

Endowments ~ A Gift That Keeps Giving

In addition to providing assistance for current or capital needs, a growing number of donors are supporting the long-term needs of Clearbrook through endowment gifts.

Read on for answers to frequently asked questions about endowment giving. You may find that endowment gifts can help you provide a solid future for Clearbrook and other charities you care about.

Q. What is an endowment gift?

A. Unlike current gifts, endowment gifts provide a permanent source of support to Clearbrook instead of being expended immediately. Just as an individual's savings or investments can provide a degree of security, endowments provide Clearbrook with a stable source of funding for the future.

Q. How does an endowment gift work?

A. Each year the earnings of the endowment fund are distributed, but the original value of gifts to the endowment fund are never spent.

Q. What can I use to fund an endowment gift?

A. There are many types of assets you can use to make an endowment gift. One of the most popular ways is a gift of cash. Cash gifts may be designated to an existing endowment or used to establish a new endowment.

Q. Can I give property rather than cash to complete my endowment gift?

A. Yes. Property, such as marketable securities or real estate, may also be given for endowment purposes. Such gifts are usually deductible at their full fair market value, regardless of what the donor paid for the asset. A significant tax deduction for the gift is available for the appreciation element that escapes taxation.

Q. What if I need my cash for current expenses and my securities have decreased in value? Can I still make an endowment gift?

A. Yes, there are other ways to make such a gift. For example, an easy and economical way to provide an endowment gift is by donating a new or existing life insurance policy. Policies no longer needed for their original purpose may be an excellent source for such gifts.

Or, if you are one of the many Americans with qualified retirement plans (IRS's), you may find that retirement plan assets provide one of the most efficient sources for gifts to endowments.

Check with us or your advisors for more information. Additionally, after providing for yourself and other heirs, funds from charitable remainder trusts and other planned giving arrangements may be designated for endowment purposes.

How to Endow Your Giving

To Provide Annually	Endowment amount*
\$100	\$2,500
\$250	\$6,250
\$500	\$12,500
\$1,000	\$25,000
\$5,000	\$125,000
\$10,000	\$250,000
\$25,000	\$625,000
\$50,000	\$1.25 million

*assumes 4.0% distribution rate

Endowment gifts enable Clearbrook to make a difference not only today, but also continue to better the lives of the Clearbrook family for years to come in the future. Please contact Andi Wojcik at awojcik@clearbrook.org or call 847.385.5014 to learn more about endowment opportunities.

