

# PROVIDING SUPPORT TO MINISTRIES FOR GENERATIONS TO COME

A \$100,000 permanent endowment fund placed with the Foundation in 1980 would have paid out over \$517,218 to mission and have a principal value of \$276,673 at the end of 2022. The average annual investment return was 7.52 percent.

Trusted for more than 200 years, the Presbyterian Foundation's permanent endowment funds have stood the test of time. Through wars, recessions and depressions, market rallies and crashes, the endowment funds continue to do what they were created for — provide funds for mission.



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## A Word to Donors: **PRESERVE YOUR PASSION FOR MISSION**

An endowment fund can be established in your own name, as a legacy in memory of a loved one, or in the name of the mission you choose to support. It can be funded using a variety of assets, such as cash, stocks, mutual fund shares, real estate or other property. Additional gifts to the fund can be accepted at any time from you or those wishing to support your chosen mission or ministry — allowing family and friends to contribute as well.

Endowment fund gifts may also provide tax benefits. By using appreciated assets to establish a fund, you avoid the capital gains tax you would incur if you sold those assets. You also reduce the size of your taxable estate. If you itemize allowable income tax deductions, you will be entitled to claim a charitable contribution as permitted by IRS regulations.

The Presbyterian Foundation seeks the highest possible current distribution to the charitable beneficiary while providing for sufficient growth of principal to ensure that payments from the endowment fund are as meaningful in the future as they are today.

# OUR PHILOSOPHY

**Fiduciary Oversight:** The Foundation is responsible for balancing the current and future needs of beneficiaries as we structure portfolios, establish risk profiles, and adjust the spending formula.

**Socially Responsible Investing:** We invest in accordance with the PC(USA)'s established social witness policies.

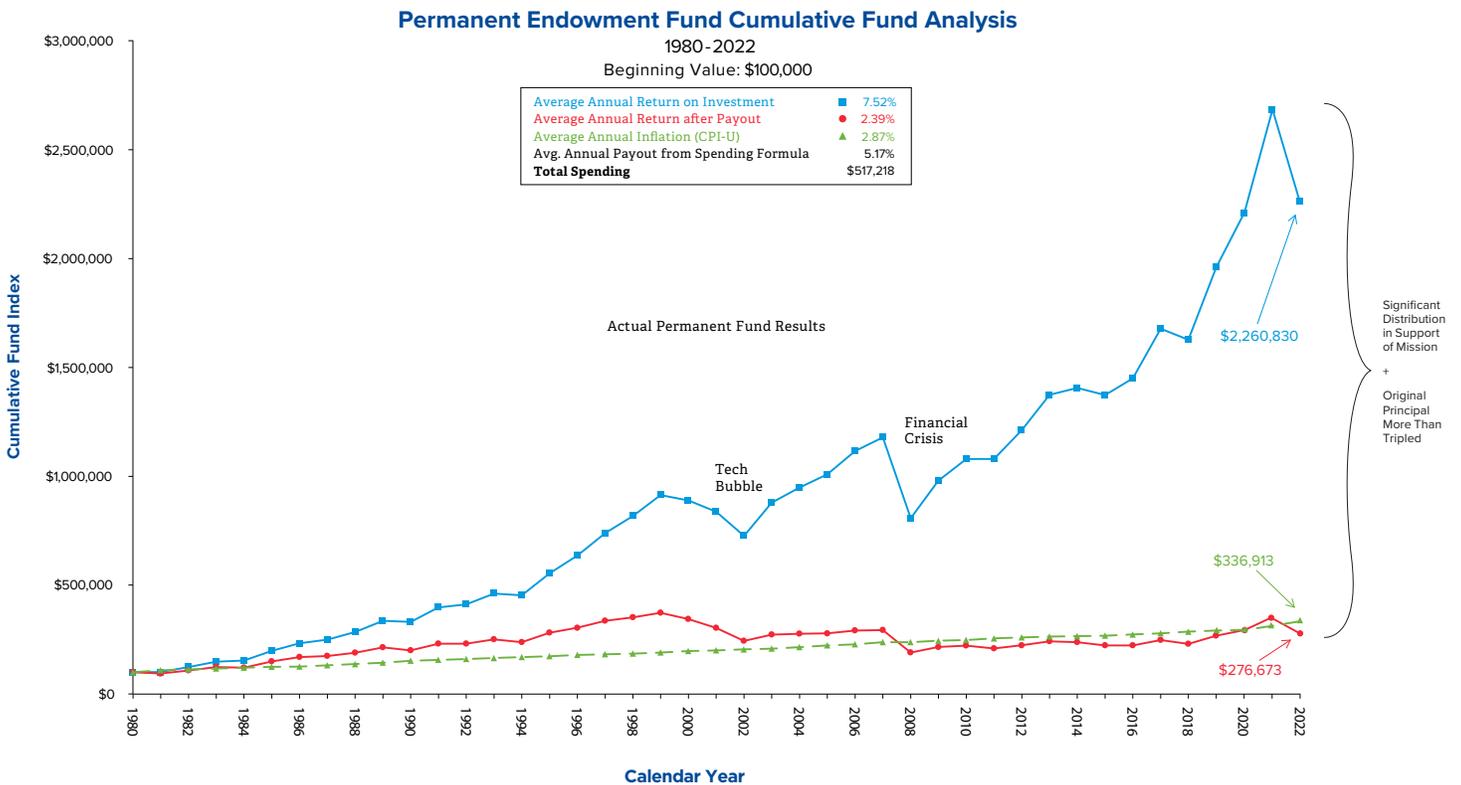
**Perpetuity Perspective:** Our long-term investment horizon requires us to create income in perpetuity. Thus, we favor investment strategies that create long-term, sustainable value.

