

The Charitable Organization Endowment Report

SIMPLE. FLEXIBLE. FOREVER.

OKLAHOMA CITY COMMUNITY FOUNDATION | SEPTEMBER 2007

The Kirkpatrick Challenges

A personal legacy

The Oklahoma City Community Foundation's Charitable Organization Endowment Program is the largest of its kind in the United States and there is only one explanation for this distinction: the vision of John E. Kirkpatrick.

In 1969, Mr. Kirkpatrick provided the leadership to start the Oklahoma City Community Foundation. In doing so, he gave donors an opportunity to create charitable funds for the benefit of the community. After several years he realized that many donors might prefer to contribute to funds that supported specific organizations more than just a broad-based community fund. Additionally, he felt that endowments for charitable organizations would provide a reliable and stable source of income when combined with good investment oversight and protected from invasion.

These two motivations – attracting donors and supporting endowments for charitable organizations – initiated one of the most significant philanthropic activities in Oklahoma City over the past 40 years.

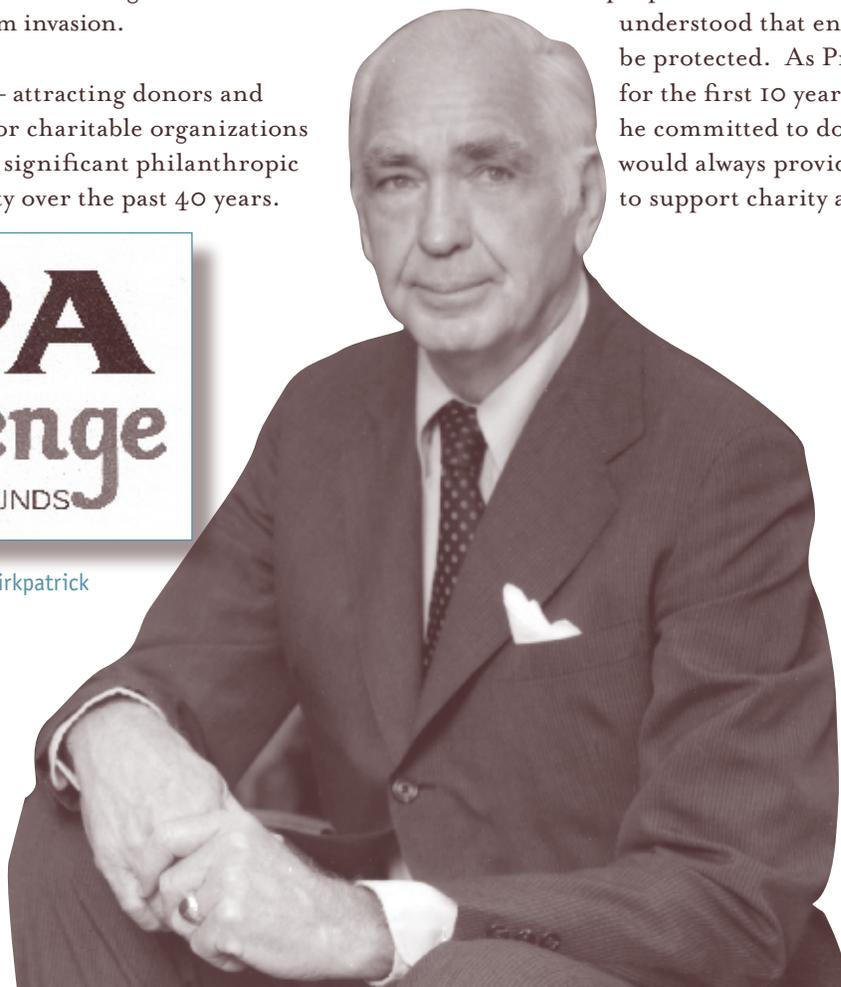
First started in 1979, the Kirkpatrick Challenge invited charitable organizations with endowments to solicit contributions to their funds over a set period of time with the guarantee that each dollar would be “matched” by Mr. Kirkpatrick. Over the next 20 years there would be a total of seven similar Kirkpatrick Challenges. In all, these challenges and the resulting investment appreciation netted more than \$58 million to more than 230 organizations and attracted more than 6,000 new donors.

