Endowment Funds

Purpose

An endowment fund serves as a permanent resource that the College uses to provide essential funding for capital projects, programs, and student scholarship support.

*Student scholarship* support is by far the most common designation for YCP funds, in part because scholarship aid is an institutional priority. Three-quarters of our students require scholarship aid, and in recent years the College has distributed more than $6 million annually of its own money to students in need. (The average student in need, meanwhile, remains underfunded by more than $6,000 per year).

Designations

Endowment funds can be designated, or restricted, to distribute funds for a specific purpose, subject to approval by the President and Board of Trustees. Scholarship funds commonly specify support of students in specific academic programs, but other designations may be possible. Please contact the Development Office if you require more information.

Administration

Your endowment will provide a percentage distribution each year. This percentage has typically been five percent (5%) of the fair market value of the endowment; in other words, if you create a $100,000 scholarship endowment, a student recipient will receive a $5,000 scholarship in a typical year from your fund. Distributions are based upon a three year prior average market value; if assets have been held for less than three years, the average fair market value of the endowment fund will be determined over the period during which the assets have been held.

Those who establish endowment funds at YCP will receive annual reports that show fund values and how distributions are being used. Donors to scholarship endowments will have the opportunity for correspondence and personal meetings with their student recipient(s).

Establishment

Establishing your own endowment at York College is a simple process. After you indicate the level of funding you are planning and the designation for your fund (if any), York College will draft a Guidelines document for your signature. If the endowment is established by December 31 of a given year, the first distribution will be available by the next fall semester.
Funding

Requirements:

A minimum of $10,000 is required to establish an endowment fund, and this amount can be achieved over a multiple year period if necessary. Once an endowment fund is established, additional contributions will be accepted into the fund at any point and at any level.

York College asks donors to consider building a fund that totals $250,000 or more. The College’s tuition remains relatively low (at this writing, $13,000 per year), which enables an endowment fund with a value of $250,000 to distribute what is virtually a full-tuition scholarship.

Options:

Outright gifts of cash and securities are the most common methods for funding an endowment. Appreciated stock, for instance, can be ideal because of associated tax benefits. Other assets can also be effective.

Planned gifts, such as bequests, are smart instruments that allow significant funding for an endowment. One common practice: donors will make an immediate gift to establish an endowment at a level accessible to their current financial situation and concurrently make a planned gift that will one day add substantial assets to their fund.

Final Note

Endowments are among the most important gifts a college and its students can receive. They are permanent, they provide direct, consistent funding to our mission, and they offer a donor ongoing engagement in how his or her funds are being used.

Thank you for your consideration. If you have additional questions, please contact:

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