

## PHILANTHROPIC PRODUCTS OFFERED BY THE COMMUNITY FOUNDATION OF GRANT COUNTY



### ENDOWED FUNDS

Endowed Funds are permanent funds that grow over time and grant a percentage of the average balance per year. The fund grows as the money is invested with other Foundation investments to maximize returns and provide long-term impact for Grant County. There is an initial donation to open the fund. Minimum fund balance must be reached within two years, unless it is an Acorn Fund, when donors may take five years to reach the minimum.

**Unrestricted Funds**—*Minimum Fund Balance is \$5,000, with a 1.4% annual admin fee, calculated monthly.*

Managed through our competitive grants process which requires reviewing proposals, committee process, and reporting.

Decision-making works through the Distribution Committee and smaller grants can be combined with other Unrestricted Funds to make larger grants. Potential for high social return on investment.

**Field of Interest Funds**—*Minimum Fund Balance is \$10,000, with a 1.5% annual admin fee, calculated monthly.*

Managed through our competitive grant process which requires reviewing proposals, committee process, and reporting.

Decision-making works through the Distribution Committee and smaller grants can be combined with Unrestricted Funds to make larger grants. Potential for high social return on investment.

**Donor-Designated Funds**—*Minimum Fund Balance is \$10,000, with a 1.5% annual admin fee, calculated monthly.*

One grant check is written and distributed to the named charity annually. These funds are established by donors.

**Agency-Designated Funds**—*Minimum Fund Balance is \$10,000, with a 1.5% annual admin fee, calculated monthly.*

One grant check is written and distributed to the named charity annually. These funds are established by agencies.

**Donor-Advised Funds**—*Minimum Fund Balance is \$10,000, with a 1.5% annual admin fee, calculated monthly.*

Donors advise the Community Foundation Board when they want to make a grant; however, the Foundation Board has final authority.

**Discretionary Scholarship Funds**—*Minimum Fund Balance is \$50,000, with a 2.0% annual admin fee, calculated monthly.*

The law governing scholarships is very specific; you need to accept applications, manage a selection process, and make grants to a not-for-profit school. It involves working with schools, individual applicants, and their parents. This fund type has a lower return on investment, in that students frequently do not return to Grant County to live and work and/or they do not complete college. This type of fund does not allow any type of donor involvement in the selection process; however, donors may choose the scholarship criteria when establishing the fund.

**Committee-Advised Scholarship Funds**—*Minimum Fund Balance is \$100,000, with a 2.0% annual admin fee, calculated monthly.*

Same as the Discretionary Scholarship Funds except, this type of fund does allow donor involvement in the selection process and donors may choose the scholarship criteria when establishing the fund with minimum required fund balance.

**Acorn Funds**—*Minimum Fund Balance and fees correspond with the type of fund being established.*

A pledge is made to plant an Acorn Fund with an initial gift of \$100. Donors have 5 years to reach the required minimum fund balance. Once this goal is met, the Acorn Fund will be considered a mature permanent endowment that will impact the chosen charitable cause in our community, forever. At this time, the donor can also name the fund and choose which charitable cause or organization they would like the fund to impact in Grant County. If for some reason the fund does not reach minimum fund balance after 5 years, the donations will still be tax-deductible and still benefit Grant County. The fund's balance will simply be added to the Give to Grant Collaborative Fund.

### PASS-THROUGH FUNDS\*

Pass-Through Funds are temporary funds that provide the ability to accept charitable donations while an organization or group is pursuing its 501c3, charitable status. Individual donations under \$250 will not generate a receipt.

**With an Endowed Fund**—*A 3.5% annual admin fee, calculated monthly, 3.5% per gift fee, \$100 open fee.*

Nonprofits generally use this fund for special projects for which they are fundraising. For example, the Hostess House has used this type of fund for specific improvements or projects that are bigger than regular maintenance. The nonprofit most likely has limited staff and doesn't have the capacity to send tax-exempt gift receipts.

**Without an Endowed Fund (1-year sunset date)**—*A 3.5% annual admin fee, calculated monthly, 3.5% per gift fee, \$100 open fee.*

This type of fund is open for one year while a group is completing their 501(c)(3) application. Fund does not earn interest.

**Fiscal Sponsorship (1-year sunset date)**—*A 10% annual admin fee, calculated monthly, 3.5% per gift fee, \$500 open fee.*

Utilized for groups who do not have a non-profit status yet want to follow IRS rules to fundraise. Fund does not earn interest.

\*Tax-deductible gift receipts are only issued for pass-through donations of \$250 and over.

Additional fees may be charged for additional service requests.

# Fund 411

	Endowed Funds							Pass-Through Funds		
	Unrestricted	Field of Interest	Donor-Designated	Agency-Designated	Donor-Advised	Discretionary Scholarship (Without Selection Participation)	Committee-Advised Scholarship (With Selection Participation)	With an Endowed Fund	Without an Endowed Fund (1 Year Sunset*)	Fiscal Sponsorship (1 Year Sunset*)
Annual Administrative Fee, calculated monthly	1.40%	1.50%	1.50%	1.50%	1.50%	2.00%	2.00%	3.50%	3.50%	10.00%
Per Gift Fee	--	--	--	--	--	--	--	3.50%	3.50%	3.50%
Fund Open Fee	--	--	--	--	--	--	--	\$100	\$100	\$500
Minimum Fund Balance	\$5,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000	\$100,000	--	--	--

Fee Comparison	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
Greatest Impact and Most Flexibility within the Community	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗
Good Social Return on Investment	✓	✓	✓	✓	✓	✗	✗	✗	✗	✗
Fund Balance Minimum Adequate for the Fund Purpose	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
Provides Impactful Grants Annually, amount based on fund balance: (\$5,000 to \$99,000 at 4.00%, \$100,000 to \$249,999 at 4.5%, \$250,000 and greater at 4.5%)	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
Permanent Endowment, provides grants forever	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
Earns Interest, Dividends, and Gains/Losses	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
Provides Tax-Deductible Receipts for Donations of any size/kind	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
Memorial/Honorary Gifts can be made	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗
No Sunset Date	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗
Lends Foundation Reputation as the Local Charitable Clearinghouse	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Offers a Variety of Tax-Deductible Giving Options under Federal Tax Law (Fundraising is limited.**)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Transparent and Accountable through the Foundation's Annual Audit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Semi-Annual Reports Sent to the Fund Founder	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

\* Sunset dates apply to temporary pass-through funds while an organization is applying and waiting for its 501c3, charitable status. Once the status is achieved, the org will provide a copy of the IRS Determination Letter to the Community Foundation. If the status is not achieved, the balance of the fund will revert to the Community Foundation's unrestricted fund.

\*\* Fundraising for funds is limited. Please request a Donor-Initiated Fundraising Procedure packet outlining legal and ethical standards and procedures prior to beginning any fundraising activities that will benefit a fund at the Community Foundation. The packet may also be found on the Foundation's website: [www.givetogrant.org/giving](http://www.givetogrant.org/giving).

Checks/Grants written from any fund will be sent directly to the grantee. Any check/grant count over 12 per available fund will be processed at \$5 per check/grant.