Mr. Kirkpatrick liked the idea of others participating in his projects and that's why he supported the Kirkpatrick Challenges. It made his money go further and it also attracted other people to be invested in the effort. But he understood that endowments needed to be protected. As President of the Board for the first 10 years and later as a Trustee, he committed to donors that their gifts would always provide a source of income to support charity and that it would

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Above: A sticker used during a Kirkpatrick Challenge to promote the matching program for charitable organizations with endowments at the Oklahoma City Community Foundation. Right: John E. Kirkpatrick initiated the challenges as a way to increase the organizations' endowments and encourage more donors to support the funds.



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The Kirkpatrick Challenges

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not be invaded without significant consideration by the Trustees.

Mr. Kirkpatrick witnessed the booms and busts of the Oklahoma City economy over his 98 years of life and knew that saving during the booms was essential to surviving the busts. His foresight in encouraging the development of endowments at the Oklahoma City Community Foundation has proven to be a significant resource for the community. The work of the Trustees and staff in developing investment and distribution policies appropriate for endowments have further enhanced the quality of the program. The standard for endowment management has been raised to a much higher level because

of Mr. Kirkpatrick's commitment and the Trustees' stewardship. His philanthropy was both broad-based and done with considerable thought and no where is that more evident than the Charitable Organization Endowment Program. Today, the program has 273 organizational endowments with assets in excess of \$137 million.

Since 2000, the Kirkpatrick Family Fund has continued the challenge matching program Mr. Kirkpatrick started but in a different style. Organizations wishing to start endowments at the Oklahoma City Community Foundation or increase an existing fund can apply to the fund for a matching grant. These grants

provide a \$1 match for every \$3 raised for the endowment. Information on the matching grant program is available at www.occf.org or www.kirkpatrickfamilyfund.org.

Mr. Kirkpatrick's death in October, 2006 brought to an end his personal involvement in the Oklahoma City Community Foundation, a commitment that lasted for 37 years. His vision of endowments serving as a lasting resource for nonprofit organizations is an incredible legacy for the Oklahoma City community and a truly outstanding example of thoughtful and committed philanthropy. The impact of his vision and leadership will be appreciated for many years into the future.

Building endowments benefits us all

With a history that can be traced to Ancient Rome, endowment funds have proven their enduring value to organizations. At the Oklahoma City Community Foundation, we have been fortunate to have donors such as John E. Kirkpatrick and thousands of other donors who have understood the unique value of endowments.

But just what is an endowment? At the Oklahoma City Community Foundation, we define an endowment as a permanent fund that is invested and managed to provide annual income to a charitable organization in perpetuity. To fully understand and appreciate the value of an endowment, you must keep in mind these three key elements: permanent, invested and annual income.

Permanent – the importance of an endowment lies in its permanence. Because of its constancy, an endowment can act as a buffer against fluctuations in financial support. An endowment exists as a legacy for not

only the donors who have contributed to the fund but also the organization's importance in the past, present and future life of the community.

Invested – Because of the perpetual nature of an endowment, an investment strategy has to allow the fund to generate distributions, grow to accommodate inflation and continue to exist in the future. *Please see our Investment Policy on page 7.*

Annual Income – In order to ensure annual distributions, a strong investment strategy must be partnered with a spending rule that allows funds to capitalize on good investment years as well as protect against a low or negative market return. *Please see our Distribution Policy on page 7.*

For nearly 40 years the Oklahoma City Community Foundation has been the leading advocate and voice for building endowment funds in this area. From a community perspective, building endowments not only

In 2007, the 273 organizations that comprise our Charitable Organization Endowment Program will receive more than \$5 million in distributions. The average fund will receive nearly \$10,500 in 2007 and 36 will receive more than \$20,000. This income will provide operating support so that organizations can continue to offer the important services that benefit our community. And these organizations know they will receive a distribution each year, forever.

benefits the organizations over the long term but also helps relieve other community resources of the need to contribute to annual operating budget support. We have supported this effort in the following ways: facilitating donor gifts for endowments, work with charitable organizations on promoting their endowment and encouraging planned gifts to their fund and by setting the standard for investment performance and establishing a prudent spending policy that ensures the annual distribution.