**Combination of Active and Passive Management:** Vigorous oversight, attention to costs, and a long-term perspective are essential to achieving success.

**Risk and Volatility:** A broadly diversified portfolio represents an appropriate strategy to mitigate risk and volatility with the potential to enhance long-term performance.

**Implementation:** The Foundation utilizes an outsourced chief investment officer model. Given the complexity, breadth and depth of Foundation activities, we have determined that this structure achieves our objectives in the most cost-effective manner.

**Performance Measurement:** The Foundation establishes investment goals and performance measures and analyzes them regularly. We acknowledge that short-term changes are the enemy of long-term consistent value creation.



*The performance data shown is past performance. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate and current market performance may be lower or higher than the performance quoted.*

# CREATE A VISION FOR NOW AND THE FUTURE

## Presbyterian Endowments in Brief

- 1799: Foundation incorporated as “Trustee of the General Assembly of the Presbyterian Church.”
- 1821: First endowment created. It still provides funds today.
- Fiduciary corporation: Ensures donor designations are upheld, funds properly invested, and beneficiaries receive a dependable stream of income for perpetuity.
- Purpose: To help raise, manage and distribute money for PC(USA) congregations and programs.
- Investment and administrative responsibilities rest solely with the Foundation.
- Manages over 7,000 permanent endowment funds and over 3,500 charitable gift vehicles, totaling \$1.5 billion.
- Foundation distributed approximately \$106 million annually for mission and ministry in 2022.

## Endowment Funds May Be Just Right for Your Ministry

To discuss the benefits of an endowment fund for your ministry, contact your Ministry Relations Officer or visit [presbyterianfoundation.org](http://presbyterianfoundation.org).

## Providing a Steady and Predictable Stream of Funding

Establishing an endowment is a way to keep ministries you love thriving, even after you're gone. St. Stephens Presbyterian Church near Sacramento took that faithful step in 2014 when the church decided to close. Church leaders placed the funds from the sale of property in an endowment, which supports a food pantry, Presbyterian Disaster Assistance, Habitat for Humanity of Greater Sacramento and Celtic Cross Presbyterian Church in perpetuity. This former congregation's legacy of mission giving continues to support the community they love so much for generations to come.



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