

What are the Money Accounts of The Clemson Little Theatre?

The Clemson Little Theatre is a not-for-profit, eleemosynary organization, which is dependent upon your charitable donations. Your tax-deductible cash donations to The Clemson Little Theatre (CLT) directly support the performing arts in the upstate. Your donations are what allow CLT and the Clemson Area Youth Theatre to offer the high-quality play performances that we all enjoy. So, how does CLT manage your generous cash donations?

We currently use three basic money accounts: the Operating Fund, the Sustaining Fund, and the Trust Fund. The **Operating Fund** is our "check book." It is used for the day-to-day financial transactions of income and expenses. Income examples include season ticket sales, general ticket sales, summer drama workshop revenue, playbill ad sales, unrestricted cash donations, etc. Expense examples include salaries for our Office Manager, utilities, insurance, royalties, scripts, playbill printing, sets, props, costumes, director and musician fees, routine repairs and maintenance of the Pendleton Playhouse and Cox Hall, etc.

The **Sustaining Fund** primarily provides resources for capital improvements, such as the purchase of major sound and lighting systems, major office equipment, new heating and air conditioning equipment, major repairs or renovations of the Pendleton Playhouse and Cox Hall, etc. The Sustaining Fund is also used to receive money earned by the Trust Fund.

The **Trust Fund** generates investment income that is transferred to the Sustaining Fund for the Theatre's use. However, we can never spend the Trust Fund's principal. These general rules of the Trust Fund are delineated in an irrevocable trust agreement and can never be changed.

All three funds may also be used to receive charitable planned gifts, such as annuities; appreciated stocks and securities; a bequest in your will or living trust or money from life insurance or a retirement plan in which CLT is named as a beneficiary. Such larger gifts might naturally be directed to the Trust Fund or the Sustaining Fund.

While cash donations to any of these funds are welcomed and very much appreciated, CLT's day-to-day financial needs must be met by the Operating Fund. In an emergency, the Sustaining Fund can loan money to the Operating Fund, but that money must be repaid with reasonable interest. By specifying that your tax-deductible cash donation be used for the Operating Fund, you will help ensure the daily successful operation of CLT. As we are financially able, and when necessary, CLT can move money from the Operating Fund into the Sustaining Fund to be used for capital improvements.