Charitable Organization ENDOWMENTS

To find out more about the Charitable Organization Endowments listed visit www.occf.org and click on Central Oklahoma Charities (located on the left menu bar).

Arts & Cultural Organizations

Ambassadors' Concert Choir
Arts Council of Oklahoma City
Ballet Oklahoma
Canterbury Choral Society
Chamber Music in Oklahoma
Cimarron Circuit Opera Company
City Arts Center
Civic Music Association
Fine Arts Institute of Edmond
Guy Fraser Harrison Academy for the Performing Arts
Individual Artists of Oklahoma/
Linda Jaeger Memorial Fund
International Photography Hall of Fame & Museum
Jacobson Foundation
Ladies Music Club of Oklahoma City
Lawton Philharmonic Society
Lyric Theatre of Oklahoma
Melton Art Reference Library
Melton Legacy Collection
Jasmine Moran Children's Museum
National Cowboy & Western Heritage Museum/
Docent Council
Oklahoma Arts Institute
Oklahoma Children's Theatre
OK Chorale
Oklahoma City Orchestra League
Oklahoma Community Theatre Association Fund
Oklahoma Museums Association
Oklahoma Shakespeare in the Park
Oklahoma Visual Arts Coalition
Oklahoma Youth Symphony
Paseo Artists Association
Prairie Dance Theatre
Red Earth

Community Development Organizations

Association of Fundraising Professionals
Cimarron Alliance Foundation
Executive Women International
Jewish Federation of Greater Oklahoma City
Junior Hospitality Club
Junior League of Oklahoma City
Kiwanis Club Special Activities Fund
League of Women Voters of Oklahoma
Legal Aid Services of Oklahoma
National Society of Colonial Dames
of America in Oklahoma
Navy League for USS Oklahoma City/
U.S. Navy E-6-A Squadron
The Ninety-Nines

Ninety-Nines Museum of Women Pilots
Oklahoma Center for Nonprofits
Oklahoma City All Sports/Scholarship Relief Fund
Oklahoma City Crimestoppers
Oklahoma County Bar Foundation
Oklahoma Lions Service Foundation
Oklahoma River Foundation
Redbud Foundation
Rotary Club 29 Foundation
Women of the South

Education: Community Organizations

Friends of the Metropolitan Library System
Friends of the Mustang Public Library
Friends of the Norman Public Library
Oklahoma Humanities Council
Institute of International Education
Library Endowment Trust
Oklahomans for Special Library Services
Oklahoma City Literacy Council
Payne Education Center

Education: Preschool-12th Grade

Calumet School Foundation
Casady School
Celebrations Preschool
Christ the King Catholic School
Edmond Public Schools Foundation
El Reno Public School Foundation
Erna Krouch Preschool
Bishop McGuinness Catholic High School
Midwest City-Del City Public Schools Foundation
Moore Public Schools Foundation
for Academic Excellence
Mount Saint Mary High School
Oklahoma FFA Foundation
Oklahoma Foundation for Excellence
Oklahoma School of Science and Mathematics
Oklahoma City Public Schools Foundation
Positive Tomorrows
Putnam City Public Schools Foundation
Rosary Catholic School
Sacred Heart Catholic School-El Reno
Special Care
St. Charles Borromeo Catholic School
St. Elizabeth Ann Seton Catholic School
St. James Catholic School
St. John Christian Heritage Academy/
Waltine Lynette Jackson Fund
St. John's Episcopal School
St. Mary's Episcopal School of Edmond

Trinity School
Villa Teresa School
Westminster School

Education: Colleges/Universities & Vocational Schools

Hillel Foundation/University of Oklahoma
Langston University Development
Oklahoma Baptist University
Oklahoma Christian University
Oklahoma City Community College
Oklahoma City University
Oklahoma City University Film Institute
Oklahoma City University Law School
Oklahoma State University-Oklahoma City
Oklahoma State University/School
of Civil & Environmental Engineering
Opportunities Industrialization Center
Redlands Community College/
Tommy Pinkston Family Memorial Scholarship
Southern Nazarene University Scholarship
St. Gregory's University
Francis Tuttle Vo-Tech Foundation Fund
U.S. Air Force Academy-John E. Kirkpatrick Fund
U.S. Military Academy-John E. Kirkpatrick Fund
U.S. Naval Academy-John E. Kirkpatrick Fund
University of Central Oklahoma
University of Central Oklahoma/
Department of History and Geography Fund
University of Oklahoma /
Medical College Alumni Association
University of Oklahoma Norman Campus/
Bizzell Memorial Library
Jerry Cooper Marching Band Scholarship
Fred Jones Jr. Museum of Art
Naval ROTC
A. Kurt Weiss Lectureship

