Designated Funds

Designated Funds are endowed funds that support one or more specific charitable organizations of the donor’s choice in perpetuity.

Below are answers to frequently asked questions about Designated Funds.

Q. How do I establish a Designated Fund?

A. The Foundation’s philanthropic services team works with donors and/or their financial advisors to establish the fund. Once the details have been discussed, a fund agreement letter is drafted and signed, and then assets may be transferred to establish the fund.

Q. Is there a required minimum balance?

A. The Community Foundation requires a $10,000 minimum balance. That balance may be reached over several years with a fundraising/donation plan approved by the Foundation.

Q. How are the funds invested?

A. Foundation funds are professionally invested under the supervision of expert community volunteers. Funds are pooled and invested with other assets of the Foundation for fuller diversification, with each fund accruing its own share of the earnings. Each fund is accounted for separately. Donors may choose from a selection of portfolios and will receive quarterly financial statements.

Q. What are the administrative fees?

A. The fee for endowed funds is currently 1% of the principal annually applied to a 13-quarter rolling average of that principal (with a minimum annual fee of $125), in addition to the expenses of the fund’s investment.

Q. How much money will be given away each year?

A. The distribution rate for endowed funds at the Foundation is currently 4.25% of a thirteen-quarter rolling average of the principal. You may select one charity to receive the entire annual distribution or divide that annual amount by two or more charities recommended by you.