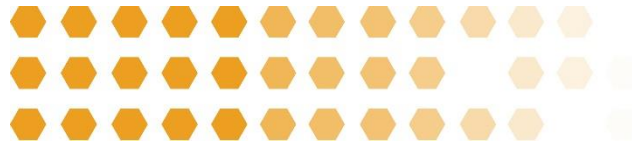


# integrated generosity

for faith based families

**MOVING FROM INVOLUNTARY PHILANTHROPY TOWARD  
INTENTIONAL STEWARDSHIP AND DIRECTED GENEROSITY**



## **Bonus Content #1:**

*Planning & Progeny*

*David Wills, President, National Christian Foundation*

*(video of David's presentation at the 2015 Generous Giving Celebration may be viewed at <http://generousgiving.org/media/videos/david-wills>)*

1820 Preston Park Blvd., Suite 1155  
Plano, TX 75093  
O-972.312.1337 F-214-291-5830  
[www.integratedgenerosity.com](http://www.integratedgenerosity.com)



## CHAPTER 15

### *Planning and Progeny*

*“Command them to do good, to be rich in good deeds, and to be generous and willing to share. In this way they will lay up treasure for themselves as a firm foundation for the coming age, so that they may take hold of the life that is truly life.”*

*1 Timothy 6:18–19*

It has been my personal pleasure and professional privilege to have the opportunity to work with the National Christian Foundation (NCF) in conjunction with my family’s generosity planning and with numerous clients of Integrated Financial Solutions Group. This past year, our firm helped shepherd several millions of dollars in Kingdom-directed giving that were facilitated through NCF donor advised funds and related structures. David Wills is the President of NCF, and made a presentation entitled “Planning and Progeny” at the closing session of the 2015 “Generous Giving” Celebration held at the Broadmoor Hotel in Colorado Springs. The content below is excerpted from that presentation, with a subsequent interview that David graciously participated in.

This topic speaks directly to Integrated Generosity Precept #9 “Train up Your Children.” At my request, David started our interview with background on NCF, which is provided below. Additional context is available through a video on the NCF website ([www.nationalchristian.com/about](http://www.nationalchristian.com/about)), and from their main website; you may also locate an NCF affiliate office in your area. David’s perspective on the Generosity Movement is also found below.

#### **NCF Background**

The National Christian Foundation (NCF) was founded in 1982 by three close friends, Larry Burkett, Ron Blue, and Terry Parker. Terry was an attorney in Atlanta, Ron Blue was in the early stages of what subsequently became Ronald Blue & Co., and Larry Burkett had just started Christian Financial Concepts, as well. Terry was the attorney who assisted Ron and Larry in forming these two organizations. Terry and Ron had clients, and Larry had donors who needed a service along the lines of what NCF offered, so they created NCF to help serve those three groups of people. From those early beginnings in 1982, NCF has been a blessing to Christian families and ministries alike, and 2015 has the potential to be the first year that NCF will grant out a billion dollars to Kingdom-focused ministries. To put that in perspective, during its first sixteen years of operation, NCF made grants for a total of less than \$60 million dollars, and in the last sixteen years, \$6 billion has seen distributed to charitable organizations doing work all over the world.

David grew up in Wichita Falls, Texas, attended undergraduate and law school at Baylor University, and then practiced law in Dallas, Texas. While practicing law, he attended Dallas Theological Seminary, as well. About six years into his career, he met another attorney by the name of Greg Sperry, and God used Greg to change the trajectory of David's life. Greg shared with him the personal story of his "half-time" experience of moving from worldly success toward Kingdom significance. He transitioned from a litigation practice to one using his legal skills to assist Christian families in helping them give more and give more wisely. Greg's story of working with Christian families to help them be wise stewards of what God had blessed them with in their lives made an impact on David that he could not shake. After wrestling with God for a year, David made his "half-time" transition and joined Greg to start a foundation quite similar to NCF. That was in 1992. Just a few years after moving to Georgia and beginning this effort, Greg and David met Terry Parker who was practicing law in Atlanta and also continuing the effort of NCF "out of his left-hand desk drawer." At this time, both foundations held between \$40 and \$50 million in assets, and they began to build a relationship with one another. It was a few years later, in 1998, that David and Greg joined NCF, at a time when NCF had one full-time and three part-time employees.

NCF now employs professionals and administrative staff across the country in over thirty offices, plus the national office headquartered in Atlanta. People like Greg serve as part of the National Office, and NCF has other national staff members,

including over a dozen attorneys located around the country in addition to the affiliate staff members, who have varied business backgrounds. In total, NCF has close to 200 dedicated staff members at this time. The national office exists to serve all of the local affiliates and offices around the country, and they are continuing to grow as the Lord leads.