Environment & Animal Organizations

Best Friends of Shelter Pets
Free to Live
Friends of Martin Park Nature Center
Morris Animal Foundation
Myriad Gardens Foundation
The Nature Conservancy/Oklahoma Chapter
Oklahoma City Beautiful
Oklahoma City Geological Foundation
Oklahoma Horticultural Society
Oklahoma Zoological Society
The Tree Bank

Continued on next page

Health-Related Organizations

Alzheimers Association/Oklahoma & Arkansas Chapter
American Cancer Society
American Diabetes Association
American Lung Association of Oklahoma
Arthritis Foundation/Oklahoma Chapter
The Children's Center
Children's Medical Research Institute
Community Health Center/
Mary Mahoney Memorial Health Center
Deaconess Home -Pregnancy and Adoption Services
Epilepsy Association of Oklahoma
Integris Baptist Medical Center of Oklahoma
Integris - James L. Hall Jr. Center
for Mind, Body & Spirit
Integris Southwest Medical Center
The Leukemia & Lymphoma Society
Lupus Foundation of America
Dean A. McGee Eye Institute
Mercy Health Center
National Multiple Sclerosis/Oklahoma Chapter
Oklahaven Children's Chiropractic Center
Oklahoma Brain Tumor Foundation
Oklahoma Children's Health Foundation/Camp Cavett
Oklahoma Community Health Services
Oklahoma Medical Research Foundation
Oklahoma Physical Therapy Foundation
Oklahoma Safe Kids Coalition
Planned Parenthood of Central Oklahoma
Prevent Blindness Oklahoma
Referral Center for Alcohol and Drug
Services of Central Oklahoma
Russell-Murray Hospice
St. Anthony Hospital
United Cerebral Palsy
Variety Health Center

History & Preservation Organizations

45th Infantry Division Museum
95th Division Foundation
Arcadia Historical & Preservation Society
Cleveland County Historical Society
Edmond Historical Society
Friends of Oklahoma Historical Society Archives
William Fremont Harn Gardens and Homestead
Oklahoma Archeological Survey
Oklahoma City/County Historical Society
Oklahoma Heritage Association
Oklahoma Historical Society
Oklahoma History Center
Oklahoma Railway Museum
Oklahoma State Firefighter's Museum
Overholser Mansion
Preservation Oklahoma
Stillwater Museum Association-Sheerar Museum Fund
Westerners International

Neighborhood Associations

Capitol View Neighborhood Association
Crown Heights-Edgemere Heights
Neighborhood Association
Edgemere Park Preservation Area
Historic Brookhaven Neighborhood Association
Mesta Park Neighborhood Association
Neighborhood Alliance of Oklahoma City
Oklahoma City Housing Services
Redevelopment Corporation/Positively Paseo
Putnam Heights Preservation Area/
Anderson Family Endowment
Shartel Boulevard Development Authority

Religious Organizations

4Him - His Healing Helping Hands
International Ministries
All Souls Episcopal Church
LifeChurch.tv
Sisters of Benedict Endowment
Sisterhood of Temple B'nai Israel
Temple B'nai Israel Centennial Fund

Senior Adult Services Organizations

Areawide Aging Agency
Baptist Retirement Center
Daily Living Centers
Edmond Senior Community Foundation
Foundation for Senior Citizens
Oklahoma County Senior Nutrition Program
RSVP - Retired & Senior Volunteer
Program of Central Oklahoma

