

# Providing Long-Term Support for Our Mission:

## *Endowment Funds at the Delaware Community Foundation*



### **What is an endowment fund?**

An endowment is a 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. Currently, Delaware Community Foundation funds pay out 5% of the average fund balance over the previous twelve quarters. For example, a \$100,000 fund provides about \$5,000 of support each year.

### **Why is an endowment important?**

An endowment provides essential stability and is a permanent source of funding. An endowment fund facilitates 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.

### **Who makes gifts to an endowment?**

Anyone can contribute to an organization's future with an endowment gift of any size. Endowment fund donors support their favorite organizations in carrying out their missions, now and in the future.

### **What form can an endowment gift take?**

Endowment gifts take many forms. The Delaware Community Foundation provides professional gift planning assistance and facilitates gifts of all types, including:

- Cash,
- Gifts of non-cash assets such as stock and real estate,
- Gifts through your will or trust,
- Gifts that pay you income for life,
- Gifts of retirement plan assets,
- Gifts of life insurance.

### **What is a bequest?**

A bequest is a gift made in a will or trust. Because a bequest is flexible and revocable, it is the most common type of legacy gift. With a gift made in your will to an endowment fund, you can continue your support of our mission far into the future.

*The next time you see flags snapping in the breeze at Fox Point State Park, pristine sand dunes at Cape Henlopen State Park or a new footbridge at Brandywine Creek State Park, you can thank fellow Delawareans who have made endowment gifts to Delaware State Parks Funds at the Delaware Community Foundation.*

*The Delaware State Parks Trust Fund, a charitable endowment fund, is designed to provide protection for Delaware's precious resources, now and in the future. Because Delaware's 17 state parks are largely self-funding, they rely on fundraising activities, charitable gifts and endowments. Donors' gifts are managed responsibly, and benefit state parks exactly as the donors intended.*

*Photo of Cape Henlopen State Park by Ron MacArthur*

### **What is a named fund?**

A named fund is a permanent endowment that honors an individual or family and benefits the cause they care about most. Named funds at the Delaware Community Foundation 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. Each year, the charitable organization receives income from the named fund.

### **Are endowment funds restricted in purpose?**

Most endowment funds at the Delaware Community Foundation provide unrestricted support to advance the mission of a nonprofit organization. It is also possible to establish a fund to support a specific purpose within an organization. Individuals and families create these funds, usually named to honor an individual, to support a program of special importance to them.

### **Is there a minimum size for gifts to an endowment fund?**

No, there is no minimum. A nonprofit organization benefits, now and in the future, from endowment gifts of any size. Please consult your accountant or tax attorney regarding your financial and estate planning.

### **How can I get started?**

The Office of Gift Planning at the Delaware Community Foundation provides support for a full range of charitable gift planning options and services. Call us for more information about ways to create your charitable legacy. We will be happy to supply you with detailed gift examples based on your own circumstances.

Please contact David Fleming, Senior Vice President for Development, at [dfleming@delcf.org](mailto:dfleming@delcf.org) or 302.504.5224.