

ORGANIZATION ENDOWMENT SUSTAIN YOUR MISSION.



community foundation

Muskegon County

For good. For ever.

ORGANIZATION ENDOWMENTS AT A GLANCE

Organization Endowment funds help your nonprofit build long-term sustainability and demonstrate to the community that you're here For good. For ever.

STARTING YOUR FUND.

- Start your fund with \$10,000 or more (or "save" for one with a Build A Fund).
- Fund agreements can be as flexible—or restrictive—as you prefer. We work with you to craft an agreement that works for your organization.
- It's easy to add to your fund—by check, online at www.cffmc.org/give, or transfer of stock, real estate, or other assets.

GROWING YOUR FUND.

- You and your donors can add to the fund at any time, whether through annual gifts or special events. We can help with complex or planned gifts (which are often the largest!), freeing you up to do your good work.
- When pooled with over \$125 million, your fund will enjoy a low fee structure, increased investment opportunities, and close attention from Consulting Group, our advisors. We invest for growth—and protection in downturns—so that grant-making can steadily increase.
- Our role is to increase community philanthropy. We're not your competition—we will share your story with our donors and fundholders and encourage them to support your agency's vision.

USING YOUR FUND.

- The Foundation recommends an amount to spend from your fund each year, currently at 4%. This can be disbursed automatically or only when requested.
- The first \$10,000 of the fund and all gifts from donors are endowed—they will be there to benefit your organization forever. Contributions to the fund directly from your organization can be accessed if needed.
- Request distributions from your fund at any time. Funds legally belong to the Foundation, but we will grant it according to the guidelines in the fund agreement.

- We hold over 170 organization funds, totaling \$27.7 million as of December 2012.



*"With the Tanglewood Park project we saw how this community recognized the need for the critical services we provide now and in the future. This fund will help us ensure that this community is a great place to live and **Age Well!**"*

- Sharon TerHaar, Executive Director of Agewell Services and Meals on Wheels



The Muskegon Museum of Art and United Way of the Lakeshore opened the Foundation's first endowment funds in 1982.

COMMUNITY FOUNDATION *for* MUSKEGON COUNTY

425 W. Western Ave., Ste.200 Muskegon MI 49440

www.cffmc.org

Chris McGuigan, President/CEO cmcguigan@cffmc.org 231-332-4119

Bob Chapla, VP Development bchapla@cffmc.org 231-332-4111

Ann VanTassel, VP Finance avantassel@cffmc.org 231-332-4115

PARTNERS IN PHILANTHROPY ORGANIZATION ENDOWMENT FUNDS.

FAQs:

- **What does it take to start a fund?** A written agreement and \$10,000 will start a fund. Invite us to your next board meeting and we can go over that and answer your questions.
- **Who handles the investments?** The investment committee of our board meets quarterly to review our investment and spending policies and to monitor the performance of Consulting Group, our independent investment advisors.
- **What are your fees?** Organization funds are charged an administrative fee of 0.5% of the fund balance annually. Investment fees (~0.7%) incurred by the Foundation are netted out of the investment return applied to the funds.
- **How do you report fund activity to us?** You can use DonorCentral—a secure portion of our website—to monitor fund activity 24/7. You can view current and past gifts and distributions, as well as download quarterly statements that show fund balances, fees, and investment returns.
- **Are there tax benefits to giving to an endowment fund?** We are an IRS-recognized 501(c)(3) organization, so gifts to your fund held here enjoy maximum tax deductibility.
- **Are there other benefits?** We think so! You'll have opportunity to network with our donors and other organizations at our annual Fundholders Breakfast and at our Annual Gathering. We also periodically invite fundholders to join us for free webinars and workshops designed to strengthen philanthropy in Muskegon County. We enjoy the relationships we have with our fundholders—we hope you'll join us!



TOP 5 REASONS TO START AN ORGANIZATION ENDOWMENT FUND:

Endowment funds can stabilize today's budget as well as provide future sustainability for your organization. It's a long-term investment.

Endowment is powerful: a \$50,000 gift 20 years ago would today be worth more than twice the initial gift (\$109k) AND have paid you back more than the initial gift (\$64k). Time becomes your fund-raiser!

Many donors prefer to give legacy gifts to endowment funds. By creating a fund, you set your organization up to receive significant estate gifts.

Many of your savvy donors want to help build long-term strength in addition to meeting today's needs. An endowment fund gives you a platform on which to engage them in a conversation about your future, and it gives them one more tool to help you.

You're sending a signal to your constituents and the community that you're here For Good, For Ever.®

Organization Endowment Funds Recently Established Funds

- Agewell Services/Meals on Wheels of West MI
- Christian Care
- Lakeshore Trails Improvement

- Mona Shores Orchestra Edquist Memorial
- Muskegon Great Start Collaborative

- Habitat for Humanity
- Nuveen Community Center for the Arts