



# ENDOWMENT



## WHAT IS AN ENDOWMENT?

An Endowment is a restricted gift agreement between you and a charitable organization.

- ✓ Your endowment either provides perpetual income to the charitable organization, or it achieves a mutually agreed upon purpose.
- ✓ Endowments can be funded over time and by multiple parties.

### Examples include -

- Distributing a lump sum payment to the endowment over a 10-year period.
- Multiple parties contributing to the same endowment over a specific period of time, such as five years.



## HOW DO ENDOWMENT PAYMENTS WORK?

A modern endowment can usually be made viable with \$100,000 or more.

- ✓ To provide the most to your charitable organization, the corpus, or original gift that funded the endowment, needs to be large enough to generate earnings and account for inflationary pressures.



## AN ENDOWMENT WORKS BEST IF YOU ...

- ✓ Wish to leave a named legacy so your favorite charitable organization receives income in perpetuity, or achieves a transformational goal.

- ✓ Want a potential income tax deduction in the year of donation if you itemize your taxes.



## WHAT ARE THE BENEFITS OF A PERPETUAL ENDOWMENT?

The corpus, or restricted principal donations, is preserved, while income/growth accumulates on the investment.

- ✓ This benefit provides a perpetual stream of income, or defined gift, to your favorite charitable organization.



## AN ENDOWMENT MIGHT NOT BE THE BEST FIT IF YOU ...

- ✓ Want to generate income or another personal/familial benefit.
- ✓ Are NOT comfortable with establishing the endowment goals at inception without ever altering them.

For more information, please email or call our experts ~

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### Other Giving Vehicles to Consider

- ✓ Charitable Remainder Unitrust
- ✓ Charitable Remainder Annuity Trust

- ✓ Charitable Lead Trust
- ✓ Donor Advised Fund
- ✓ Immediate Charitable Gift