## **The Generosity Movement**

NCF started in 1982 and is part of what is referred to as the Generosity Movement. There are several other organizations, such as Generous Giving, Generous Church, The Gathering, the Global Generosity Network, and many others that have played a big part of the Generosity Movement. Generous Giving was founded around the turn of the century and has played a big part in what has taken place since. The writings of Randy Alcorn have been a significant part of the Generosity Movement, and the Lausanne Network started in 2008–2009 and is where the international side of the Generosity Movement picked up steam. The Lausanne Covenant and Statement of Faith were written by John Stott in 1974, and in 2010 there was a major global leadership event in Cape Town, South Africa that was the catalyst for the Generosity Movement from a global standpoint. International Steward, which has been around for quite a while and has been an important organization internationally, does generosity-related work outside of the United States, as well as The Global Generosity Foundation that is helping to spawn NCF-type entities around the world.

Early on, there was a realization that there were essentially three questions that every giver asks:

- Why should I be generous?
- How do I practice effective generosity?
- Where should I give to be impactful in my generosity?

The foundational question of “why should I be generous” was not being answered very well by the church, and it was this pivotal issue that led to the impetus for Generous Giving, which had as its mission to focus like a laser on the “Why” question. It is not a coincidence that Generous Giving started in 2000 and that NCF started to explode and grow at that point and beyond. While they are very closely linked to each other, each organization maintains its own separate identity. The

interrelationship of all of these different organizations has woven together to become a powerful network.

The Global Generosity Network (GGN) that came out of the Cape Town meetings mentioned above operates outside of the United States, with headquarters in London. It exists with a primary purpose to disseminate information to people who want to grow as wise stewards from a generosity perspective, or want to teach others to be generous in their walk. GGN has had millions of hits on their resource website. It has a project called the Generosity Path entity, which is taking the message Generous Giving around the world. As previously mentioned, The Global Generosity Foundation is helping groups of people around the world, who want to create NCF-like entities to help generosity through these organizations, become relevant and impactful in their local geographies. One is presently rolling out in Asia, headquartered in Hong Kong with a focus on China. There is one that is working in South Africa right now, one in the UK, as well as several that are operating in Canada.

*Further information about Generous Giving is available in the Chapter 17, contributed by Todd Harper, CEO of Generous Giving.*

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*Planning and Your Progeny: Begin with the End in Mind  
(from David's Presentation at the Generous Giving Celebration)*

How we deal with our wealth in respect of God's ownership is that we serve only as trustees. A trustee does not get to access everything in the trust. In fact, in our situation, the trustor is God himself. He is also the beneficiary as well, and this puts us in the middle, and He entrusts us with all sorts of different things. The financial assets which we steward, as well as transactional decisions, relational resources, and spiritual matters, all are highly connected. Our goal is that we want God to look at us and say that he trusts us with what he has blessed us with, so that we can shepherd it well. There are three fundamental keys to planning. The first one is that planning is not about money, it is about much more than that. When you are going through the process of planning, it is important to realize that it is not all about money. The second thing is that we have seen people who are well planned give more, and they give more wisely. People that are not well planned get controlled by

the assets they have, versus the other way around. And finally, we are going to talk a little bit about finish lines.

The foundation of the planning process is living our lives in such a way that the values that we have as a family is the first thing that our children inherit. It is not only about talking the talk, it is about walking the walk. The values that we have as families are fascinating things to process with your family, so I encourage folks to work through that with them. What is it that we value? Why do we value these things? In many cases some of the things that we value are a result of the hard life experiences we have lived through. While processing this as a family is important, it is also important to have a mission statement as a family. Set up some guardrails, so everybody kind of knows where we are going, and why we are going there. There is a clear “statement of mission and values” that defines who we are as a family.

Values are essentially what we believe put into action as we relate to one another. A mission is what we as family are called to do—day-in and day-out. Additionally, a family may want to craft a vision statement which is what could be or should be, that does not yet exist. The vision is the North Star, the mission is how we plan on sailing in that direction and values are how we, as a crew, will work together as we sail toward that star.

