

JOSEPH STEWARDS NEWSLETTER

A special publication for Legacy Friends of World Renew



World
Renew™

LIVING JUSTICE • LOVING MERCY • SERVING CHRIST

JOSEPH
STEWARDS

September 2014

A Message from Andrew Ryskamp



"Behold, I am doing a new thing; now it springs forth, do you not perceive it?" Isaiah 43:19a.

It has been said that one way to discover God's will for your life is to find out where He's working and get involved. The exciting thing is that He is *always* working, *always* drawing people to Himself. Like the scripture says, God is doing a new thing — and your legacy giving reveals your desire to be involved in His significant work.

In this issue of the Joseph Stewards legacy newsletter, we're going to be talking about how you can make wise financial decisions for your future, loved ones and the ministries that matter to you — like World Renew. We hope you find fresh inspiration to discover His will and renewed vision to seek opportunities to stay involved.

Serving together with you,

Andrew Ryskamp
Director, World Renew



Going to the Bank

*Ruairidh Waddell, World Renew's
Program Consultant in Zambia*

Going to the bank is one of the mundane chores that we in the developed world often take for granted. When we find the house or car we like, we go to our bank and ask for a loan to buy it.

In most cases, these are significant investments for us, but because we have a regular income, the banks see us as a "fair risk" and extend us the credit we need to make the purchase. Our banks don't just lend us money: they also give us the opportunity to save and they can also help to smooth out a strained financial time when we have an unexpected bill to pay or unforeseen expenditure. Having our bank's number stored in our phone gives us this financial security and a safety net to land in if we get into trouble.

Consider, then, the financial reality that women like Gertrude, a widowed grandmother caring for nine grandchildren, face in rural **Zambia**. If her fragile and externally dependent income stream is interrupted, there is no bank officer on speed dial to bail her out. The loss of income or an unexpected financial obligation often means going without the basic essentials like food, clothing, education for her grandchildren, and even eviction from her two-room rented house. Four years ago, I attended a training workshop in South Africa that introduced me to the **Village Savings and Loans Association (VSLA)** concept, and it has fundamentally changed my mindset and approach to poverty, economic empowerment, and micro-finance. Not only has VSLA been transformational for women like Gertrude, I have been blessed by sharing in

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their empowerment and seeing communities transformed through the introduction of this basic level of financial service.

A VSLA is a self-selected group of people who pool small amounts of money into a communal fund from which members can borrow. The money borrowed from this fund is paid back with interest, causing the fund to grow. The regular savings contributions to the group are deposited with an end date in mind for distribution of all or part of the total funds (including interest earnings) to the individual members. The loans are usually made on the basis of a formula that links the payout to the amount saved. This lump-sum distribution provides a large amount of money that each member can then apply to his or her own needs.

VSLA members usually receive a return on their savings investments that go from a low of 30% per annum, to a high that is in excess of 100%. That is far more than is paid by any commercial bank anywhere in the world! The members are also able to save more in times of plenty and less in harder times. They can borrow with a minimum of fuss, access loans and insurance benefits that are approved by their peers, and obtain loans that range from small change to several hundred dollars. Typical loans are usually between \$10 and \$50, which is far too small for formal banks or regular micro-finance institutions to consider. Members can receive insurance services that offset the effects of unforeseen disasters, and set up funds for school fees, festivals, and other predictable annual events.

The real benefit of the VSLA concept is that it is not a methodology that is designed for growth-oriented, exploitative entrepreneurs. It is for the poor and the very poor who are focused on managing their household cash flow more efficiently and flexibly and investing in income-generating activities that secure and stabilize their cash flow.

The most dramatic result of the VSLA program is often in the increased self-respect and social capital of the participants, particularly women like Gertrude who make up 70% of the membership. VSLA groups are filling a financial and social gap that has been missing for years in most of central Africa. The collective empowerment of women that has developed as a result of the independence and security that VSLAs have brought them is perhaps as big a transformation as the financial independence they now experience. For a widow like Gertrude who cares for nine grandchildren, VSLA has given her the chance to be independent from loan sharks and church feeding programs. Gertrude now relates to a local VSLA facilitator who assists her and other women in her community with accessing VSLA programs and the social empowerment that comes with it.

As Zambia's economy continues to improve, women like Gertrude will have more access to income and the means to help themselves break out of the poverty cycle: they just need the opportunity to maximize the little they have—and VSLA provides that opportunity.

