

## Introduction & Definition

The Endowment Fund has been a well managed, slow growing, nest egg. Its money has been invested conservatively and wisely to earn good interest. As NCC is planning for its future and taking inventory of our finances, we'd like to make a conscious effort to speed up the growth of the Endowment fund for the long term benefits it will provide.

The members of the Endowment Committee for NCC are dedicated to work with the congregation to achieve this goal. We hope we can be a resource to help people learn more about this fund, how they can give, and inspire them to action.

This pamphlet is just one of the ways of we wanted to reach out and provide information. Inside, you'll find the following:

- An Overview of NCC Financial Practices
- A list of options for how you can give to the Endowment Fund
- An explanation of the benefits and how this is a win-win investment
- A list of anticipated questions with answers
- Contact information for the Endowment Committee

## Questions & Answers

### ***Who established the Endowment Fund?***

It was established by vote of the congregation in 2002.

### ***Where's the Endowment Fund invested?***

*Currently, it's invested in two Vanguard mutual funds and U.S. Treasury bonds.*

### ***Who decides the uses of it?***

It's set by the Steering Committee with the consent of the congregation.

### ***Who should I contact?***

Any of the Endowment Committee Members listed below.

### ***What is the current level of the endowment fund?***

As of June, 2008, we have approximately \$85,000.

### ***At what point can interest be used for current program?***

The endowment needs to build up to at least \$200,000 to either start drawing on interest or principal.

### **FOR MORE INFORMATION**

In future communication efforts, we'll introduce other ways of giving to the Endowment Fund. But if these make sense to you, talk to your financial advisor or attorney about next steps. Feel free to contact any of the committee members for further information as well.

### **THE ENDOWMENT COMMITTEE MEMBERS**

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"Our purpose is to continue in our time what Jesus began in his — working for the healing of our world as an inclusive, compassionate and joyful community."



## **NCC's Endowment Fund**

Planting the seeds today to grow resources for the future ...

**New Covenant Community**  
210 West Mulberry Street  
Normal, IL 61761  
(309) 454 - 7362

## Overview of NCC Financial Practices

It is important to distinguish between the terms “offering” and “endowment”. The **offering** provides regular donations on a weekly or monthly basis. These donations are used to pay the costs of current, budgeted, and ongoing programs. These include:

- Pastors’ salaries and benefits
- Secretary, child care, administrative costs
- Local and denominational mission
- Worship and nurture

The **endowment** provides a strong future for NCC. This fund is supported not by an offering, but rather larger gifts often from accumulated assets. These gifts comprise a source of funds to be used in future and possibly for longer-term interests:

- creating and maintaining a place of worship
- augmenting programming
- providing for special needs
- enabling creative new mission opportunities.

This can be a slow-growing nest egg as the principal is to be allowed to accrue until needs arise. When the principal reaches a certain amount, the interest from it may be used annually if it is approved by the Steering Committee and NCC members.

## Options for Giving

### A Direct Gift

Every year we make a pledge from our household income to NCC. But many of us also have *accumulated assets* – perhaps cash, or stock, or real estate – that we can draw upon for a gift to the Endowment Fund. With a *cash* contribution we get a tax deduction; with a gift of *stock* we get both an income tax deduction and avoid paying capital gains taxes on the stock’s appreciation. So we can “do well by doing good!”

### A Future Bequest

With a bequest, we provide a gift of assets through our *will*. Most of us want to make provision for family members through our will, but we also want a portion of our legacy to go for the support of causes we believe in. Remember: if *you* don’t decide where your worldly goods go when you no longer need them, the *state* will!

### An Insurance Policy

Few of us stop to think of this way of giving, but for many it can make sense. We might cash out a life insurance policy (“the kids are grown and gone, we no longer need so much protection”) and give the proceeds to the Endowment Fund; we could purchase a new policy and make NCC the beneficiary; or we can designate NCC as the beneficiary of a policy we continue to own.

## Reasons for Giving

There are numerous benefits associated with helping to build a strong future for our congregation. They include:

- **Sustainability:** ensuring that our presence and mission will continue into the future
- **Purpose:** we all need to feel we’re contributing to something larger than ourselves
- **Legacy:** leaving a footprint in a place we care about
- **Practicality:** making sure our resources are invested intentionally and earning the tax benefits that come from our contributions

Our hope is that those who contribute to NCC’s Endowment Fund will feel that they are involved in a “win – win” relationship.

