



Endowing Your Pledge to CCPC

This document describes how to incorporate giving to CCPC into your estate planning by **Endowing Your Pledge** – a way to ensure that your loving support of the church continues after your death.

By endowing your pledge, you can leave a legacy of your faith in the Triune God and support God's work through the programs of our church.

CCPC's Endowment Fund

As with many churches, religious organizations, and nonprofit institutions, CCPC has an endowment – a corpus of money set aside and invested, a portion of the return on which is used each year to fund church operations. The endowment was created through gifts that church members made over the years, often as legacy gifts from their estates following their deaths.

Church members who have been regular givers through pledges made to CCPC can establish an endowment that provides an annual payout equal to their current pledges. They can set the terms and any restrictions on the endowment – for example, specifying that the proceeds should go to the church's mission activities or another purpose – and determine how and when to fund it.

Assuming that endowment funds are invested carefully and yield a return of about 7 percent annually, most organizations with endowments will draw down about 4 to 5 percentage points of that return annually to help fund their operations. To set aside an amount under this formula that would yield about the same sum each year as your annual pledge, you would make a gift that was 20 times to 25 times your current pledge.

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Here's how the math would work:

If your current pledge is \$5,000 per year....	You would multiply \$5,000 times 20 or 25....	Which means you would give \$100,000 to \$125,000 to the church or leave one of these amounts to CCPC in your will so that the annual support provided would equal what you now give (\$5,000)
If your current pledge is \$10,000 per year...	You would multiple \$10,000 times 20 or 25....	Which means you would give \$200,000 to \$250,000
If your current pledge is \$25,000 per year...	You would multiply \$25,000 times 20 or 25....	Which means you would give \$500,000 to \$625,000
If your current pledge is \$50,000 a year....	You would multiply \$50,000 times 20 or 25...	Which means you would give \$1,000,000 to \$1,250,000

How To Make an Endowment Gift

Many people incorporate a gift into their estate plans and leave the church a gift in their wills. In this case, the endowment is established after they die, and starts to benefit the church soon thereafter.

It's also possible to establish an endowment before you die, either by making a single gift to the church or building up an endowment over several years.

You may also choose to establish an endowment now through a lump-sum gift, or build up an endowment by giving over several years. If you are 70.5 years old or older, for example, you can donate up to \$100,000 per year tax free directly to CCPC or another charity from your Individual Retirement Account (IRA), through what is called a "qualified charitable distribution."

For More Information

Please contact Pastor Molly and/or the church's Business Manager, Valerie Burrows, at 202-363-2202 to answer other questions or for assistance. You may also wish to consult with your estate planning attorney or financial planner. ###