



# USNH Endowment

## Frequently Asked Questions

### **What is the USNH endowment?**

The endowment is a collection of investments set up to provide a permanent source of income for the benefit of USNH. The donated principal remains intact in perpetuity, and a portion of the total return (dividends, interest and appreciation) may be drawn each year for purposes chosen by the Society.

### **Why is the endowment important?**

Our operating budget is funded with income from the annual pledge campaign, room rentals, fundraising projects and endowment returns. The endowment provides a stable income stream for the Society, funding new initiatives in good times and meeting critical needs during difficult times.

### **How much is in the USNH endowment?**

The endowment, overseen by the Endowment and Legacies Committee, is currently held in four separate funds: the 1978 Fund, the 1989 Fund, the Winchell Fund, and a loan to USNH that replaced the bank mortgage.

As of June 30, 2023, the funds had the following amounts:

– 1978 Fund .....	\$186,171
– 1989 Fund .....	\$394,778
– Winchell Fund.....	\$642,875
(Established in 2011)	
– USNH Mortgage .....	\$398,846
(Includes principal and interest)	
– Board-designated investments.....	\$0
<b>Total Endowment .....</b>	<b>\$1,622,670</b>

Since 2014, when the bylaws were changed to allow endowment funds to be used to support the annual budget, USNH has used the following funds from its endowment:

1. \$270,891, approximately \$33,000/year over 9 years, to support operating costs
2. \$379,700 to pay off the balance on our Citizens Bank mortgage that financed the construction of the sanctuary. By not refinancing the Citizens Bank loan with a commercial bank, we avoided the bank closing costs, instead lending the remaining loan balance to ourselves on favorable terms. Through a covenant to repay the funds to the endowment with interest, USNH is using those interest payments to grow our endowment rather than pay them to a bank.

### **Who manages the invested funds?**

Bradley, Foster & Sargent, Inc., invests the 1989 Fund and the Winchell Fund; our account manager is Peter Kirschenbaum, a longtime USNH member who works with the Endowment Committee to review investment goals and performance.

The Unitarian Universalist Association (UUA) invests our 1978 Fund in its Common Endowment Fund, where it is pooled with assets from other UU congregations that have a long-term investment perspective and the need for income to support their missions. Under oversight of the UUA Board of Trustees, the UUA Investment Committee selects professional outside advisors and investment managers.

### **What is USNH's plan to grow the endowment?**

In 2013, USNH approved a ten-year Endowment Campaign to grow the endowment to \$2.5 million by 2024. The Campaign includes:

1. Prudent management of the existing endowment to foster long-term growth while assuming acceptable risk.
2. Promotion of opportunities for members and friends to make gifts to the endowment during

their lifetime or as part of their estate plans. Twenty-eight members of *The Legacy Society for USNH* have already committed more than \$600,000 in future gifts to the endowment.

3. Since 2014 the endowment has grown from \$914,266 to \$1,622,670, while providing funds for the annual budget and refinancing the Citizens Bank mortgage.

### **How can I contribute to the endowment?**

You may contribute cash, securities, real estate, and marketable personal property such as artwork, antiques or jewelry. **You must specify in writing that you intend for your donation to be added to the USNH endowment.**

In addition, bequests and any of the other types of legacy gifts described below may be specified for the endowment.

We encourage you to consult with your financial advisors about the tax implications of making outright and legacy gifts to the endowment.

### **What are legacy gifts?**

Members and friends include legacy gifts to USNH in their estate plans to help the congregation carry on its mission. Options for making legacy gifts include:

- Providing a bequest in your will
- Designating a portion of a trust
- Naming USNH as the beneficiary of a retirement account or a life insurance policy
- Establishing a charitable gift annuity with UUA that will pay a lifetime income to one or two individuals whom you name, with the remainder coming to USNH.

We recommend that you specify a percentage of your estate rather than a specific amount so that your intentions to benefit your heirs, including USNH, will remain proportional as the value of your assets changes over time.

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**Please note: For your legacy gift to be added to the endowment, you must specify your intention in writing “for endowment.”**

If you are considering a gift in your estate plans with a restricted purpose, we ask that you discuss your intention with a member of the Endowment and Legacies Committee so that we can be sure that USNH can honor your intention when your gift is received.

### **What is The Legacy Society for USNH?**

The Legacy Society for USNH recognizes the intentions of members and friends who have arranged a bequest or other type of legacy gift, in any amount, that will benefit USNH in the future, and honors the generosity of individuals who have left bequests or made other legacy gifts to USNH in the past. The Legacy Society also recognizes donors who have contributed \$10,000 or more to the endowment.

### **How do I get more information?**

Please contact a member of the Endowment and Legacies Committee. We will be happy to discuss your interests and answer your questions.

### **Endowment and Legacies Committee**

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