How Endowment Giving Works - *Forever*

100-21=107

No, this isn’t “new” math. The above “equation” does, however, represent the power of endowment giving and grant-making.

Mary Hollaway, who enjoyed a long career with Fahey Bank, generously created several funds at Marion Community Foundation through her will in 2011. Each was worth $100,000. If we look at one of those funds as an example, that $100,000 became a permanently endowed fund in her name: the Mary H. Hollaway Humane Society Fund.

Our prudently crafted spending policy at Marion Community Foundation allowed this fund, in its first four years, to grant $21,000 to the Marion County Humane Society to support its charitable purposes. Equally well-crafted is our investment policy. By working closely with our local financial advisors and professional investment advisory group, Mary’s fund grew to be worth $107,000 in that same time. So, even though the fund started with $100,000 and gave away $21,000, the fund still had $107,000 in endowed assets.

That’s the beauty of endowment giving. Mary’s endowed fund will continue giving ample annual grants in perpetuity to one of her favorite charities and continue to be prudently invested in order to support those annual grants. Based on sound calculations, we can project that over the next 25 years, Mary’s fund will likely grant $132,000 and still be worth $115,000. That makes our equation look like this: 100-132=115. How’s that for some nifty math? And, that pattern will continue well beyond those 25 years.*

We think Mary, who loved her pets and knew the value of a dollar, would be very pleased to know how her gift is working to improve our community and to know that it will continue for generations to come.

**Mary H. Hollaway**

*Mary H. Hollaway Donor Advised Fund
Mary H. Hollaway Humane Society Fund
Mary H. Hollaway Non Endowed Fund
Mary H. Hollaway Palace Theatre Fund and
Nobel F. Hollaway YMCA Scholarship Fund*  
**est. 2010**

YEAR 1
Establish your Family Fund
$100,000 gift

YEAR 25
$132,000 in cumulative grants & fees
$115,000 balance

YEAR 50
$282,000 in cumulative grants & fees
$125,000 balance

*Assumes 5.0% annual payout and 5.5% rate of return