



# Church Endowment Funds

## Providing long-term financial sustainability for your organization

### Is a Church Endowment Fund Right for You?

Through a Church Endowment Fund, your church can:

- **Accept current or deferred donations of appreciated property** from your members including publicly traded securities, closely held stock, real estate, life insurance policies, and more, without your donors incurring a capital gains burden.
- **Participate in The Community Foundation's \$35 million investment portfolio** as overseen by our Finance Committee of experienced investment, finance, and business professionals. The investment portfolio is well-balanced across 13 different investment manager (Five year average return of 8.0%).
- Partner with The Community Foundation to leverage its gift planning services to help your church **secure and administer bequests and other future planned gifts for your endowment.**

Your partner  
in giving.

### Ongoing Annual Support for Your Church

Annually, up to 3.75% of the Church Endowment Fund's net asset balance is available for your church to utilize. You can have annual grants support your church's operations or other local charitable organizations. Your church may elect not to take a distribution from the fund for up to three years, thereby allowing the fund to grow.

### Hassle Free

The staff of The Community Foundation handles all administration of your fund, and you receive semi-annual statements detailing all account activity.

### Establishing Gift

Your organization may transfer an endowment fund in excess of \$10,000 or more to establish a Church Endowment Fund with The Community Foundation. Scholarship funds require a \$25,000 minimum.

### Maximum Tax Advantage

Should your members wish to contribute during life or through their estates to your Church Endowment Fund, they are generally eligible for the most favorable deductibility for their donations. For federal income tax purposes, the charitable deduction in any one-year is limited as shown in the chart below, generally speaking. Excess amounts may be carried forward for up to five additional years if necessary. However, we always encourage you to have your donors check with their advisors regarding the ultimate deductibility of their gift.

Church Endowment Funds	Up to 60% AGI
Cash, ordinary income property	Up to 60% AGI
Publicly traded securities held long-term	Fair market value up to 30% AGI
Closely-held stock, real property held long term	Fair market value up to 30% AGI

### Administrative Fee

The annual administrative fee is 1.25% of the fund's beginning year net balance, assessed quarterly at the end of the quarter, with declining fees on amounts above \$500,000.

Total Annual Fee	Quarterly Assessment
Up to \$500,000	1.25%
\$500,000 to \$1 million	1.0%
\$1 up to \$2 million	0.75%
Above \$2 million	0.0625%
	0.3125%
	0.25%
	0.18725%
	0.1625%

*For more information about setting up a Church Endowment Fund, contact Debra Dodson, Executive Director, at 434-793-0884 or [debra@cfdr.org](mailto:debra@cfdr.org)*