Endowment Building Articles

You can build awareness about building your organization’s endowment a number of ways. Whether you choose to run an article in your organization’s newsletter or place an opinion editorial article in a local newspaper, you’ll find the Delaware Community Foundation’s endowment building articles a good place to start. Think about creative ways you can use these articles to help educate those who are close to your organization—donors, member and volunteers—about the importance of planning for your long-term future.

Article 1: Bequests

“When you put down the good things you ought to have done, and leave out the bad ones you did do well, that’s memoirs.”

Will Rogers

Whether or not we write our memoirs, in the end we are all remembered for our acts—for the lives we touch and by the causes we advance. In that respect, perhaps the most important thing that you could do to create a lasting legacy in our community would be to include the following provision in your Last Will and Testament:

“I give and bequeath the sum of $___________ [or state a percentage of the residual estate] to the organization endowment fund at the Delaware Community Foundation, a Delaware nonprofit and section 501(c)(3) tax exempt organization.”

This simple language is all it takes to create a perpetual gift that will help to carry on [your organization]’s mission forever. The word “endowment” means simply that the gift initially contributed will be held by the Delaware Community Foundation and invested for the benefit of [your organization]. The earnings from these investments will be contributed to [your organization] every year and then used by [your organization] to fulfill its mission.

Although endowments can be created anonymously, endowments customarily bear the name of their creator. This practice both properly memorializes those who made the gifts from the endowment possible and inspires others to emulate their example.

To learn more about making a charitable bequest for [your organization], please contact [your staff contact] or David Fleming, Senior Vice President for Development, at the Delaware Community Foundation by calling 302.504.5224 or email dfleming@delcf.org.
**Article 2: Why an endowment fund?**

“We don’t like their sound, and guitar music is on the way out.”

Decca Recording Company rejecting the Beatles, 1962

The future is hard to predict. But one thing we do know is that we will need resources to fuel our mission in years to come. That’s why we’ve established the [your organization] endowment fund at the Delaware Community Foundation. The fund is professionally invested for the long-term. Each year, 5% of the average fund balance is distributed to us to support our ongoing needs. That’s why our endowment fund is at the Delaware Community Foundation.

Our endowment fund benefits from the Foundation's investment expertise and from being part of a large portfolio. The DCF employs gift planning professionals who will help our donors make current gifts and legacy gifts to our endowment fund. The DCF handles all administrative details and investment responsibilities for our fund, freeing our staff to concentrate on our mission.

You can play a part. There are a variety of ways to give that provide you with maximum tax and financial benefits. They include:

- A gift made in your will or trust;
- A gift that pays you income for life;
- A gift of life insurance or retirement plan assets.

We hope you will play a part in our future. To learn more, please contact [your staff contact] or David Fleming, Senior Vice President for Development, at the Delaware Community Foundation by calling 302.504.5224 or email dfleming@delcf.org.
Article 3: The Charitable Gift Annuity Advantage

Do you need more tax-free income and would you like to support our mission? If so, consider a charitable gift annuity with the Delaware Community Foundation that will ultimately benefit [your organization]’s endowment fund. A gift annuity may be the best way to achieve both objectives—you will earn more tax-free income and benefit our cause far into the future.

A gift annuity gives you a fixed annual income payment for life at a very attractive rate of return. This rate, which rises with age, is based on your age at the time you make the gift. A gift annuity is a simple and powerful tool for charitable giving, particularly in a low-interest rate environment. Some key advantages include:

- Guaranteed life-income for the annuitant, much of it tax-free;
- Immediate tax savings through a charitable deduction;
- The gift is not included in your gross estate for estate tax purposes

A gift annuity is easy to open. All you have to do is decide on the gift amount and work out a few details with [your organization] or the DCF, sign a one-page agreement with the Foundation and make your gift with a check or stock transfer. Payments to you will be made quarterly or annually, according to your wishes. [Your organization]’s endowment fund will receive the remainder after your death.

Key Benefits Sample Illustration

<table>
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<tbody>
<tr>
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<tr>
<td>Annuity Rate</td>
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<tr>
<td>Tax deduction</td>
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<tr>
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</tr>
<tr>
<td>--Tax-free portion</td>
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<td>--Ordinary income</td>
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Single-Life Annuity Sample Rates*

<table>
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<tr>
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</table>

*Call the DCF for most current rates.

If you have any questions or would like to receive a custom illustration similar to the sample above, please contact [your staff contact] or David Fleming, Senior Vice President for Development, at the Delaware Community Foundation by calling 302.504.5224 or email dfleming@delcf.org.

Please note: This information should not be considered as legal, tax or financial advice. Consult your professional advisor for further information and guidance.
Article 4: Beneficiary Designations

You can be a good person and a great donor—and still have a messy desk drawer.

The truth is that you can make a great difference to our mission and our future just the way you are…whether or not you have your files in order and all your estate planning documents up-to-date. Yes, it would be ideal if we all knew that our documents were current. But the fact that you are a bit behind on your paperwork should not keep you from acting on your desire to make a legacy gift to our endowment fund.

The following are three ways you can make an important gift to our endowment fund that cost you nothing during your lifetime:

- Life Insurance beneficiary designation;
- Retirement plan beneficiary designation;
- Fixed or variable annuity beneficiary designation.

After obtaining the appropriate beneficiary designation form, you can make a gift that takes effect upon your death. The gift may be of the entire account or of a percentage of it. You may also make it effective only if certain other beneficiaries predecease you. By making the gift payable to “the [your organization] Endowment Fund at the Delaware Community Foundation, a Delaware nonprofit corporation” you can be assured that your gift will receive expert stewardship and help [your organization] meet our long-term needs. Of course, while these beneficiary designation gifts do not require that you make changes to your will and trust documents, they must be considered in light of your overall financial and estate plan.

To learn more about making a legacy gift to [your organization]’s endowment fund, please contact [your staff contact] or David Fleming, Senior Vice President for Development, at the Delaware Community Foundation by calling 302.504.5224 or email dfleming@delcf.org.

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