



The Community Foundation of Northwest Mississippi

ENDOWMENT FUNDS

WHAT IS AN ENDOWMENT FUND?

An Endowment Fund is an investment fund set up to be invested forever, and only the earned interest is available to grant to the endowment's purpose each year.

WHY CREATE AN ENDOWMENT FUND?

Nonprofits can create sustainability for their cause through Endowments. The principal investment remains untouched to provide perpetuity for the nonprofit, while using the earnings from the investments for programs, salaries, new projects, building maintenance, etc.

BENEFITS FOR NONPROFITS:

- ✓ Easy to open and simple to use
- ✓ Minimum \$10,000 to open
- ✓ Can withdraw up to 5% annually, or choose to leave it and grow over time
- ✓ Maximize tax benefits to your donors: the Community Foundation offers the maximum charitable deduction
- ✓ Utilize complex assets: cash, stock, real estate, life insurance, etc.
- ✓ Endowments convey financial strength to potential donors
- ✓ Allow your donors to Leave a Legacy
- ✓ Access to philanthropic expertise of guidance and advice through CFNM
- ✓ CFNM manages the distribution of funds and investment of funds
- ✓ Contributions grow tax-free with an endowment
- ✓ Donors can have recognition or anonymity
- ✓ Administrative fee of 1%
- ✓ Provides steady source of annual income off of the earned investment
- ✓ Donors can receive a 25% tax credit

FOR MORE INFORMATION, CONTACT STACYE TROUT AT 662.449.5002, STROUT@CFNM.ORG OR VISIT WWW.CFNM.ORG
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