



*Partnering Finance with Purpose.®*

# Nurturing the Faith for Future Generations

## Endowment Guide for Individual Designated Funds

217.463.8202

[LutheranLegacyFoundation.org](http://LutheranLegacyFoundation.org)

[LLF@LuthernLegacyFoundation.org](mailto:LLF@LuthernLegacyFoundation.org)





### ✓ **Easy Application**

We have a simple, straightforward process, with minimal paperwork and unnecessary hassle.

### ✓ **Matching Grants**

We provide matching starter and accelerator grants to help you maximize your investment impact.

### ✓ **Professional Management**

We partner with strategic experts and resources to drive optimal, enduring performance for your endowment.

## Your Faith. Your Values. Your Impact.

An Individual Designated Fund at Lutheran Legacy Foundation (LLF) allows a donor to create a permanent endowment that provides annual support to one or more designated Lutheran organizations—or to a chosen field of interest. The principal remains invested long-term, while earnings are distributed each year to sustain ministry. LLF manages the fund, handles annual distributions, and strengthens its impact through matching grants that help grow the fund and its ongoing support.

✓ **Designated Fund** – Allows the donor to identify an organization or organizations he or she wishes to provide with annual income.

✓ **Field of Interest Fund** – Allows the donor to specify a field of interest he or she wishes to provide with annual income. LLF makes distributions to Lutheran organizations within that field of interest.



An endowment is like planting a seed—your gift is invested, not spent, and year after year it bears fruit for the ministries you care about most.

# Application

**APPLICATIONS ARE STRAIGHT FORWARD, & LLF IS HERE TO ASSIST YOU OR YOUR COMMITTEE THROUGH THE PROCESS, PROVIDING RECOMMENDATIONS IF NEEDED.**

Applications for the individual designated fund, including one for the Field of Interest model, are available on our website. They are straightforward, and we are happy to assist you or your family with the process and provide recommendations if needed.

The fund's purpose statement is crucial. According to the application, part of the fiduciary duty of the LLF is to ensure that disbursements align with the fund's purpose. Once an endowment is set up, its purpose is the only aspect that cannot be altered. Therefore, the statement should be general enough to cover your intended use of the funds but specific enough to focus on the area of ministry you wish to support. LLF can offer assistance with the wording of the purpose desired.

Applications are available at:  
**[LutheranLegacyFoundation.org](http://LutheranLegacyFoundation.org)**



## Matching Grants

*This is the one area where Lutheran Legacy Foundation is different. LLF matching grants are designed to help kickstart and accelerate the growth of an endowment and provide an instant return on your investment. Lutheran Legacy Foundation provides the following matching grants to Individual Designated Funds:*

### Startup Grants

\$5,000 bonus match on initial gifts of \$20,000

or

### Accelerator Grants

\$1,000 bonus for each \$5,000 gift (up to five times per fund – \$5,000 maximum match)

#### To qualify:

- You must be starting a new endowment fund with LLF
- You provide the initial investment of at least \$5,000 (\$20,000 to receive one-time match)
- Matching funds must be used to build the endowment—not spent directly.

#### Matching Grant Examples (Individuals)

<b>Initial Investment</b>		
\$20,000	(One-Time Startup Grant)	<b>\$5,000</b>
or		
<b>Gifts Over Time</b>		
\$5,000	(Graduated Startup Grants)	<b>\$1,000</b>
\$5,000		<b>\$1,000</b>
\$5,000		<b>\$1,000</b>
\$5,000		<b>\$1,000</b>
\$5,000		<b>\$1,000</b>
<b>Total Grants Given</b>		<b>\$5,000</b>

One-Time Startup Grants & Graduated Startup Grants can not be combined.  
Matching gifts are subject to a withdraw policy\*

*The matching grants are subject to a withdrawal policy, which means if an organization takes out more than half of its invested funds, LLF will retain the principal of the match amount.*

## Contribution

The minimum contribution to open an individual designated fund is \$5,000. If you wish to have more than one designation, there is a \$5,000 minimum per designation. Once established, contributions may be made in any amount, at any time, by any donor.

## Distributions

After one year, the designated organization can start receiving distributions from your fund. The Designated Fund allows for up to 5% annual distribution. Disbursements are calculated based on the account values as of December 31st of the previous year.

# Withdrawal Policy

With an LLF Individual account, the agreement states the establishment of an endowment is intended to be permanent by those who set it up. Therefore, the funds contributed to an individual endowment are irrevocable.

# Other Considerations

For individuals 70 ½ or older, they can utilize an IRA to make a qualified charitable distribution (QCDs) to their favorite charities, which includes an Individual Designated Fund established through LLF. To alleviate the tax burden of required minimum distributions (RMD) from IRAs, starting at age 73, individuals can use their RMDs to make a QCDs. LLF advises the individual to consult their tax advisor when considering making a QCD.

# Performance

Lutheran Legacy is a community foundation which allows LLF to pool our funds. For individual endowments and donor advised funds, LLF offers the Growth Portfolio model - which targets an 88% equity/12% fixed income asset allocation mix

*Our most recent performance data for you to utilize is available upon request.*

# Fees

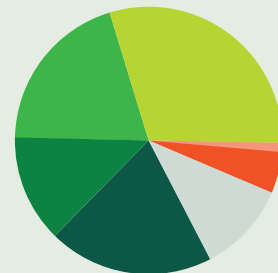
For an (LLF) agency account (churches, schools, service organizations), LLF charges a single fee based on the balance in the account.

• **For account balances under \$1,000,000, LLF charges 1.25% management fee**  
**ASSESSED AS 1/12 OF 1.25% PER MONTH**

• **For account balances over \$1,000,000, LLF charges 1.00% management fee**  
**ASSESSED AS 1/12 OF 1.00% PER / MONTH**

*The fees are all inclusive. There are no additional administrative or distribution fees.*

**Growth Portfolio**



- 30% Large Cap
- 20% Mid Cap
- 20% International
- 13% Small Cap
- 11% Fixed Income
- 5% Alternative Investments
- 1% Cash & Equivalents



**LUTHERAN  
LEGACY**  
FOUNDATION

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*For more information contact:*

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