World Renew and its three partners in Zambia, the Reformed Church of Zambia, the Presbyterian Church of Central Africa, and the United Church of Zambia, will implement an ambitious VSLA program this year that will provide this sort of assistance to more than 1,000 individuals in impoverished communities across the country. The transformation this simple methodology can create in communities is staggering, and the amount of money these groups will turn over this year is sizeable. VSLA is one of the ways in which the Church universal is beginning to combat extreme poverty. This is radically different than traditional charity because it focuses on long-term, systemic change at the community level and employs lasting, local employment solutions, not short-term quick fixes. VSLA emphasizes the importance of church-and-community partnerships, and local champions like Gertrude are not external "saviors." VSLA is one way that the hope of the Gospel is integrated into tangible acts of compassion that have long-term reach rather than simply providing handouts that keep the poor in a position of dependency.

Through programs like VSLA, people like Gertrude have the chance to have an element of financial stability in what is otherwise a very unstable world.

Waking Up in Church

There's a wonderful story told by Garrison Keillor. It's Sunday morning. Clarence Bunsen is nodding off as the worship service drones on at the Lake Wobegon Church. He wakes up barely in time for the offering. He reaches for his wallet only to discover that he has no cash. Fortunately, he does have his checkbook. He takes out a pen and hides the checkbook in a pew Bible. Half awake, he begins to write out a check for \$30. This is more than he normally would give, but he feels more generous because he almost had a heart attack that week. And besides, he knows that someone will be counting the offering soon and he wants them to see how much he gave.

Clarence is trying to write the check without it being obvious, but the lady to his right notices, so he

does not look at what he is doing. He rips out the check as quietly as he can, with limited success — and when the offering plate comes by he proudly drops it in, only to realize moments later that instead of having written \$30 he had written \$300!

But what could he do? He couldn't go downstairs after church, find the deacons counting the collection and say, "Fellows, I made a mistake. I gave more than I really wanted to." Yet, he had given all he had in the checking account and then some. Sure, he knew that giving his money to the church was a noble, Christ-like act of faith. Yet his family might have to eat beans and oatmeal for the rest of the month. One thing was for sure, however; in that moment, Clarence Bunsen felt terrifically awake. He felt fully alive for the first time all day.



Every time we give back to God, we have an opportunity to wake up and come alive—not in the shocked sense of facing a dilemma, but in the joyous wonderment that "God so loved the world that He gave His one and only Son, that whoever believes in Him should not perish but have eternal life." Awake and alive to that amazing good news, let us live and give freely, liberally, sacrificially, selflessly and wisely.

Source: "A Model for Giving" by Pastor Case Admiraal.

Lifetime Income Gifts Worth Considering

One remarkable way that you can honor God with your giving is by ensuring that your Estate plan is a true reflection about what matters most to you. While estate planning can sometimes feel intimidating, there are plenty of giving tools you can consider. The Charitable Gift Annuity is a good place to start.

What is a Charitable Gift Annuity?

A Charitable Gift Annuity or CGA is a planned giving tool that could significantly increase your annual income. CGAs pay you an income for your lifetime or the lives of you and your spouse. The rate of return is based on your age at the time of your gift.

What are the Benefits of Charitable Gift Annuities?

When you establish a CGA, you receive a charitable deduction for a portion of the gift. In addition, a portion of your annual income from the Gift Annuity is tax-free. After you are gone, the remainder of the

gift goes to the charity you care about, like World Renew. With a Charitable Gift Annuity you get:

- **Increased income**
- **Tax deduction**
- **Annual payments (partially tax-free)**
- **Increased eternal impact through supporting our ministry**

What are the current rates of return?

The following suggested rates were approved by the American Council on Gift Annuities and are effective as of April 8, 2014:

Age (Single Life) and Payout Rates

60 =	4.4%
65 =	4.7%
70 =	5.1%
75 =	5.8%
80 =	6.8%
85 =	7.8%
90 =	9.0%

RECOMMENDED RESOURCE

Splitting Heirs

By Ron Blue

Source: *Barnabas Foundation*

How can parents give their money and things to their children without ruining their lives? *Splitting Heirs* seeks to answer that question, offering practical, biblical counsel on important issues such as leaving an inheritance that helps your heirs without spoiling them, communicating your desires the right way at the right time, navigating the legal and tax issues surrounding your estate, deciding which ministries to support, and more.

For many, estate planning is first and foremost a matter of techniques and tax strategies. Ron Blue turns this around, placing tools and techniques at

the end of the planning process. Priority is given to first thinking through the “big picture” issues from a Christian perspective, determining goals, and making planning decisions. Once these key decisions are made, the appropriate tools and techniques can be selected and used.

One of Ron Blue’s best known quotes is “Do your give’n while your live’n so you’re know’n where it’s go’n.” Rather than focus on detailed tax strategies and the mechanics of distributing assets at death, *Splitting Heirs* emphasizes how best to deploy the resources God has entrusted to us to do the most good during and after our lifetimes.