**FAMILY VALUES & MISSION STATEMENT**

VALUES	MISSION
Family Poll: What do we value most?	Our purpose is to _____ _____ We will accomplish this by _ _____ So that _____ _____

### Like Minded Advisors

For Christian families, one of the keys to planning is understanding that it is not all about money. If it was only about money, it might not matter that much if your advisor was not like-minded. But as Christians, we know that it is not solely

about money. Rather, it is much more about relationships. Anytime that you are delving into matters of relationship, it is critically important that you interact. If you are going to get advisors involved in your life, for any relational purpose, or any relational problem whatsoever, you want like-minded people sitting in that counsel seat. For example, if you had a child that was going through marital difficulties, you would tell them it is important to get a Christian counselor to help them through that. Getting someone who is not like-minded would be a risky thing to do. It is no different with regards to working with our financial resources, because as we all know, these resources manifest themselves in relationships. Unfortunately, we can divide certain areas of our live into different compartments quite easily, and in most cases, unintentionally. This is quite often the case when it comes to our finances.

For some reason, when we think about our financial resources, we do not think relationally, and this is a huge missed opportunity. This is why we encourage people to seek out like minded advisors, because we are going to be dealing with some personal things in this process. The answers to estate and financial planning questions are usually more about values than they are about valuables, and if you are going to hire somebody to come to your family ask them to help you, then you will be forced think through the values that your family holds dear, or what is the mission and vision for your family? If your faith is important to you in those things, and you wanted to bring in somebody to counsel you, to help you process through that, you would want a like-minded person doing it.

As an aside, insightful and experienced advisors know that until they have clarity on those types of things, there is big gap which could result in poor decision making, in respect of the financial or spreadsheet type matters. So, if you deal with somebody who is not like-minded, that will largely be irrelevant to them, in most cases. For example, in most instances, getting the client to a point where they have answered the question "Am I going to run out of money?" is difficult because it is a basic human fear. It does not matter how large the situation is, unless that question is addressed and dealt with, it will always be an impediment to achieving some more significant things with one's wealth.

### **Challenges for Business Owners**

What often happens for business owners is that the business becomes the "favored child." It receives the most attention, the most care, the most time. In most

instances, this causes relational issues to occur, and the matriarch and the patriarch can have one perspective on the transfer of wealth, and their children, or “progeny” might have a completely different point of view. Unmet expectations are a real possibility, and this is why communication is probably the most important part of the wealth transfer process. Until you have had communication, you cannot pull out those expectations, those perspectives. If you assume their perspectives are the same because their progeny share the same face and DNA, this can be a *big* miss. As we all know, wealth has an unusual influence over all of us, especially people living in the United States of America. We think it is a fundamental right that we have to be wealthy in America. When the wealth transfer planning and process is being dealt with, communication is vitally important. If you fail to communicate during the process, often times the outcome, especially when there is a capital event or discussion of inheritance, ends up as quite a surprise for mom and dad.

You can put lots of families into this category, where significant charitable gifts are at hand during life or at death. The names and the numbers change, but without communication well in advance, the outcomes are quite predictable. Like the analogy of “how do you boil a frog,” when mom and dad tell the kids, with little or no advance preparation that they are going to give away the bulk of their estate to charity, it is like the frog getting thrown into hot pot of boiling water, and the reaction is predictable. This is especially true when the kids have a perspective and expectation that led them to believe they were going to be in a Jacuzzi. In one case in particular that is mentioned in the “Generous Giving” video of my presentation at the 2015 Celebration, the mom and dad, on the heels of a significant capital event in the sale of their company, thought they were going to put the kids into the best Jacuzzi they could ever imagine, by giving them a 1 million dollar inheritance immediately, and at the same time telling them that they were giving the rest away to charity. The kids thought it was a pot of boiling water because they were expecting to inherit so much more.

There are many biblical arguments for giving the bulk of one’s wealth during life, or at death, to the Kingdom. If you do not have children, it is pretty easy to do, as there are exceptionally good, tax efficient ways to make that happen over a lifetime. However, if you have children involved, it takes a lot more work, and a lot more thought. You have to bring the children—the progeny—into the conversation early and often.



## **Planning and Progeny**

This is the intersection between having “like minded advisors” and “training up your children.” “Planning and Progeny” speaks to an aspect of the parent’s responsibility to “train up your children” with all the biblical references appropriate to that. With regards to families and the transfer of wealth, or the stewardship of wealth itself, the most often asked question that arises is “how do I raise my children so that they will be wise stewards, and how do I make wise decisions with regards to how to impart wealth to them during life or when I’m gone?” This is also a significant threshold decision in the process of determining the degree of generosity someone wants to experience.

