



# Monthly Investor Update

November 2021

---



## Message from the CEO

United Ways are placing increased emphasis on their endowment fund as a way to sustain their mission and impact the community. The endowment provides growth, stability and flexibility beyond what is possible in the annual campaign. Some United Ways are just starting an endowment fund while others are launching significant efforts to grow their endowment. This newsletter contains tools and best practices designed to address multiple areas impacting United Way endowment funds.

(Information sourced from Evelyn Morgner, United Way Worldwide)

---

## What are Endowment Funds?

Endowment funds are established by United Way as a permanent pool of capital from which periodic withdrawals are made. Endowments may be held by United Way, or a separated non-profit entity may be created to house the endowment fund. Endowment funds help provide stability and growth not possible through total reliance on annual fund raising. Typically endowment fund distributions are unrestricted, providing United Way flexibility to use distributions in the area of greatest need or opportunity. However, some endowment funds are restricted for specific purposes such as covering administrative costs or funding a particular project or initiative.

---

## How to Grow Your Endowment Fund

There are several methods United Ways have used to increase the size of their endowment fund:

1. Unfortunately, the most frequent method is to rely on good fortune. A number of United Ways have been notified of a very large, but unexpected, bequest. Rather than spending a significant one-time gift, United Ways have established policies that all bequests, unless otherwise restricted, will be placed in their endowment fund. While this method has been effective for some United Ways, it is neither a predictable or pro-active way to grow an endowment fund

2. A second method is to sustain an ongoing planned giving program. In addition to soliciting donors for annual gifts, United Ways also engage their most loyal donors in conversations about making planned gifts to the endowment fund. This approach may take three to five years before any endowment gifts are realized. However, if

sustained, this approach will yield the largest return over the long run.

3. The third technique is to conduct an endowment campaign. The endowment campaign is coordinated with the annual campaign so that it complements rather than competes with annual giving. It may include a combination of outright and deferred gifts. Typically, the campaign is conducted over a multi-year period using a capital campaign model. Often, outside consultants are utilized to conduct feasibility studies and manage the campaign efforts. Challenge grants are also common.

---

## How to Manage Endowment Funds

Endowment funds are established by United Way as a permanent pool of capital from which periodic withdrawals are made. Endowments may be held by United Way, placed in a community foundation for the benefit of United Way, or a separated non-profit entity may be created to house the endowment fund.

Endowment funds help provide stability and growth not possible through total reliance on annual fund raising. Typically endowment fund distributions are unrestricted, providing United Way flexibility to use distributions in the area of greatest need or opportunity. However, some endowment funds are restricted for specific purposes such as covering administrative costs or funding a particular project or initiative.

---

## How to Invest Endowment Funds

Endowment funds are designed to go on in perpetuity and invested funds should be made with a long-term perspective. The Uniform Prudent Management of Institutional Funds Act (UPMIFA) enacted in most states requires that United Ways invest endowment funds in ways that preserves the long-term purchasing power of the endowment.

United Ways may oversee the investments of their endowment fund in many different ways. Some are invested by staff and volunteers; others hire investment consultants or advisors.

If you are interested in making a donation towards United Way of Central Kentucky's Endowment Fund, please contact [Joe Fowler](#), President & CEO or [Christa Shouse](#), Director of Development

---

## CASA of the Heartland Cookbook - Available Now!

### *CASA Cooking in the Heartland*



CASA OF THE HEARTLAND  
COOKBOOK  
SPONSORED BY:



Our community partner, CASA of the Heartland, has put together a cookbook full of recipes contributed by a number of local community leaders. Our very own Office Administrator, Rachel Watkins, shared her recipe for Barbeque Glazed Meatloaf.

Cookbooks can be purchased at our office now for \$15! All proceeds benefit CASA of the Heartland and their effort to advocate on behalf of children who are abused and neglected.

A CASA Cooking in the Heartland cookbook is the perfect gift to give this holiday season. Your purchase changes the lives of our community's most vulnerable children.

## How you can help...

All of us at UWCK invite you to do something meaningful with the information provided above by:

- sharing within your workplace
- share on social media
- pass this along to someone else and celebrate the impact UWCK has on our community. We need you!

If your workplace would like to be featured in a future newsletter, please contact Hunter Hammer at [hhammer@unitedwayck.org](mailto:hhammer@unitedwayck.org)

---

United Way of Central Kentucky | (270) 737 - 6608 | [unitedwayck.org](http://unitedwayck.org)

Connect with us

