



COMMUNITY GIVING

Designated Fund Overview

A *Designated Fund* allows the donor to create a charitable fund to support a specific charitable organization or organizations. Funds are established with a simple letter of agreement between the donor and CommunityGiving. The donor also names the fund.

A fund may take one of two forms:

1. With an *Endowed Fund*, only the income from the contribution is distributed to charities, enabling the fund to continue in perpetuity.
2. With a *Non-Endowed Fund*, both the principal and interest may be distributed to charities. There are three types of non-endowed funds: *Annual Payout*, *Flexible*, and *Pass Through Funds*.

Contributing to a Designated Fund

A designated fund can be established with an initial contribution of \$20,000 or more. An *Acorn Fund*, which builds over time to a minimum of \$20,000 before paying out grants, can be established with smaller contributions. Initial and subsequent contributions to a fund can be made by check, via credit card or in publicly traded securities—as well as other property including closely held stock, real estate and personal property. Gifts are generally tax deductible at the time of contribution, but all donors are encouraged to consult with their professional advisor about their individual situation.

How the Fund is Invested

CommunityGiving invests the assets of designated funds, so that the earnings and appreciation can be used for future grants. The assets of each fund will be combined with other funds of CommunityGiving for investment purposes. CommunityGiving currently offers a strategic pool, a conservative pool, a socially responsible investment pool and a money market investment option—and donors have the option of recommending an investment manager through CommunityGiving's *Investment Partners* program. Donors receive an annual statement of the fund's activity each July after the end of our fiscal year. Quarterly statements are available online via *DonorCentral* by the end of the month following the end of each quarter (January 31, April 30, July 31 and October 31).

What Are the Costs Associated with the Fund

Allocations and fees vary based on the type of fund established and the investment vehicle chosen. Typically, the services allocation ranges from 1.25% to 1.75%, but the allocation from large funds may be customized. The fund would also be assessed any applicable investment management fees (which are netted out of investment returns reported by the Foundation). Currently our strategic pool investment fees are .56%, our conservative pool fees are .16%, our socially responsible investment pool fees are .25% and our money market has no investment fees.