

JOHN L HYER TAMPA ORATORIO SINGERS ENDOWMENT
FREQUENTLY ASKED QUESTIONS

1. **What is an endowment?** – An endowment is a permanent fund invested to provide annual income to an organization and to grow over time.
2. **Why establish an endowment for TOS now?** – TOS is in a secure financial position today, so taking further steps to strengthen TOS today and in the future is timely. We are fortunate to have a benefactor who has agreed to match the first \$25,000 in donations. Through a special current program, the Community Foundation of Tampa Bay (CFTB) will provide an additional \$8,333 if TOS raises at least \$25,000.
3. **How are the endowment funds managed and are there fees involved?** – The Community Foundation of Tampa Bay professionally manages over \$200 million in assets invested for many organizations in the Tampa Bay area. A fee of 0.75% is assessed each year to cover the cost of managing the endowment funds.
4. **How much income will be provided from the endowment?** – Typically, endowments provide 4 – 5% annually of the invested funds. Currently, the CFTB is distributing 4.4% of the average balance during the previous 12 quarters. The distribution rate is established annually by CFTB.
5. **Can TOS access the money in the investment account?** – In general, the answer is no. The funds in the endowment account are invested to provide an annual income to TOS and to grow over time. Only in dire circumstances could TOS access the funds in the endowment account and only with the approval of the TOS board and the board of CFTB.
6. **What happens to the endowment if TOS ceases to exist?** – In that event, the CFTB would work with the TOS board to find another recipient of the income whose mission is similar to the TOS mission at the time the endowment was established.
7. **What happens to the endowment if CFTB ceases to exist?** – In that event, the accounts held by CFTB would be taken over by another community foundation. Because CFTB is large, this is unlikely. The CFTB is the 5th largest community foundation in Florida.
8. **Do contributions to the TOS endowment have to be in cash?** – No. The CFTB can accept complex gifts – including appreciated stock, real estate, life insurance, and other assets. Donors should work directly with the CFTB to make complex gifts.
9. **Where should donations be sent?** – Donations can be sent to TOS or to the *John L Hyer Tampa Oratorio Singers Endowment* at the CFTB. You may also use the TOS website (www.tostampa.org) on the “Support TOS” page.