Generous Giving conferences typically have multiple generations in attendance, or sometimes just parents and children. The conference itself is an excellent venue to help parents and children gain a “like minded” perspective of wealth and stewardship. For example, when I finished my presentation, I went back to the back room and I sat at a table which, unknown to me, had three generations sitting together. Across from me was the patriarch, to my left was his son and to my right was the grandson, and they are an absolutely remarkable family that I have had a chance to know better and better. They are a great example of having done it right. But they may be the exception—it is a huge issue for most if not all families that have been blessed with more than they need. They have to answer questions in light of that reality, “What do I do with that blessing, and how do I handle that wisely with my children?” If people do not set specific objectives or finish lines, they make mistakes.

A finish line can be as simple as a budget. So if a couple does not have a budget, then they do not have a finish line for the month, and if they do not have a finish line for the month, they are more likely to make mistakes. If we keep making mistakes over a long period of time we generate fear within ourselves, and then we will start to hold on to things in a way we should not because of that fear. We do not know what is happening and cannot see what the outcome will likely be. So the finish line for your lifestyle is actually nothing more than the discipline of a budget spread over a longer period of time than a month or a year.



In light of this, the “finish line” when it comes to “planning and progeny” is for a couple to first understand, believe and agree on what God has called them to do with their resources specific to their needs and our wants. That is the finish line that needs to be clearly defined at the outset. We also have to ask that question of Him with regards to our progeny, with regard to the wealth He has entrusted into our care, and what would honor Him with regards to passing that wealth on to them, as opposed to spending it on ourselves or giving it away. Of course, with total apathy toward planning, an inordinate amount can be “inherited” by the government, and while we do not hear that option raised too often as a defined “finish line,” it is a default that all too often becomes reality when planning is dysfunctional or is not optimized. The decisions that we are going to make with regard to our “stuff” during our life, represent a relatively short period of time. But the results and the impact of the decisions that we make with regard to our “stuff” have eternal consequences. In the illustration below, the long arrow looks short, but what is after the finish line is the long part. And as we all know, life is short.



Here are a few more things with regard to planning. There are three questions that we ask:

1. Why do I possess what I possess? It is the foundational question.
2. What should my objectives be with regards to these four things?
  - a. Accumulating wealth from our life's work or what was passed to us
  - b. Preserving wealth from things such as investment risk, creditor risks and taxes
  - c. Utilizing and consuming wealth—what we need to support a chosen lifestyle
  - d. Transitioning and passing wealth on.
3. How do I accomplish those objectives?

In traditional planning, it gets flipped upside down. That is why having a like-minded advisor is so important, because advisors instinctively will go to the “how” right out of the chute, and then will try to get as much to every one of your progeny as equally as possible, at the lowest tax cost, and that is the end of it. Traditional approaches to estate planning are, for the most part, as simple as that, but this is not the way we need to process this.

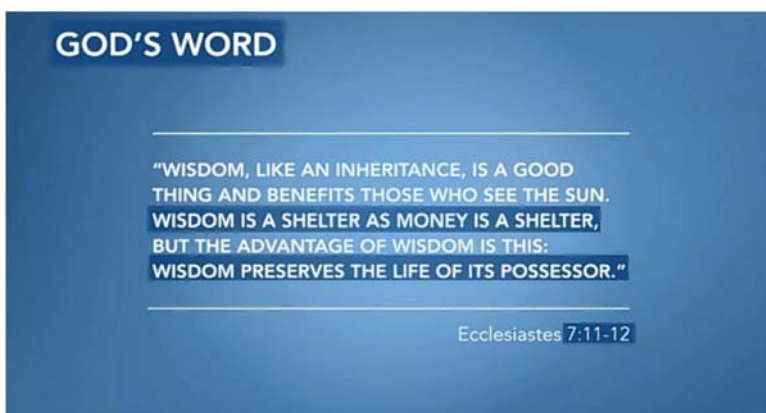
As an aside, there is a book called Family Money that you can get simply by contacting NCF and asking for it. This little book can help you think through this

process of planning, and I encourage you to read it before you go to your advisor. It could save you a lot of money if you will process through this before you go to them, as they will probably not help you through this process themselves.

It is almost always impossible to decide how generous you are going to be if you have not answered these essential questions. Generosity is all too often this big hole out there that does not have anything filled in, and it is typically the last hole that people fill in. If there is a financial need that comes ahead of giving and generosity that is not filled in, that ‘hole’ gets filled in, and as a result, people do not give like they otherwise would. So if generosity is the last hole, it will always get the “last fruits” instead of being filled from “first fruits.” Once that hole is completely filled “first” and overflowing, it seems that God opens up a lot of possibilities, a lot of potentials in the other areas can then be realized.

