

E. Stewardship of the Fund

How Is A Fund Established?

This is a simple process. You or your client normally initiates the process by advising the Foundation of your wish to establish a fund. The information required includes the name of the proposed fund, its purpose, and whether it is to be open to other donors, or closed.

We discuss the many options available and then assist with the preparation of a fund agreement. This agreement is like a contract tailored to your client's interests and needs, and after Board approval is signed by all parties. Any desired restrictions must be placed on the fund at the time of its creation. The fund can be added to at any time, but the purpose or purposes must remain consistent with the stipulations in the original agreement.

Should the donor's interests change over time, one or more additional funds can be created to achieve alternative charitable purposes. A gift agreement will be created for each fund. However it must also be remembered that the long passage of time can outdate a fund's purpose in the rapidly changing times in which we live. A fund for a disease now conquered, or for an organization that has ceased to exist are but 2 examples. The Board of Directors has the authority to change the purpose of a fund so as to carry on the donor's intent if, through a change in circumstances, the donor's original instructions cannot be carried out.

Certain minimum fund levels apply due to the fact that an endowment fund is created as a permanent entity and the degree of complexity inherent in certain fund types. The minimum can be achieved over an agreed period of time. The Board has established the following minimum fund levels:

Named Fund within the Community Fund	\$1,000
Designated Fund	\$5,000
Field Of Interest Fund	\$10,000
Donor Advised Fund	\$15,000

A donor may establish a Pledged Fund with a minimum of \$500 with a pledge to increase the value to one of the above limits over an agreed period of time.

Non-endowment funds (Flow Through Funds) in terms of minimum amounts and purposes are considered on a case by case basis.

Funds can be created with tax-exempt donations made in any appropriate form, including cash, securities, real estate or life insurance.



Can donors combine their gifts?

Gifts may be combined into single fund. Donations are welcomed for the Community Fund (the general endowment fund), as well as for some existing Field of Interest Funds and Designated Funds. Descriptions of these types of Foundation Funds are included in Section C, and a listing of all the Funds (as at March, 2002) is included in Section N.

What Fees Are Charged?

There is no charge to set up a fund in the Community Foundation.

The annual administrative fee charged to all funds is 0.75%. This covers most of the Foundation's administration costs – the investment management fee and custodial fee are direct charges to investment income. The Foundation also has its own operating endowment fund income which helps to offset administration costs.

What Information Can Donors Expect To Receive?

Each donor will receive our Annual Report. It includes audited financial statements and a review of the Community Foundation activities over the last year. The donor will also receive reports on grants made from their fund (other than community fund grants).

The donor's name will be added to our mailing list to receive regular newsletters, updates from the Chair of the Board and other information about Foundation events that may be provided from time to time. Donors are invited to join with other donors and friends of the Foundation at our annual meeting. They may also meet with members of our staff or Board to discuss any aspect of charitable giving.

(Some donors prefer to either remain anonymous. The Foundation respects their wishes at all times.)