Social Services Organizations

Aid for Individual Development
American Red Cross of Central Oklahoma
Catholic Charities of the Archdiocese of Oklahoma City
Central Oklahoma Association for the
Deaf & Hard of Hearing
A Chance to Change
CARE - Child Abuse Response and Evaluation Center
Citizens Caring for Children
City Rescue Mission
Coffee Creek Riding Center
Consumer Credit Counseling Service
of Central Oklahoma
Drug Recovery, Inc.
Easter Seals of Oklahoma
EARC - Employment & Residential Centers
Exchange Club Center for the Prevention of Child Abuse
Firststep-OKC Metro Alliance
Genesis Project
Heartline
Hope Center of Edmond
Infant Crisis Services
Jesus House
Make-A-Wish Foundation of Oklahoma

Make Promises Happen/
Central Oklahoma Christian Camp
McCall's Communities
Meadows Center for Opportunity
Mental Health Association of Central Oklahoma
NAIC - Center for Alcohol & Drug Services
Neighbor For Neighbor of Oklahoma City
Neighborhood Services Organization
Oklahoma Foundation for the Disabled
Oklahoma Foundation for the Education
of Blind Children & Youth
Oklahoma Goodwill Industries
Oklahoma Halfway House
Oklahoma Lawyers for Children
Oklahoma League for the Blind
Peppers Ranch
Presbyterian Urban Mission
Rainbow Fleet
Rebuilding Together
Regional Food Bank of Oklahoma
Reliant Living Centers of Oklahoma
Dale Rogers Training Center
SAFY - Specialized Alternatives for Families & Youth
The Salvation Army
Scope Ministries International
Skyline Urban Ministry
Special Olympics Oklahoma
Speck Homes
Sunbeam Family Services
TEEM - The Education and Employment Ministry
Traveler's Aid Society
United Methodist Boys Ranch
United Way of Central Oklahoma
Urban League of Greater Oklahoma City
Willow Springs Boys Ranch
Work Activity Center
World Neighbors
Youth Services for Oklahoma County
YWCA of Oklahoma City

Youth-Serving Organizations

Big Brothers Big Sisters of Greater Oklahoma City
Boy Scouts of America - Last Frontier Council
Boys & Girls Club of Oklahoma County
Camp Fire USA - Heart of Oklahoma Council
Fellowship of Christian Athletes
Girl Scouts - Red Lands Council
Junior Achievement of Greater Oklahoma City
Chesapeake Swim Club
Oklahoma City Police Athletic League
Salvation Army Boys and Girls Club of Oklahoma City
Whiz Kids/City Care
YMCA of Greater Oklahoma City
YMCA - Enid Denny Price Family
Youth Leadership Exchange

Lawton Community Foundation Charitable Organization Endowments

The Lawton Community Foundation was established in 1999 to support the charitable interests and concerns of the people of the Lawton community and surrounding areas. Through the Lawton Community Foundation, which is affiliated with the Oklahoma City Community Foundation, the following 22 Lawton-based organizations have created charitable organization endowments. All investment and distribution policies that govern the Oklahoma City Community Foundation Charitable Organization Endowment Program also govern the Lawton funds. For more information on the Lawton Community Foundation, please visit www.LawtonCF.org.

Arts for All
Cache School Education Foundation
Comanche County Memorial Hospital Foundation
Field Artillery OCS Alumni Chapter
First United Methodist Church
of Lawton Foundation
Giddy Up 'N Go
Great Plains AMBUCS/Kid's Zone Project
Hackberry Flat Foundation

Lawton Community Theatre
Lawton Family YMCA
Lawton Noon Lions Club Scholarship Fund
Lawton Philharmonic Society
Lawton Public School Foundation
Lawton-Fort Sill Armed Services YMCA -
Gene Love Endowment
Museum of the Great Plains
Oklahoma Arts Institute Scholarship FUnd

On the Chisholm Trail Association Heritage Center
Percussive Arts Society
Robert E. Greiner School for the Handicapped
of Comanche County
Southwest Oklahoma Genealogical Society
United States Field Artillery Association
United Way of Lawton/Fort Sill

Services for Charitable Organization Endowments

Through our Charitable Organization Endowment Program, the Oklahoma City Community Foundation provides the following key services to the participants.

Development and Communications

All charitable organization endowments are promoted to current and potential donors and the community as a whole through a variety of publications and the web site. In addition, our staff provides information and resources to organizations and their volunteer leaders to encourage endowment building.