### **Your Best Investment (Almost)**

When it comes to our children, how do we think through this issue? A primary question that we need to answer is “how much should we pass on to our kids, our grandkids, nieces and nephews, those other folks”—how do we do that? I will assure you that it is much better to figure this out in your living room than it is in a lawyer’s office after you are gone. The discussion will take place, it is up to you to see that your “seat at the table” is not empty when the conversation is happening. So, here are some principles, some things that can help process this. And the first one is God’s word. This is one verse of many that are particularly applicable:



You are going to see that the principles behind that passage of scripture are going to follow in these other things that we look for in regard to transferrable capital.



There are three types of capital that you can transfer to another generation or to another individual. The first and most important is spiritual, which is the understanding and application of God’s word in our lives and the Gospel itself, which is definitely something we can pass on to our progeny. The second is what I call character capital, and we all know what character capital is—honesty, patience, discernment, all those things that we want to see in our children. From my experience, it is important to understand that a good work ethic is usually necessary for good character capital, and that will become more important over time. The third is financial capital. You may notice that these circles are not all the same size, rather their size indicates the importance of each one of them, and it is in an order that reflects back to that verse in Ecclesiastes. Spiritual capital passed on, character capital and financial capital.

If you are a grandparent, then on the spiritual capital side, there is something unique about a grandparent. They have an ability to speak into younger people because the grandparents can take the grandkids and then give them back, and they can walk away. The parents cannot do that. The parents have to deal with the tough stuff with regards to the kids. And the grandkids will listen to their grandparents. They do not always listen to their parents, as we all are well aware. So, here is my challenge for grandparents—between now and the end of the year, tell your story to your grandchildren. Pour that spiritual capital into them, and even the character capital. How you develop that in your life? It is fun to think about is how these three

types of capital interact with each other. How can you use financial capital to build spiritual and character capital in your progeny? How can you use your financial capital to build spiritual and character capital in those that are coming behind you?

Let's talk about the paradigm of transferable capital. This is an analytical approach to thinking through how to deal with wealth and those that are coming behind you. Here is the first one:



Next has to do with our work ethic:



I put the word usually in there because somewhere there is an exception to that rule; however, I have never met that exception—not yet. Here is the last one:

## PARADIGM OF TRANSFERABLE CAPITAL

If Spiritual and Character Capital are strong and tested, it may be advisable to impart Financial Capital



If spiritual and character capital are strong and tested, it may be advisable to impart financial capital. However, if spiritual and character capital are not strong and tested, it is typically not advisable to impart financial capital. That goes back to the Ecclesiastes 7 passage and, and many others. Here is one more—"do no harm." An interesting quote by Socrates, of all people "what mean you fellow citizens, that you turn every stone to scrape wealth together, but take so little care of your children to whom one day you will relinquish it all." It sounds like he was reading Ecclesiastes, and he may very well have been.

One of the things we talked about was being a trustee. If I am a trustee of a trust, and then I decide to stop being the trustee, and I pass it off to a successor trustee, I am not typically responsible for the acts of the successor trustee if I had no involvement with it. I personally believe that this is not true with being a trustee with our wealth. I believe as we decide to pass on our wealth to someone else as a successor trustee, it is called an inheritance. I think that we are held responsible for how they use those funds, and we will give an account of how they do it.

So, here are some hard questions with regards to passing on wealth:

## ASK HARD QUESTIONS

WILL THIS TRANSFER OF WEALTH:

BUILD SPIRITUAL CAPITAL IN MY CHILDREN?

BUILD CHARACTER CAPITAL IN MY CHILDREN?

NEGATIVELY IMPACT A STRONG WORK ETHIC  
IN MY CHILDREN?

INCREASE THEIR STANDARD OF LIVING WITHOUT  
THEM HAVING TO WORK FOR IT?

GIVE SATAN AN OPPORTUNITY TO BRING CALAMITY?

Usually we see the calamity amongst siblings—more about that in a moment.

I worked with one gentleman who owned a couple of dozen Burger Kings, and he had other businesses as well. As we were working through this, he actually came to me with four questions he decided he was going to ask himself. He was forty-five years old at the time, and here were his questions.

1. How much of my net worth did I receive as an inheritance before I turned forty-five? What do you think the answer to that question was? Zero. There may be somewhat of a “magic” to that age, and it could be a little younger in some cases.
2. Was I given an opportunity to develop a strong ethic prior to receiving an inheritance? And the answer to that question was yes.
3. Was the development of this work ethic important to the development of his character? And it was extremely important.
4. Finally, would I want to possibly deprive my children of this important aspect of life? Now, that is a tough question. It is especially tough when your desire is to do everything you can to help, which is our reflex action as parents.

