



## Endowment Campaign Benefitting Society of St. Vincent De Paul

### FREQUENTLY ASKED QUESTIONS

#### 1. What is the purpose of this endowment and how does it work?

An endowment is a fund of assets, the principal of which is held in perpetuity and invested and from which an organization may receive distributions equal to only a percentage of the principal on an annual basis. Unlike a personal savings account, the endowment is not a cash reserve that the Society of St. Vincent de Paul ("the Society") can draw on at will. All endowed funds are invested with a long-term goal of achieving investment returns that exceed the distributions from the fund.

Much like a checking account, annual giving dollars are used to help pay the current year's operating expenses. With a gift to the Endowment Fund, permanent support is provided through a gift which increases the principal of the endowment and is invested. Each year, about 5% of the endowment's assets are distributed to support the Society, while the rest are left to generate investment returns that over time are intended to outpace the rate of distributions. Contributions to the operating budget and the Endowment Fund are essential components of a sound financial base for the Society.

The charitable purpose of the funds is to receive contributions that will be retained and invested for the long-term general support of the Society of St. Vincent de Paul, Archdiocese of Galveston-Houston and its mission of aiding the poor. All monies generated from the Endowment Fund are to be used towards program service expenses in serving the poor and underserved of the area regardless of race, color, national or ethnic origin, age, gender, religion, disability, or legal status.

#### 2. Why has the Society undertaken an Endowment Campaign now?

The endowment was created by several individuals who have supported the mission of the Society of St. Vincent de Paul for generations and have witnessed first-hand the growing need and impact of its services. This endowment will indeed create a legacy fund, ensuring that this impact continues in the future and in more communities of greatest need.

#### 3. What is the goal of the campaign and what will the endowment support?

As of today, the Society of St. Vincent de Paul has quietly raised over \$5 million in initial endowment support with a long-term fundraising goal of \$20 million. The endowment's spending policy of 5% per year will generate funds for the following types of direct program aid:

- expand the Society's presence in the Archdiocese of Galveston-Houston,
- support existing conferences in areas with limited resources, and newly formed conferences,
- provide additional training and leadership development of volunteer networks,
- grow programs that help those served move from crisis situations to resiliency and self-sufficiency,
- expand impact through new models where they are needed most.

We know the Society is only present in 46% of the parishes. But the need is so much greater. There are communities in all over Greater Houston, and especially in rural and inner-city communities, where poverty is high with few social service agencies to turn to for help. The Society had opportunities to assist during the pandemic, but tragically could not because of limited resources. This fund will allow the Society to expand their impact and serve so many more in need.

#### **4. Who serves as volunteer leadership of the campaign?**

Longtime Society volunteers Stan and Bruce Marek have generously stepped forward to co-chair and lead the fundraising of the endowment campaign. The Society has long been a philanthropic priority for the Marek Family, initiated by the late brothers Ralph, John and Bill Marek, and their mother, Granny Marek, who were longtime and faithful supporters of the Society's mission. The Marek family expressed that they had a very difficult time when they lost the family farm and did not want such a tragedy to happen to anyone else and this is how their support began years ago.

#### **5. How was the \$20 million goal determined?**

The Marek Family along with the Society Board of Directors would like for the endowment to eventually generate \$1 million annually to support Society direct service programs. The creation of this endowment will allow the Society to build this fund over time and provide an opportunity for supporters to contribute to a legacy fund towards financial sustainability. Prospective donors may choose to give different amounts in varied years depending on their financial planning.

#### **6. Who leads and manages the Endowment Fund?**

Donors have two choices on how to contribute their support for this endowment campaign:

- One million dollars has been designated by a donor on behalf of the Society and is invested and monitored by the Greater Houston Community Foundation, designated exclusively towards the "Society of St. Vincent De Paul Endowment for Aid to the Poor of Greater Houston". This area includes the counties that are served by the Society of SVDP and mirrors the service area of the Archdiocese of Galveston-Houston.
- An additional Endowment Fund of \$4 million has been established at the Catholic Endowment Foundation in honor of Archbishop Joseph A. Fiorenza for the benefit of the Society of St. Vincent de Paul. Archbishop Fiorenza has been a champion for the poor in our community for decades. He remains an advocate for social justice issues across all social and economic barriers and we are honored to even attempt to emulate his service.

#### **7. What is the investment policy for the Endowment Fund and how has it performed recently?**

In both instances, the Endowment Fund managers utilize care, skill, prudence, and diligence in managing the fund, including a balanced approach to risk control. The Society Development Office is happy to provide endowment performance charts and the Investment Policy for complete details.

#### **8. How will donors be updated regarding the assets of the endowment?**

The Society will provide information to donors on their investment to the Endowment Fund in a variety of ways. All donors will receive the Annual Report, which will include an update on the general status of the endowment. Donors will also receive an annual letter informing them of the status of the endowment from the Development Department.

#### **10. Are there other opportunities to donate to the Society?**

Yes, the Society accepts contributions to the operating budget in a myriad of ways including grants, bequests, and special events. Please see Society CEO Ann Schorno for more details.

For more information, please contact:

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