



Support your favorite charities forever!



Designated funds provide a permanent source of income to support your favorite charities even long after you are gone, allowing you to **Impact Today and Transform Tomorrow!**

How Does it Work?

- 1 **You make a gift** to the community foundation to establish your fund.
- 2 **You select the charities** or programs you want to support and amount per charity.
- 3 **We distribute the grants** in your name to your designated charities every year, forever!

Consider a Designated Fund if You:

- Want to continue to provide annual support for your favorite charities and causes after you're gone
- Know the specific charities you wish to support and don't plan on changing
- Want to simplify your giving and have the foundation annually distribute grants on your behalf
- Want to leave a sizable gift to a charity, but only want them to have access to the income of the gift, not the principal

- **Minimum to Establish Fund:** \$10,000
- **Spendable:** 5% based on a 16-quarter rolling average of the fund balance
- **Administrative Fee:** (based on a daily average balance- min. \$250 annual)
 - 0-\$1M 1.0%
 - Next \$1M 0.5%
 - Next \$2M 0.25%
 - Next \$3M 0.1%
 - \$7M+ (See flat fee schedule)

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 YOUR LOCAL FOUNDATION

785.823.1800 • foundationservices@gscf.org

Frequently Asked Questions: Designated 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 the \$10,000 fund minimum is met.

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 can my fund grant each year?

Grants from your fund are restricted to the current spending policy. After the spendable is calculated, grants from your fund are distributed based on the percentages outlined in your fund agreement. Ex: If you designated 60% to "Charity A" and 40% to "Charity B", and the spendable is \$1,000, "Charity A" would receive \$600 and "Charity B" would receive \$400.

Funds must be invested at the Foundation for at least 4 quarters before grants can be made.

When are grants distributed from my fund?

Grants are distributed from your fund once a year, typically in May. If you prefer to have your grants distributed in a different month, please let us know. Grants can be distributed in your name or anonymously.

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, grants, and donations.

What happens if one of the charities I selected closes?

In your fund agreement, you have the option to direct the funds to an alternate charity in the event the charity closes. If no alternate charity is listed, or if the alternate charity no longer exists, the foundation's board of directors will redirect the funds to a charity with a similar mission that honors your original intent.

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.

(Assumes 5% annual payout, with a 1% administrative fee and an 8.5% rate of return)