From a timing standpoint, it is better to leave less, rather than more, early on. A great opportunity with your children, grandchildren, or anybody that you think you are going to pass wealth on to, is to go ahead and test the situation with small amounts.

Again, we have personal wealth and we have charitable wealth—and you can do both. You can give them money that they can spend, and you can also give money that they can give away. And I encourage folks to do this on a regular basis, and do it as a family together. Then watch, and see how they do. Generational generosity



can build spiritual and character capital as well. So, as a family if you will practice generational generosity, it can help build those things. As much as anything else you do with your children and grandchildren, you will learn more about them by engaging them in the process of generosity.

And this is another theme having to do with our progeny:

**NECESSITIES**

**DON'T ASK**  
How much can we leave our kids?

**DO ASK**  
How much will they need?

It is about contentment, and we hear this all the time. Our goal is to leave behind kids or grandkids or nieces or nephews that are content whatever the circumstances. That is a heritage in and of itself.

Russ Crossen, the head of Ronald Blue & Company in Atlanta, put it this way:

**CONTENTMENT**

Leave behind kids that are "content whatever the circumstances"

**"IF WE PRODUCE KIDS THAT ARE PRODUCTIVE AND CONTENT ... IT ALMOST DOESN'T MATTER HOW MUCH WE LEAVE THEM. IF OUR CHILDREN ARE CONSUMPTIVE AND DISCONTENT, WE WON'T BE ABLE TO LEAVE THEM ENOUGH."**

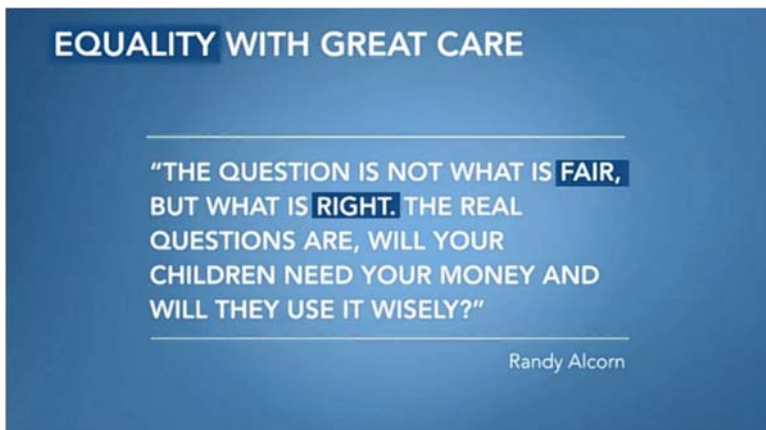
Russ Crosson

When we are thinking about passing on our wealth, one of the things that I often encourage folks to consider is that once you figure out how much is the right amount to pass on to your kids, you have gone through this process. The next question is, at what age, when should we give our kids their inheritance? We are

seeing more and more families go through this process of giving children their inheritance well before the matriarch and patriarch pass away.

Generally, the age of forty-five is a pretty good benchmark. There are some kids that are more mature than that, but some parents realize “what good is it going to do my kids if I pass on wealth to them when they are in their late fifties and early sixties, when all of the major needs they might have, that I could have helped with, were much, much earlier.” And so, one thing to do is to ask “should I go ahead and pass this on now” and then it is done. Everything else we had, we are going to give away. So, all of the issues that come with passing on wealth generationally can completely disappear.

“Tackle the equality issue with great care.” This is a quote from Randy Alcorn that I think is rarely ever followed when people think about passing on wealth to their children:



As you can see, if the answer to the first question is “no,” and they do not need your money, then you should not feel compelled to leave it to them. If the answer to the second question is “no,” you should feel compelled not to leave it to them, and that is tough because kids are different. If the answer is markedly different from child to child, you should deal differently with them according to those real differences, and that takes a lot of thought. I would encourage you not to wait till you are dead to leave things unequally to your children. That will bring calamity, I guarantee it. I have seen it over and over again, and that is why communication while you are alive, probably with the help of some kind of a planner of some kind, to help you in this journey, is vital. I was with a family not long ago, and the matriarch and patriarch were sharing about this and what they were thinking through, and

their oldest child said, "Take me out—I have more than I need." The child was a successful physician; they said "Let's just get this off the table, I want you to completely take me out. Whatever you were going to pass on to me, give it away." How about that? I told the mom and dad after we were done that this was a kid that deserves an inheritance, regardless of whether or not they needed it.

