

## REACHING THE LOST AND HURTING WITH THE GOSPEL TRUTH

Local churches and other ministries affiliated with the Evangelical Free Church of America represent lighthouses for Truth.

The locations and means may differ, but our aim is the same. We are a Great Commission movement. We exist to glorify God by multiplying transformational churches among all people.

The EFCA Foundation, a ministry of the EFCA national office, helps resource this mission and vision through gift planning services. We serve local churches and affiliate ministries through a variety of gift plans, including Ministry Designated Funds.



**If you are interested in hearing more please contact us.**

- I would like to speak with someone about Ministry Designated Funds.
- I would like to receive information on other charitable gift planning options.

Church/Affiliate Name

\_\_\_\_\_

Contact Person

\_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_

State/Zip \_\_\_\_\_

Day Phone \_\_\_\_\_

Email \_\_\_\_\_

*Please complete and return. All inquiries are treated with complete confidentiality.*

This information is not intended as tax, legal or financial advice. Gift results may vary, consult your personal financial advisor for information specific to your situation.



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## A "MINISTRY FOUNDATION"



**DESIGNATED FUNDS**  
CHURCHES AND AFFILIATES





## WHAT IS A DESIGNATED FUND?

A Ministry Designated Fund is a special charitable fund established to benefit a specific ministry. It serves as a cost effective substitute for a “Church Foundation.” Any EFCA church and approved EFCA affiliates may set up a Ministry Designated Fund through the EFCA Foundation.

### How does it work?

A partner ministry names the fund, identifies the fund’s purpose, and sets a payout policy. The EFCA Foundation invests the funds, issues reports, and makes distributions to your ministry on a scheduled basis. Donors can support your Ministry Designated Fund through gifts of cash, stock, approved real estate, and bequests.

Ministry Designated Funds provide your ministry with a scheduled stream of revenue payments year-in and year-out. For example, a fund may be arranged to make sustaining payments to support “outreach ministries” at the rate of 5% of the fund value each year.



## WHAT IS THIS FUND USED FOR?

The church or affiliate ministry is free to decide. However, we recommend that churches identify a purpose for something beyond general operations. We do not want to discourage regular tithes or offerings.

Attractive Options:

- Outreach Ministry
- Hispanic Ministry
- Church Planting
- Facility Maintenance Fund

This fund can be promoted to your supporters as a “home” for major, planned, and estate gifts.

## IS THIS AN ENDOWMENT?

No, though it has endowment-like qualities. For example, a Ministry Designated Fund may be arranged to pay out 8% of the “January 1 Value” on a quarterly basis. With a fund balance of \$100,000, the EFCA Foundation would grant \$8,000 for the year, or \$2,000 each quarter.

**But there is more.**

Ministry leaders may adjust the payout percentage — up or down — to meet future ministry opportunities and challenges. These adjustments should be done strategically and prayerfully. Normally, it would be consistent with the stated purpose of the fund.

The EFCA Foundation would simply need to verify that “exceptional plan adjustments” of this sort have the full backing and support of your leadership. This would need to be in writing. A pure endowment does not ordinarily provide for this payout flexibility.

## OPENING A MINISTRY DESIGNATED FUND - EASY AS 1, 2, 3

### ONE

Complete an agreement:

- Date
- Fund name
- Purpose(s)
- Designated ministry
- Payout percentage

### TWO

Return agreement.



### THREE

Once the account has been funded (initial gift of \$5,000 or more) and we have executed the agreement, we will send you a copy for your files.