



THE FARMHOUSE FOUNDATION

FY 2020-21 Endowment Report

ENDOWMENT OVERVIEW

Endowment funds and the annual support they provide make an extraordinary difference in capitalizing on the strengths, opportunities and success of FarmHouse. An endowment is a fund intended to benefit FarmHouse members every year in perpetuity and is a permanent partnership with you, the donor.

The primary function of the FarmHouse Foundation is to serve as manager and administrator of charitable assets and to distribute funds derived from the generation of income from these assets. The Board's Investment Committee advises and recommends the investment management of the Endowment portfolio, which operates within the Foundation's Investment Policy Statement.

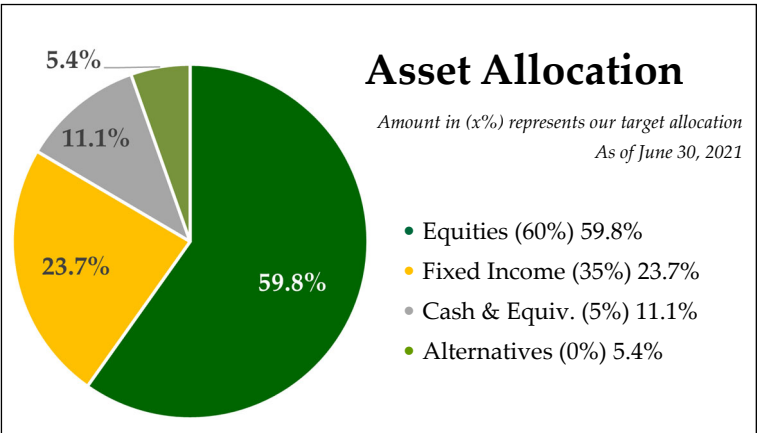
The Foundation seeks returns through investments in a diversified portfolio consistent with its Investment Policy Statement. To achieve this objective, the Trustees work with an independent investment advisor, Financial Counselors, Inc. Together, they make investment decisions, provide ongoing evaluation of economic conditions, review performance and provide advice on asset allocation.

The primary objective of the endowment funds is to generate an increasing stream of income to honor the donor(s)' designation of their fund while maintaining the permanency of the endowment funds over time. This includes funding for scholarships, leadership training, educational programs, chapter specific initiatives, computer technology, chapter housing and unrestricted support of FarmHouse.

INVESTMENT PERFORMANCE

The Endowment portfolio is calculated on a total return basis. Total return, for purposes of this report, is the combination of income, dividends, gains and losses for the fiscal year, net of investment management fees. Investment performance is determined as a whole rather than separately for each individual endowment. Depending upon the timing of the creation or additions to an individual endowment, returns on specific endowments may vary.

The Endowment spending allowance is approved by the Board of Trustees annually. It is applied to the 3-year rolling average of the market value of each endowment fund.



BY THE NUMBERS FOR FY 2020-21

- Endowment Assets: \$17,968,332
- During FY 2020-21, \$806,273 in new endowment gifts were received.
- The Endowment had a rate of return (net of fees) of 25.88%.
- Current Spending Allowance: 3.5%
- Current Administrative Expense: 1.75%
- Endowment Funds administered: 182
- New endowment funds established: 5
- Endowment Designations:
 - Unrestricted Support: 24
 - Leadership Training Programs: 37
 - International Scholarships: 10
 - Chapter Specific Programs & Scholarships: 78
 - Funds not fully endowed or will be endowed by future estate pledges: 33

