

Why United Way Needs an Endowment

What is an endowment?

An endowment is a permanent fund that is carefully invested for growth. It provides a dependable revenue stream year after year. Gifts to the endowment remain intact and a portion of the investment return is available annually to support the mission of an organization. Experts agree that annual distributions of 3-7% of a multi-year rolling average ensure sustainability. The United Way Foundation Board of Directors continually monitors performance so you can be confident your gift will have a lasting impact.

Why does United Way need an endowment?

The endowment works in tandem with the Annual Campaign to build capacity in meeting both current and future needs, and provides long-term financial security. The endowment helps stabilize funding in challenging economic times when human service needs are heightened, it also adds capacity for emergency response programs or disaster relief. United Way is constantly working to ensure we are positioned to respond to priority needs of our community - now, ten years from now and beyond.

How can I support the endowment?

Long-term in scope, the United Way Foundation affords donors the opportunity to leave a lasting legacy and extend their support of our local United Way beyond their lifetime, primarily through bequests and other planned gifts. The Ways to Give card included in this packet outlines several easy, tax-wise ways to make your legacy gift.

Who manages the endowment?

The United Way Foundation is governed by a local, volunteer Board of Directors. It is comprised of financial professionals and community leaders who are focused on devising strategies to build and wisely invest the endowment.

I give to the Annual Campaign each year, how does my giving to the endowment affect that?

Unlike the Annual Campaign where we hope you will choose to renew your support each year, gifts to the United Way Foundation are not annual in nature and are, in most cases, a gift from assets rather than income. In addition, most are deferred commitments that will be realized at a later date. We very much appreciate and need your annual support and hope that you will consider a gift to the Foundation in addition to it. Both are important to furthering United Way's mission; a gift to the Annual Campaign impacts lives today, a gift to the Foundation impacts lives forever.

Are there options in designating how my gift to the endowment helps?

Yes. Placing the emphasis on our donors and their charitable intentions, the endowment is comprised of a restricted fund and an unrestricted fund. You may choose to make a gift to the restricted fund which supports United Way partner agency programs, or you may choose to make a gift to the unrestricted fund which more broadly supports all United Way's roles in the community.