



Build capacity and provide long-term support for your nonprofit



Organization Funds offer a simple and efficient way for your nonprofit to build capacity and provide long-term support for your mission, helping you **Impact Today and Transform Tomorrow!**

How Does it Work?

- 1** You make a gift to the community foundation to establish your fund.
- 2** We set up two accounts- one for long-term support, and the other for instant access, giving you the utmost flexibility for your organization's needs.
- 3** We grow your fund by investing the assets for long-term growth.
- 4** You request money when you need it, and we mail you a check.

- **Minimum to Establish Fund:** \$10,000
- **Spendable:** Varies- See FAQ
- **Administrative Fee:** (based on a daily average balance- min. \$250 annual)
 - 0-\$1M 1.25%
 - Next \$1M 0.75%
 - Next \$2M 0.50%
 - Next \$3M 0.35%
 - \$7M+ (See flat fee schedule)

Consider a Fund if You:

- Are a 501(c)(3) nonprofit organization or a church
- Want to provide your organization with a permanent source of revenue for financial sustainability
- Need a simple and efficient way to manage an endowment so that you can focus on your mission and day to day operations
- Want more giving options for your donors who wish to include you in their estate gift

Note: Affiliate Foundations may have additional fees to support local initiatives. See Administrative Fee Schedule for more info.

CONTACT US AND WE WILL CONNECT YOU WITH MORE RESOURCES

785-833-6153 • julia@solomonvalleycf.org

Frequently Asked Questions: Organization Funds

Is there a minimum to start the fund?

Yes. Funds must be opened with a donation equal to at least 10% of the fund minimum (\$1,000) with a commitment to meet at least 20% of the fund minimum each year (\$2,000), up to five years or until a \$10,000 cumulative balance between all organization fund accounts is achieved.

How is the administrative fee charged?

An annual administrative fee is charged to the fund based on the current fee schedule. This fee is charged at the beginning of the new fiscal year (July 1) and will show up on your September quarterly statement.

How much money can I request from my fund every year?

Organization funds are comprised of 2-3 separately managed accounts- an "endowed," "non-endowed," and "restricted." The "non-endowed" account has no restrictions, and the "endowed" and "restricted" accounts are restricted to the current spending policy, or 5% of a 16-quarter rolling average.

How can I access money from my fund?

All money must be requested by the organization through our online donor portal or organization fund recommendation form. Money from the "non-endowed" account may be requested at anytime.

Money from the "endowed" and "restricted" accounts must be requested August 1-June 30, and be invested at the Foundation for at least 4 quarters. Money not requested from these accounts by June 30 will be reinvested into the principal of the account.

How many times may I request money from my fund?

You may request money from you fund as many times as you would like (\$250 min. per request).

What can I use the money for?

Money from organization funds can be used for anything that supports your organization and mission.

How can I check my fund activity?

You can check your fund activity anytime through our online donor portal. Our office also sends out quarterly fund statements outlining the fund balance, available to spend, market activity, and donations.

What types of gifts can be donated to my fund besides cash?

We can accept many different types of noncash gifts including retirement plans, stocks, cryptocurrency, life insurance, grain, livestock, closely held stock, real estate and tangible personal property.

How are my funds invested?

Your funds are invested for long-term growth through a balanced portfolio consisting of 75% equities and 25% fixed income and cash. The foundation's finance committee oversees the investments and uses a passive approach by using low-cost Vanguard index funds. See chart below to see how your fund can grow!

You may also choose to invest your funds in one of our socially responsible investment (SRI) pool(s) or continue to use your own outside fund manager. If you choose to use your own fund manager, there is a minimum fund balance requirement.



Today...

You decide to make a permanent gift of **\$10,000.**



After 15 years...

Your gift has grown to **\$15,000** and given **\$10,000** to charity.



After 25 years...

Your gift has grown to **\$18,600** and given **\$19,000** to charity.



After 50 years...

Your gift has grown to **\$51,000** and given **\$35,000** to charity.