In partnership with Cole & Reed, P.C., we host workshops for certified public accountants who work for or with the organizations. The workshops are free and cover topics related to charitable tax issues as well as provide two hours of continuing education credit for the attendees.

Administrative and Support Services

We provide all accounting and reporting services for each endowment and for each major donor. All contributions are acknowledged and we help facilitate non-cash gifts such as stocks or other securities. Due to careful management, economies of scale and support from an administrative endowment, the annual fees for these services are a low 0.4 percent (40 basis points) with fees scaling down for larger funds.

Online Services at www.occf.org

Central Oklahoma Charities is the region's most up-to-date searchable online directory of charitable organizations. Each organization is included in the directory in both an alphabetical listing and a categorical index. Each organization's web page includes contact information, a description of services and a link to both the organization's web site and an e-mail contact. A link to a secure online giving service is also provided and offers donors the ease of making a gift to an endowment using a major credit card.

Through DonorCentral, an online fund reporting service, organizations have access to a secure site that provides fund balances, financial statements and gift history of their specific endowment.

Community Programs and Grants

The Capacity Building Grant Program provides the organizations assistance with long-range planning, staff and board training, technology needs, development, marketing and audits. In the past five years, the Trustees have awarded nearly \$450,000 in grants through this program.

Networking Roundtables are held throughout the year. These free training opportunities serve as an avenue to discuss common charitable organization issues. Topics deal with current issues impacting charitable organizations.



Gayle Farley

g.farley@occf.org

Contact Gayle for more information on the Charitable Organization Endowment Program.

Notebooks

Each organization is provided with a Charitable Organization Endowment Notebook. These customized notebooks contain historical information on gifts and grants, policies governing the fund and details about services available to organizations. The notebook serves as an organization's historical reference and staff is encouraged to make it accessible to board members and to update it with the fund reports provided to them each year.

Don and Carolyn Zachritz

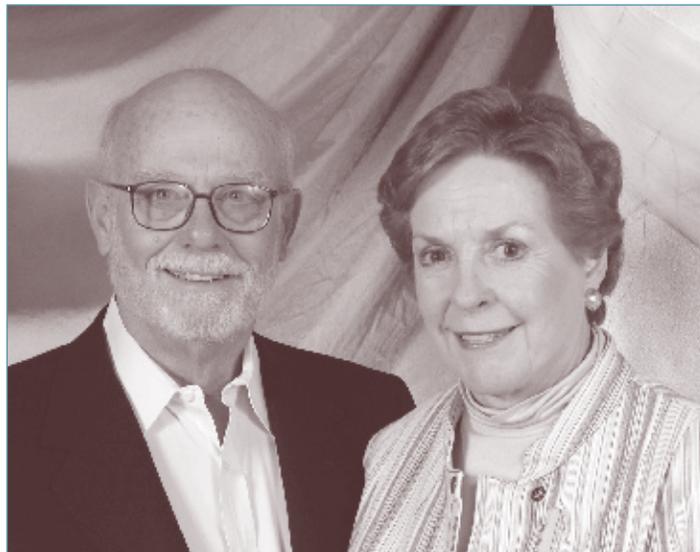
Making a charitable gift through an IRA

Charitable giving is nothing new to Don and Carolyn Zachritz. The couple has an advised fund at the Oklahoma City Community Foundation they created with gifts of stock and cash through which they support organizations such as the Classen '55 Scholars Fund. With their most recent gift, Don and Carolyn took advantage of a provision of the Pension Protection Act of 2006 that allows for gifts to be made directly from an Individual Retirement Account (IRA) to a charitable organization without incurring income tax.

The couple's IRA gift benefited Lyric Theatre. The provision is limited to individuals who are at least 70-1/2 years of age and expires on December 31st, 2007. Gifts from individuals cannot exceed \$100,000. "This was a great opportunity that we just couldn't pass up," Don says.

While Don and Carolyn chose to make a gift directly to a charitable organization endowment, the provision also allows eligible donors to make a gift from an IRA directly to several types of endowments at the Oklahoma City Community Foundation. We can accommodate an IRA charitable gift for a variety of charitable purposes:

- A **Donor Designated Fund** allows a donor to designate one or more charitable beneficiary organizations at the time the gift is made.



