Some 200 nonprofit organizations and public entities have established endowment funds at the Delaware Community Foundation. Many nonprofits started their funds to help them develop greater financial stability and to provide their donors with a way to support them with planned or legacy gifts. Nonprofits not only benefit from pooled investments and the Foundation’s administrative services and endowment building expertise, they also receive the essential materials and tools provided in our endowment building e-Tools.

We can help you build your endowment fund and a strong future for your organization in three important ways:

Help your donors understand the value of endowment and legacy giving
Our experience shows that many people don’t understand how endowments and legacy or planned gifts work, but once they do they are eager to help build a permanent source of financial support for the causes they care about. Along with you, we can meet with your prospective donors to explore their giving options. You’ll find marketing materials for your website and publications available for download on our website. We also have interactive website resources to help individuals and families explore ways to make endowment and planned gifts.

Support your staff and board members
The many endowment giving options, both current and deferred, can be confusing for staff and board members. We can help. Because engaging your board is the first step, we offer a presentation to your board or board committee explaining the benefits of endowment funds and legacy gifts. We can meet with the members of your staff and board to provide them with a basic working knowledge of the most common types of gift planning options. Our step-by-step guide to endowment building will help staff and board members understand the options available to them. We also offer free monthly webinars on endowment and gift planning topics.

Finalize gifts to endowment funds for your organization
Whether your donor has met with a member of our staff or wishes to remain anonymous, we can prepare professional gift proposals illustrating financial and tax implications of various gift planning options. We also prepare fund agreements and sample gift language. In each case, we recommend that gift proposals and agreements be reviewed by the donor’s professional advisor. We can connect your donors with knowledgeable estate planners who can help them with endowment gifts.

The information included in our endowment building e-Tools should not be considered as legal, tax or financial advice. Please consult your professional advisor for additional information and guidance.
Creating a Legacy Society

A legacy society offers your organization a way to recognize and thank those individuals who have taken the extra step of including your cause in their long-term plans. Just like any donor recognition, the legacy society may also help encourage others to consider making similar gifts themselves. Here are some tips for establishing your own Legacy Society:

• Consider naming the group in honor something unique and meaningful for your organization.

• Make sure you have at least a handful of individuals who will qualify for the legacy society before announcing it.

• Determine criteria for membership in the legacy society; they should be broad and recognize all who have included your organization in their long-term planning.

• Highlight legacy society members in your organization’s publications and events.

• When announcing the start of your legacy society, offer the opportunity to become a “founding member” of the society for those who make planned gifts during the first year of the society’s existence.

• Consider hosting an annual reception or event for the legacy society members to publicly thank them for their support.

To help your donors understand the value of endowment and legacy giving, let's start with the basics.

What is an endowment fund?
An endowment is a long-term, permanent fund that provides income each year to support a charitable cause. Endowment funds at the Delaware Community Foundation are professionally managed to ensure the funds remain strong over time. The DCF suggests 5% of the average fund balance over the previous twelve quarters be available to provide annual support for the charity. For example, a $100,000 fund provides about $5,000 in support each year.

Why is an endowment important?
An endowment provides essential stability. It facilitates the strategic use of funds because it allows an organization to plan on the income from one year to the next. The endowment fund also presents an excellent option for donors who want to make legacy or planned gifts.

What is a legacy or planned gift?
Legacy or planned giving describes a variety of giving vehicles that allow donors to support charity during their lifetime and/or after their deaths, while meeting their current income needs and providing for their heirs. Planned giving is typically done in conjunction with estate planning, and is a viable option for donors of all income levels.

Who makes gifts to the endowment?
Anyone can support an organization’s future with an endowment gift of any size. The DCF provides professional gift planning assistance for gifts of all types, including:

• Gifts made through your will or trust
• Gifts of retirement plan assets
• Gifts of life insurance
• Gifts that pay you income for life
• Gifts through a charitable lead trust

Although most donors contribute cash or publicly traded stock, we also accept closely-held stock, real estate, tangible personal property or assets of a private foundation.

What is a named fund?
A named fund is a permanent fund that honors an individual or family and benefits the organization they care about most. Named funds at the DCF are created with a gift of at least $10,000. The gift may be current or deferred, as in the case of a gift made through a will.

Are endowment funds restricted in purpose?
Most endowment funds at the DCF provide unrestricted support to a nonprofit organization. It is also possible to establish funds to benefit specific purposes within an organization. Individuals and families create these funds to support programs or projects of special importance to them.

Who are your potential legacy donors?
Experience has shown that the people most inclined to include charitable causes in their estate plans are those who:

• Are loyal to your mission, as demonstrated by consistent annual gifts of any amount;
• Volunteer for your organization;
• Are between the ages of 40 and 70 years old;
• Express a desire to give back to the community;
• Express a desire to meet others' expectations of them; and
• Are at any income level. Wealth is not an indicator of an individual's likeliness to make a legacy gift.
A Checklist for Endowment Building and Legacy Giving

Now that you are ready to build your nonprofit organization's endowment fund and encourage legacy gifts, the Delaware Community Foundation's Endowment Building e-Tools can provide you with the effective tools you need. You'll find downloadable fact sheets, articles, postcards, solicitation letters and advertisements that can help you build awareness about how their endowment and legacy gifts can create a brighter future for your organization.

Here's a simple checklist to help walk you through the steps to building your endowment. Remember, our gift planning team is available to provide you with additional program support along the way.

Educate and engage your organization's leadership

☐ Make sure you can articulate what a strong endowment will do for your mission and future.

☐ Engage your board and board committees about endowment building and legacy giving with a brief presentation by the Delaware Community Foundation.

Communicate the value of endowment building and legacy giving

☐ Make sample bequest language and your legal name easily available; include one-line legacy or planned giving messages in your various publications and on your website.

☐ Print and distribute endowment and legacy giving fact sheets at your offices, board and committee meetings, and in appropriate mailings.

☐ Include advertisements and articles about endowment building and planned giving in your publications and on your website.

☐ Print and mail endowment building and planned giving postcards.

☐ Print and display poster-size advertisements at your facilities. The more your prospective donors see your messages, the more likely they will be to increase their giving.

Engage, educate and recognize endowment and legacy donors

☐ Identify prospective endowment and legacy donors.

☐ Mail solicitation letters to prospective legacy donors.

☐ Follow-up on mailing with appropriate contact by staff and/or volunteers; the DCF can provide detailed gift examples and meet with donors on your behalf.

☐ Provide contact information for estate and/or financial planners to donors who request assistance.

☐ Establish a Legacy Society to recognize and thank your donors.

To learn more about the Delaware Community Foundation's Endowment Building e-Tools and planned giving services, please contact:

David Fleming,
Senior Vice President for Development
by calling 302.504.5224 or dfleming@delcf.org.

To download any of our e-Tools, please visit www.delcf.org/eTools
The Delaware Community Foundation manages charitable funds for individuals, families, businesses and organizations, and distributes income from the funds as grants to humanitarian, educational, health and cultural entities throughout the First State. With more than 1,200 funds, nearly $220 million in assets and annual grants of about $13 million, the Foundation provides a lasting source of charitable funding to benefit Delawareans today and for generations to come. For more than 25 years, the Foundation has been connecting people who care with the causes they care about, helping to make Delaware a better place to live and work.