This is what we want for our kids, our grandkids, the nieces, nephews. When we think about consuming, we want to see them live frugally. We want to see wealth creation; we want them to work diligently. With regard to contributing, we want them to give generously. If we can pass those three things on to those that are coming behind us, we have done well. Right now, families have tremendous financial wealth they have been blessed with that is invested, and it is in Apple, IBM, other stocks, mutual funds, and other financial instruments. We all seek to be wise investors of the resources entrusted to us. But short of our faith in Christ, investing in our children and passing down a defined set of values is one of the best investments we could possibly make.

Part of the thesis to give it all to the Kingdom is that whatever you give to God, He is going to multiply ten thousand percent. But there is nothing at all that precludes God, through the values that we leave to our children and grandchildren that are "trained up" well, from making them a significant part of His multiplication. Thus, as a result of what we pass on to them, both through the values that define who they are, as well as laying the foundation for their financial stewardship through sound wealth transfer planning, which includes good estate and asset protection planning, our children and grandchildren are endowed and enabled to do great things in their lives for the Kingdom.

For example, with the family sitting at that table after my talk, the matriarch and patriarch of that family decided to sit down and determine what their finish lines were. There are "finish lines" for that year, and over the years, both for the parents and for their progeny. They decided what should pass on to their children, who are simply extraordinary, while at the same time setting the example of living generous lives. Every child in their family is worthy of receiving resources from the matriarch and patriarch, and in their situation, it might even be wiser for them to pass things on the children than to do anything else, because these children are extremely generous and many of them are extremely wise business people. In their case, inheritances to the children could be the best investment for the Kingdom, because

they have prepared them so well to do be such good stewards of God's blessings in their lives.

This is why parents should start giving to their children early on, to watch and see what kind of an investor they are. A lot of people do not that. But this family decided to go ahead and finish the process. So at a certain age, later in life, they decided to go ahead and essentially make their estate distributions during life. Not everybody can do that, but if you can do that, it is a great sign that you are able to trust your children with the wealth that you have been given, if you want to pass some of it on to them. If you can do that, you know that you have done well raising your children. If you cannot do that, then you should be cautious about doing it after you are gone.

In this particular family situation, they decided to go ahead and do it in the present, and they gave their children the wealth they would have inherited when the parents passed away. They accomplished this during their life over many years. Along the way, they have been generous as a family, and their children have been a part of that journey. They do not have an estate tax problem because what they have left is comprised of that which has not already been placed in the care of their children, through trusts and wealth transfer devices, and assets that have not already gone into service for the Kingdom. What they have left, that would otherwise be taxable at their death, will be given away to the Kingdom when they die. The kids are completely aware of that, because the rest of the wealth has already been transferred. The plan is in place and everyone is on the same page—it is done.

They found the balance between what their needs are, what they have blessed the children with, and what kind of a blessing they will be to the Kingdom. They have found that right delicate balance, and in doing so, reached their “finish line” in their planning objectives. While that is not the easiest thing in the world to do in a planning situation, families can do it if they work on it and stick to it, if they start with a finish line defined of what you want it to look like when you are done. What an absolute blessing it is to the parents to see their children grow in so many different ways, so they can see the blessings of a plan “coming together” while they are still alive.

We all have transferrable capital. Different people have different definitions for all this, but simply put there is spiritual capital and financial capital. Spiritual capital is at its core spiritual, comprised of biblical capital (knowledge), salvation

(through Christ), and discipleship of others. Character capital is just character. Non-Christians can experience and demonstrate character, but ultimately for there to be solid character over a long period of time, spiritual capital is vital. This is transférable capital well beyond just a monetary sense.

Then there is financial capital, when your children—your progeny—have demonstrated both spiritual and character capital over a long period of time, then it could make perfect sense to pass on financial capital to them. That is what this family did—they passed on spiritual and character capital to their children, they watched them over years and years demonstrate solid spiritual and character capital. They gave them financial resources, not in massive amounts, but enough to watch them see how that intersection of spiritual character and then financial capital worked. They saw how generous their children were, how frugal they were, how their work ethic manifested. They worked diligently, and they watched the intersection of those three things, and realized after a period of time that they were definitely worthy of receiving financial capital.