- A gift to a **Charitable Organization Endowment** will help ensure an annual stream of income for a favorite charity or organization.
- A gift to a **Scholarship and Award Fund** will provide automatic annual awards for students as designated by the donor at the time the gift is made.
- **The Fund for Oklahoma City** is an unrestricted fund that allows the Trustees to address a broad range of current and future needs and opportunities through strategic grants to charitable organizations.
- Through a gift to a **Field of Interest Fund**, the donor can designate support to a charitable interest area at the time the gift is made.

For more information about IRA charitable gifts, please contact us at 405/235-5603 or info@occf.org.

IRA charitable gifts and the Pension Protection Act*

*Expires December 31, 2007

Who can make this distribution?

- The donor must be 70 ½ at the time of the gift.
- The gift must be made from a traditional IRA or Roth IRA.
- The limit on charitable gifts from any single donor is \$100,000. A couple may both contribute (\$100,000 each) if they are both eligible and if they both have IRAs.

Who should consider utilizing this benefit?

- Donors who take the standard deduction.
- Donors who annually give more than 50 percent of their income to charity or who exceed the percentage income limitation for gifts.
- Donors with AGI exceeding \$150,500 (for a couple) and who are subject to the itemized deduction reduction.
- Donors who are taking mandatory IRA distributions and do not need the income but would like to make contributions to charity.
- Donors in states that do not provide a deduction for charitable gifts.
- Donors who are considering leaving the remainder of an IRA to charity or making a bequest from an IRA and who prefer to see the gift made during their life.

Investment and Distribution Policies Provide Long-Term Support

Endowment funds are created to exist in perpetuity and provide support for an organization's current and future needs. The Oklahoma City Community Foundation's investment and distribution policies are coordinated and balanced to generate current income for the endowment funds we administer while ensuring growth to protect future income against inflation.

How are funds invested?

All Charitable Organization Endowment funds are pooled with other funds at the Oklahoma City Community Foundation and invested by a team of professional investment managers. Our investment policy calls for a portfolio of stocks and bonds that is highly diversified. Capital preservation and growth necessary to protect against inflation are the policy's fundamental objectives.

Investment pools with assets in excess of \$540 million benefit all endowments at the Oklahoma City Community Foundation. Diversification is a hallmark of a solid endowment investment policy. The general investment pool is invested in all classes of domestic equities, in a range of fixed income securities and also has exposure to international markets. We provide a "balanced" portfolio by allocating assets to highly qualified managers in a wide-range of investment classes. Due to the size of the investment pool, this level of equity exposure is available so that even the smallest funds benefit. All investments are overseen by a committee of community leaders with strong investment expertise and are led by investment counsel Hotchkiss & Associates of Chicago, Ill.

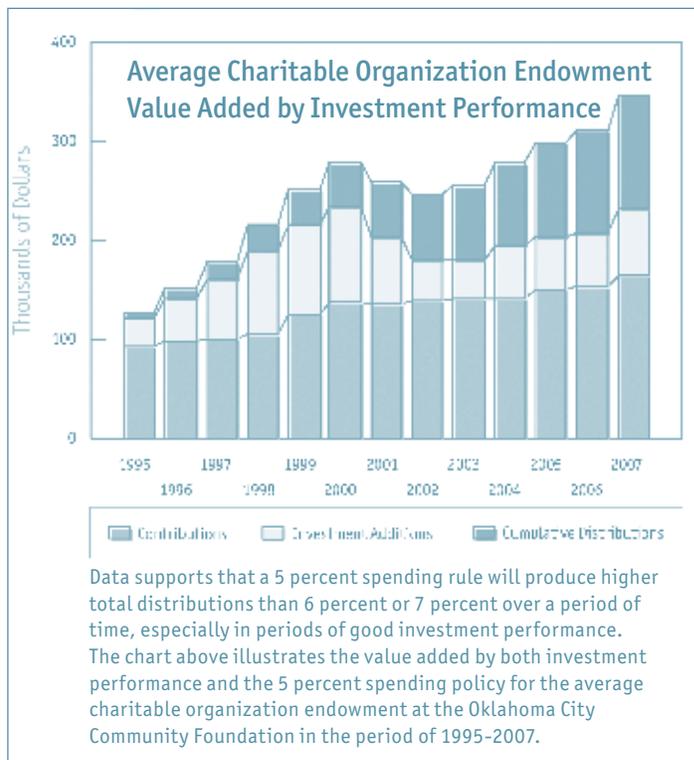
Our investment program also benefits from its very low-cost and efficient operation. By balancing the use of active managers and index funds in a way that maximizes the opportunity for adding value but keeping the cost low, we have been able to produce annualized returns over 10 years that exceed the markets but at a cost which is much lower than mutual funds or other balanced fund alternatives. For FY2007, the cost of investments at the Oklahoma City Community Foundation was 37 basis points, compared to more than 100 basis points for the average mutual fund or active equity fund manager requiring a large minimum account.

