



20 Things Every Nonprofit Should Know About Permanent Funds and Planned Giving

by

Elizabeth Y. Day, President and CEO
The Community Foundation of Frederick County

1. If it's your last dollar, do not put it in a permanent fund.
2. Permanent fund investment objectives should be preservation of principal and steady long-term growth.
3. Just like some people like chocolate ice cream, some like vanilla, and some like butter pecan, some donors like operating campaigns, some like capital campaigns, and some like permanent fund campaigns.
4. Everyone in your organization should be aware of the permanent fund because you never know what questions may come their way in their travels.
5. Active permanent funds go hand-in-hand with communicating a vision for the future.
6. Permanent funds are not rainy day funds.
7. If you call it a permanent fund, you should treat it like a permanent fund.
8. Nonrecurring gifts usually have the longest lasting impact on an organization when placed in the permanent fund.
9. Communication begets additional gifts to your permanent fund.
10. Every piece of literature on your organization should mention the permanent fund.
11. You may capture donors' attention by creating sub-funds within your permanent fund.
12. If you don't have the expertise to advise a prospective permanent fund donor, get it.
13. Permanent fund donors need recognition, too!
14. You can encourage permanent gifts without jeopardizing gifts for operating.
15. Learning planned giving basics is the best gift you can give your organization.
16. Investigate creative ways to add your permanent fund as a part of your operating campaign.
17. In the public's perception, the word "permanent fund" is becoming synonymous with "planning too," "stability," and "sound management."
18. You don't need special software to add gifts to your permanent fund.
19. The Pooled Income Fund is an easy tool to get people started in making planned gifts.
20. Distributing less than what you reinvest is a sure way to grow your permanent fund and to bank for the future.