That is a key part of the process that all families should be a part of which brings families closer over the years. This family probably observed this for fifteen or twenty years or more, before they were ready to fully pass on financial capital, to fully “pass the baton” and get the deal done. They “got across the finish line” of transferring spiritual, character and financial character, and will continue to enjoy years of seeing the results of their planning efforts in these three areas manifested in their progeny? Outcomes such as the family we have discussed are great testimonies, and tremendous examples of why planning is not only about the money. It feels like it is about the money but in fact it is about so much more.

In closing, here is an exercise for you—take out a piece of paper, one for each spouse, and no peeking. Go through these quickly, writing down your answers, but not sharing them until you are finished:

## A BACK-TO-BACK TEST

- How much did you give to charity last year?
- How much did you give to your progeny last year?
- What is your family's net worth?
- How much would you pass on to your progeny if (the two of) you died today?
- Are your children and grandkids treated equally in your estate plan? Do you think they should be?
- How long ago did you update your estate plan?

COMMUNICATION IS CRITICAL!

After you are done, share your answers with each other. Gentlemen, 95% of the time, she is going to ask the question, "What do I do now?" because you are going to be gone. What do I do now? And I encourage you to press into this so that the answer to that question is "I know exactly what I am supposed to do now. I am well prepared, and I am surrounded by the right people." There will be a family meeting—I guarantee it—you just do not want it to happen in your lawyer's office and your chair be the empty one. That is not where you want your first family meeting to occur. Communication is critical.

**MARK A. TREWITT** Managing Partner, Integrated Financial Solutions Group

**The Intersection of Family, Faith and Finance**

Mark Trewitt, Managing Partner for Plano, TX based Integrated Financial Solutions Group, has added one more item to his impressive list of professional credentials – “author”. The recently completed manuscript ***Integrated Generosity for Faith Based Families – Moving from Involuntary Philanthropy toward Intentional Stewardship and Directed Generosity*** is the culmination of the experience gathered over a 34 year career in financial services. If yours is a family of Christian faith (a broader perspective “secular” edition of the book is due out toward the latter part of 2016) you owe it to yourself and your family to get a copy of this impactful manuscript. Even if you never meet Mark in person, you can benefit from the wisdom he brings to the table.

“The principles or ‘precepts’ found within ***Integrated Generosity*** live at the intersection of family values, personal faith, and finance”. Driven by his own family’s experience – an estate tax bill of almost a half-million dollars – that was, as Mark puts it, an “involuntary extraction of wealth that was more than the investment gains realized over several decades by my step-Grandmother”, Mark has incorporated numerous real-life examples of good and bad outcomes, providing readers with inspiration and motivation to be certain that their family’s outcomes do not fall prey to ignorance, apathy and a lack of planning.

A seasoned veteran with over three decades in financial services and founder of a boutique investment and financial services firm, Mark leads the other advisors and the staff Integrated Financial Solutions Group to provide, as the name implies, “integrated financial solutions” to their clientele. Identification of and avoiding unfortunate tax outcomes is what has led to a 360-degree process which identifies problems going forward – specifically estate taxes, one form of “involuntary philanthropy”.

The process also identifies missed opportunities, looking back over 3 years of tax returns to see where income taxes – the other form of “involuntary philanthropy” – could have been reduced, with the savings applied to wealth transfer solutions. Whether the focus is investments, retirement planning or estate planning, the process starts with in depth client interviews to identify where “financial pain” exists, and then developing a plan to remedy the root causes of concern, as opposed to just dealing with the symptoms.

As Mark puts it “Estate taxes are a perfect example. Many families of wealth with estate tax exposure have measures in place – such as life insurance – to deal with the payment of tax. It never ceases to amaze me the number of 50M to 100M+ estates we come across where they have not dealt with the root cause – growth assets within the estate. Nor have they come to the realization that estate taxes are 100% voluntary. Any solution directed toward ‘paying the tax’, without exploring methods to eliminate the tax, is nothing more than an installment payment plan to the IRS”.



- Wealth Preservation and Strategy Management, Estate and Charitable Planning
- Numerous Family Office Clients in Texas and around the U.S.

Education & Honors:

- Mark A. Trewitt, CLU®, ChFC®, Chartered Advisor In Philanthropy®, Certified Financial Planner™, Accredited Estate Planner®
- Co-Founder/Managing Director, The Barnabas Group, DFW Chapter
- North Texas Licensee, The Donor Motivation Program

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www.stopthewealthleakage.com  
 www.ifsguniversity.com  
 www.integratedgenerosity.com  
 1820 Preston Park Blvd., Suite 1155  
 Plano, TX 75093  
 972.312.1337 • clientrelations@ifsgllc.com

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