

Legacy

“Listen to counsel...
that you may manage
your life wisely.”
Proverbs 19:20

Charitable Estate Planning
Ideas and Stories of our
American Baptist Family
Winter 2005-2006

Volume 21, Number 3



As a band creates musical harmony through blending the sounds of various instruments, so a charitable estate plan can become harmonious when it contains more than “one instrument.” Your plan, for instance, might have a quartet of using cash, real estate, retirement funds, and life insurance.

One aspect of life insurance is its feature to fulfill your family’s financial future. Yet if your adult children are monetarily independent, you have adequate retirement savings, and you no longer have a home mortgage, one or more of your policies can benefit ministry and mission through the American Baptist Foundation. Thinking of quartets, the following are **four fabulous** ways to use life insurance and literally “insure” future outreach for Christ. And, unlike a bequest in your will, such a gift is not a matter of public record.

1. **You have a policy upon which you are not dependent.** You transfer ownership to the Foundation to establish a lifetime income agreement (like a unitrust). *(continued on page 2)*



A Witness & a Legacy at “Graduation”

“What a witness and what a legacy George left us.” That’s how the Rev. Dr. Michael Williams, Executive Minister of the American Baptist Churches of Michigan, spoke of the life of Dr. George W. Russian.

When you realize that Dr. Russian was a Doctor of Obstetrics, you might deduce that this “witness and legacy” related to his medical profession. But actually those words referred to another interest George had.

He was a member of the University Baptist Church of East Lansing, whose church building is nearly adjacent to Michigan State University (MSU). It is no wonder as George grew up in that congregation, he became intimately aware of his church’s support of campus ministry.

As a graduate of MSU, George was an ardent fan at football and basketball games, and he was even once an adjunct professor. But his real passion was for the campus ministry at the University.

That fervor was translated into action when, for several years, George served as a member of the MSU American Baptist Student Foundation Board of Directors *(continued on page 2)*

A life insurance policy provides exactly what the term indicates, “insurance on your life.” One purpose for such insurance is to protect your family. If you leave this world earlier than anticipated, you will have cared for your financial responsibilities in advance. For instance, your family’s grief would not be compounded by wondering about a place to live, sustenance for life, and funds for higher education. What if your obligations are already fulfilled or your other assets have grown to provide the protection you require? There are still ways you can use life insurance to care for your biological family and even the larger family of God. Much of this issue of Legacy is devoted to such life insurance “features for faith.”

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When you die, the insurance company pays the Foundation the value of the insurance. Those funds in the unitrust are then invested. Some of the return on that investment (usually approximately 5% per year) is given quarterly to beneficiaries chosen by you, for instance, your children. After a term of years or when your beneficiaries die, the unitrust then goes to the ministry and mission endeavors you had named.

2) **You purchase a new policy on yourself as a gift to the Foundation.** You then receive a charitable deduction for each premium on that policy. Upon your death, the insurance company pays the Foundation the value of the insurance. Those monies are then used immediately to sustain the ministry and mission efforts of your choice or, if you prefer, to fund an endowment, which will provide long-term support.

3) **You own an appreciated asset, which you are not using.** Perhaps you have an appreciated stock worth \$200,000. You give it to the Foundation to establish a unitrust. You receive a charitable tax deduction and do not need to report any capital gains on your income tax. The 5% return on the unitrust, which has been invested, is paid to you. You use that \$10,000 annually to pay premiums on a new life insurance policy, which names your children as the beneficiaries. At your death, they receive the insurance money, and the unitrust supports the ministry and mission endeavors you had chosen.

4) **You have an older insurance policy.** The policy may be paid up or the dividends are paying the premiums. In either case there is no present cost to you. You decide to give the policy to the Foundation as an outright gift. You receive a charitable deduction for approximately the cash value of the policy.

Life is precious, and as shown above, life insurance also has great value. It can help you not only provide for your family but also support American Baptist efforts to feed those who are hungry, heal the sick, teach those who are struggling, and lead others to eternal life, the most precious gift of all! So if you want to ensure, insure! If you would like to learn more about “the fabulous four” and other uses for your life insurance, please contact us by phone or e-mail, or use the enclosed response card. ■

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Dr. George W. Russian

and later was its chair. In those capacities he learned firsthand how critical every dollar of support was. Because of that, although he was only in his 50s, he wanted to ensure his regular gift would not disappear upon his death. George spoke with an American Baptist Foundation representative and decided to secure a life insurance policy that eventually would provide money

for an endowment fund managed by the Foundation. In a letter dated March 7, 2003, he stipulated that the income from that endowment was to be used by the MSU American Baptist Student Foundation “in any manner appropriately determined by the board.”

In that same letter he poignantly observed, “Obviously, I am hoping that it is quite a while before you receive this money, but I hope it provides some definite benefit to campus ministry and students sometime in the future.”

Within two years George had a sudden stroke followed by a massive heart attack. Of his death, Dr. Williams states: “My friendship with George was born out of his passion for campus ministry at Michigan State University. I’m grateful to God for the time we had to sojourn together. And though I miss his friendship greatly, I praise God that George had the foresight to care for his family. He not only made plans for his biological family but also for his university family. He made sure that if anything were to happen to him, they would be provided for. He certainly was a good steward and, no doubt, heard at his arrival in heaven, ‘Well done, good and faithful servant!’”

Of course, few of us know when our time will come for “graduation” beyond this life. Yet the endeavors we support — campus ministry, outreach to our local community, overseas mission, etc. — will need to be maintained. If you wish to ensure your gifts will continue beyond your lifetime, you may want to consider a life insurance policy or other estate plan. Like George Russian, please contact us at 1-800-222-3872 ext. 2035 to discuss the many possibilities that are yours to have a witness and a legacy. ■