



# DESIGNATED ENDOWMENT FUNDS

## WHY SHOULD I CREATE A FUND AT CFAAC?

With a single gift you can create a fund that allows you to give to the causes you care about most. A Designated Fund is established by one or more donors to benefit a specific organization(s) in perpetuity. Your gifts are invested for long-term growth and provide the organization(s) with annual grants. CFAAC's experienced and knowledgeable staff make sure that grants to these organizations remain relevant over time and responsive to changing circumstances.

## BENEFITS AND SERVICES

### EFFICIENCY

A Designated Fund can be established at CFAAC with a minimum of \$25,000. You can add to the fund at any time. The fund can be named after a designated organization, in honor of a loved one, or another name that reflects your mission. Your investments are safeguarded to meet the future needs of the nonprofit organization. CFAAC will manage your fund, report to the IRS and the State of Maryland, prepare quarterly statements, and distribute income to the fund beneficiary.

You will receive quarterly financial reports on the status of the endowment, including gifts, grants, fees, and investment returns. You will also have access through the online portal to review the status of your fund at any given time.

### INVESTMENT EXPERTISE

Designated Funds are invested in CFAAC's Long-Term Growth pool for maximum return with minimum financial risk. Your endowment is pooled with the overall assets of CFAAC, which reduces investment management costs and allows exposure to sophisticated investment vehicles. Over time, your endowment should grow as the result of better-than-average investment results and low management fees.

### PERMANENCE

Building a permanent designated endowment is a critical step in ensuring the long-term success of an organization. An endowment fund at CFAAC will assure donors that they are contributing to a stable, growing organization, and to a purpose that will endure forever.

### TAX CREDITS

Donor(s) are eligible to receive Endow Maryland State tax credits for their contributions to this permanent endowment fund, as available.

*The **Endow Maryland** tax credit applies only to gifts to permanent, endowed funds at qualified Maryland community foundations.*

**To learn more, please call us at 410.280.1102 or visit our website [www.cfaac.org](http://www.cfaac.org).**