

Getting Started: Let Your Annual Gift Continue Forever

Annual giving is a primary source of funding for many charitable organizations, like Children's House. Being able to count on money that is raised each year allows Children's House to continue its important work.

Yet when a person dies, so do his or her annual gifts. If we cannot replace the gift, we will lose valuable income and program's services to victims of abuse and neglect may suffer.

A Smart Solution

Creating an endowment makes sense. An endowment involves establishing a bequest, a gift in your will, of an amount whose earnings create a gift or current use each year for an indefinite period of time. The income from the investments provides Children's House with enough money to supplement its annual operating revenues and annual gifts. This is why endowments are extremely important for Children's House to continue healing victims of child abuse far into the future.

An Example: Consider, for instance, an annual gift of \$1,000. Let's say that a charitable organization spends 5 percent of its endowment each year. (This does not mean that it earns a total return of 5 percent, only that it spends that amount; it will reinvest the difference to offset inflation and work replenish the principal.) To calculate the needed number to fully endow an annual gift, multiply your annual gift by 20, in this example, $\$1,000 \times 20 = \$20,000$. So, contributing just \$20,000 through a bequest in your will has the power to continue your \$1,000 annual gift indefinitely!

Learn More

We will be glad to discuss ways you can establish a legacy of giving. Please call Ben McLintock at (479) 872-7479, or e-mail at mclintock_eoa@yahoo.com for more information.

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