Organization Fund: Deep Dive

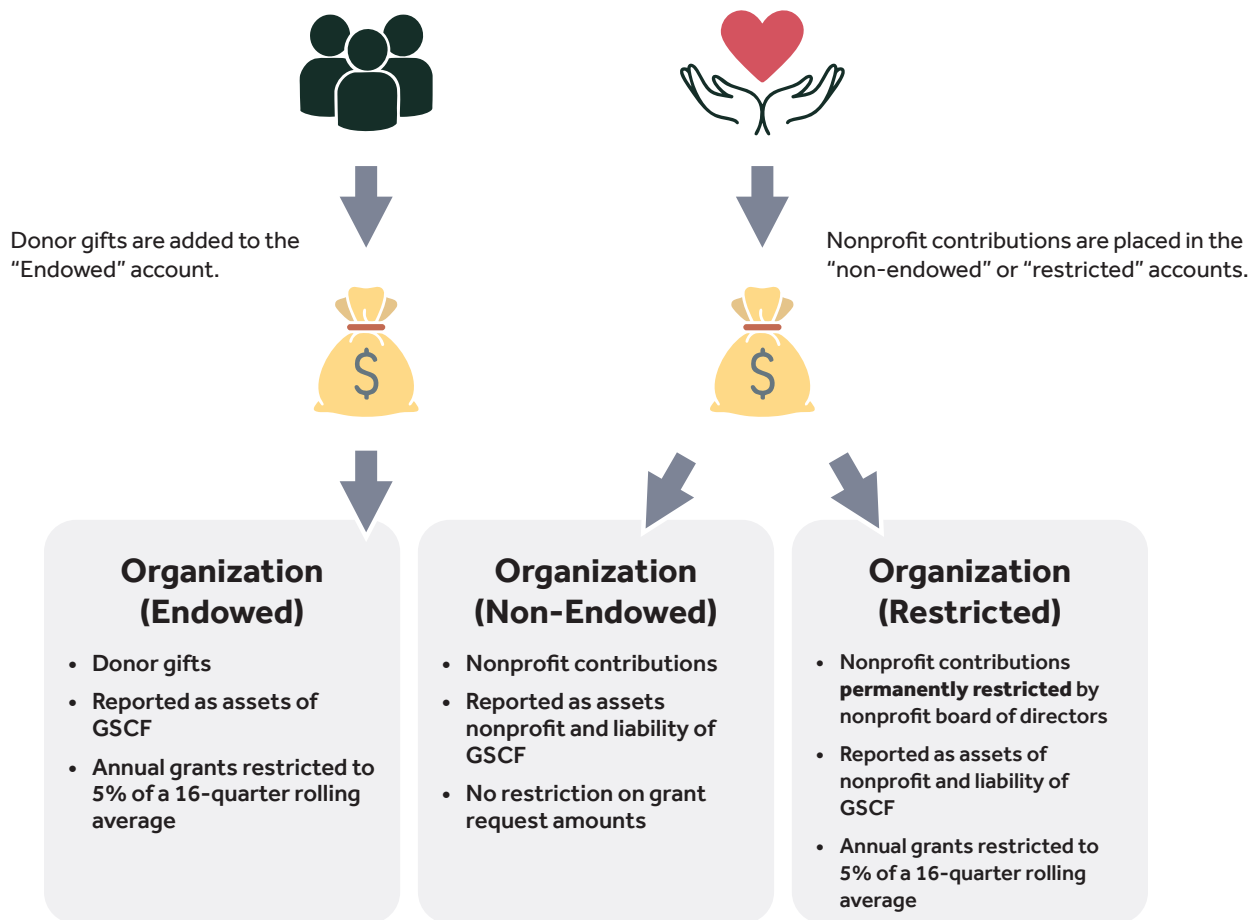
Why are there multiple accounts in my fund?

Due to financial accounting standard FAS 136, all organization funds are comprised of at least two separately maintained accounts- a non-endowed account, and an endowed account. Each account has its own spending policy and gifts are placed in the funds based on who made the gift- the donor or nonprofit. Here's how it works:

How Does it Work?

1 You make a gift to the community foundation to establish your fund.

2 We set up two accounts- one for long-term support, and the other for instant access, giving you the utmost flexibility for your organization's needs. A third "restricted" account can also be set up upon request for money that your organization wants to permanently restrict in an endowment.



A \$10,000 balance must be maintained between all accounts in order to request money.

Note: All accounts are invested in the same investment portfolio.

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