Total investment returns for the Oklahoma City Community Foundation's general investment pool was 13.68 percent for the fiscal year ending June 30, 2007.

How are distributions determined?

Since 1989, the Oklahoma City Community Foundation has employed a distribution policy that is designed to permit funds to capitalize on good investment years as well as protect the funds

During 1995-2007, for every \$1 in new contributions to a Charitable Organization Endowment fund more than \$3 in increased value was generated by the Oklahoma City Community Foundation. During this same period, the market value of the average endowment increased from \$121,690 to \$233,399. These results are thanks to three simple but crucial endowment principles: investing for long-term growth; utilizing a spending rule for distribution that balances the need for current income and the growth of that income stream into the future; and protecting the endowment from invasion.



in the event of a low or negative market return. The policy also allows the Investment Committee to focus on maximizing total investment return. The experience of the last few years, where returns were on both extremes of investment performance, has proven the wisdom of a policy that stabilizes the effects of market conditions on distributions from an endowment.

Distributions from Charitable Organization Endowment funds are based upon a spending rule that calls for distributing 5 percent of the market value of the fund, averaged over the previous 8 quarters. Any remaining investment return over the 5 percent is left in the fund to increase the fund value and to protect the future income stream against inflation.

"The 5 percent figure is universally considered by endowment managers a safe amount to spend and still provide protection for the principal," says Carla Pickrell, director of administration at the Oklahoma City Community Foundation. This belief is based upon an estimate of two factors over time: market return and inflation. A conservative prediction of average market return in a balanced fund over time is 8 percent with expectations that inflation will average 3 percent. This leaves 5 percent to spend while still protecting the fund's value for the future. A majority of the large endowment funds for colleges and foundations use the 5 percent spending rule because the annual distribution from the fund is predictable, not tied to current interest rates or asset allocation or shifts in market conditions in any one year. This policy allows investment managers to focus on achieving the best total return for the portfolio that enhances the fund over time.

For more information on our investment and distribution policies, please contact Carla Pickrell at 405/606-2901 or c.pickrell@occf.org



OKLAHOMA CITY
COMMUNITY FOUNDATION

Helping you help the community

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Making giving simple, flexible and forever

Providing simple and flexible giving options for donors is an important service we offer through the Charitable Organization Endowment Program. While benefiting a charitable organization, gifts can also give donors tax benefits and even annual income. Our professional staff has the expertise and knowledge about the giving vehicles listed below. We will work with a donor and their professional advisor to develop a gift planning process that meets the donor's charitable and financial goals.

Charitable Gift Annuities and Charitable Remainder Trusts allow the donor to provide income to themselves or a loved one while still living. After the annuity or trust expires, the remainder value can go to one or more endowments.

Charitable Bequests allows donors to continue to make a charitable difference following their death. Simple language added within a will or trust that designates an asset, dollar amount or percentage of estate to one or more endowment funds.

Retirement Plans Assets are subject to estate taxes and income taxes. To lessen the burden on heirs and to create a charitable legacy, a donor can assign retirement plan assets to a charitable endowment.

Non-Cash Assets include oil and gas interests, insurance policies, marketable securities and real estate. All of these assets can be gifted to benefit an endowment fund.

To discuss your charitable giving options, please contact us at 405/235-5603 or info@occf.org.

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