

## **New Options for donations**

TDC has recently developed several new options for your donations.

### **Summary of donation options**

<b>Fund</b>	<b>Use</b>	<b>Manager</b>	<b>Tax Deductible?</b>
General	unrestricted	House Corp Treasurer	No
Thompson Fund	Educational assistance	Armando Viteri	Yes
Phil Bannister Memorial scholarship	Recognize active brother	A Viteri (winner selected by House Corp including House officers)	Yes
Endowment	Emergencies, supplement major projects	A Viteri, Jack Chaney, Joe Parish	No

## **The TDC Endowment Fund is new – what is it?**

**Intent is to provide a moderate income each year to help with unexpected emergencies and "save to spend" for longer term predictable projects like a new roof.**

- Minimizes need for emergency fund raising and reduces need for major fund raising campaigns.
- Intend to have principal grow slightly in excess of inflation.
- Estimate 3-4% of principal can be spent or set aside for future projects each year by investing in no load stock index mutual fund or similar.
- NOT a subsidy for ongoing operating costs.
- Governance by trustees separate from the House Corp

### **What can the funds be spent on?**

- No limitations on spending
- HC makes "grant" request to the fund trustees
- 3 person trustee team makes the decision
- No distributions until fund is over \$100,000 (initial seed money under \$10,000)

### **How will the endowment be funded?**

- Annual donations
- 10% of positive cash flow from the House goes to the fund each year. This has started.
- Consider bequest in your will.
- Donations are not tax deductible to allow for spending flexibility

### **How will the money be invested?**

#### **No load mutual fund, index like Vanguard Extended Market**

- Trustees decide if investment changes are needed.
- Very low fees.
- Stock market risk.
- Long term growth.
- 4% can be removed each year and still grow with inflation, based on long term stock market return history.
- Include money market fund for convenience