



# Cumberland Community Foundation, Inc.

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## What is an endowment fund?

- A separate account or fund that provides support for your mission every year, forever.
- May be multiple funds that support certain programs or services designated by the donor.
- A fund that invests the original gift and distributes to your organization annually from the investment income, not the original gift.

## Annual Giving Guide

### How much will it take to continue an annual gift forever?

----- *Endowment needed if payout is* -----

<i>Annual Gift</i>	<i>set at 4%</i>	<i>set at 5%</i>
\$100	\$2,500	\$2,000
\$250	\$6,250	\$5,000
\$500	\$12,500	\$10,000
\$1,000	\$25,000	\$20,000
\$2,500	\$62,500	\$50,000
\$5,000	\$125,000	\$100,000
\$10,000	\$250,000	\$200,000
\$25,000	\$625,000	\$500,000
\$100,000	\$2,500,000	\$2,000,000

## Why do nonprofit organizations seek to build endowments?

- Sustainable support for your organization
- Larger gifts that you will not receive otherwise
- More options for donors – when and what to give (often a bequest from donor’s estate will be the largest gift you can receive)
- Continue a donor’s annual support - forever
- Demonstration to donors that you plan to continue your mission in perpetuity

## Who are the likely donors?

- Founding directors and their family and friends
- Trustees, volunteers, board and staff members
- Past and current donors
- Clients and their families and users of a certain branch or service
- Anyone who cares about your program work or target population
- Jane Doe and John Smith – often people not even on your mailing list