or Lucille Sterling at lucille@dsumf.org. We'll set up a mutually convenient time to meet in your church and discuss our service.Our next presentation will be with the Finance Committee of Shepherd of the Hills UMC in Sun City West, AZ on January 10, 2006!

SIDE NOTE

ATTEND LEADERSHIP TRAINING IN 2006!

Training topics include:

1. Creating and Operating a Permanent Endowment Fund Program at Your Church.

2. Charitable Giving in Your Church.

3. Charitable Gift Annuities vs. Charitable Trusts.

4. Encouraging Bequests to Your Church Through Estate Planning.

5. Investing Church Money.

Sites and Dates:

Yuma Cluster
Trinity UMC
April 22, 2006

South District
Christ Church UMC
March 25, 2006

West District
Epworth UMC
April 1, 2006

East District
Velda Rose UMC
April 8, 2006

North District
University UMC
May 6, 2006

Flagstaff Cluster
Trinity Heights UMC
May 20, 2006

Register Now!
Call us at:
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Ext. 203

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