



# Community Foundation Fund Minimums and Rates

The Southwest Florida Community Foundation offers six key types of funds. In all cases, an endowment is at the heart of the sustainability of the fund. The minimum amount required to establish each fund varies, as do the types of fees imposed on the fund. Fees are based on the amount of time it requires staff to administer the fund. Each year the Community Foundation sets its spending rate for endowed funds, currently 4.1% of the value of the fund.

## **Unrestricted**

Minimum required to start the fund is \$15,000. All donations contributed in the future to this fund are added to the endowment, thus increasing the amount upon which the annual distribution amount is calculated. The calculated amount is then distributed to nonprofit organizations for needs identified by the board. The administration fee is 1.5%. The Unrestricted fund is the most flexible of all funds; it allows the board to address changing needs in the community in an expedient manner.

## **Field of Interest**

Minimum required to start the fund is \$15,000. All donations contributed in the future to this fund are added to the endowment, thus increasing the amount upon which the annual distribution amount is calculated. The calculated amount is then distributed to nonprofit organizations that address the "field of interest" identified by the donor. The administration fee is 1.5%. At the time the fund is established, the donor can select a particular area of concern; for example, arts and culture, environmental conservation and preservation, or foster care. Yearly, the board will ensure that the distributions from the fund will be made to agencies that comply with and are meeting the most critical needs within the chosen area of concern.

## **Designated**

Minimum required to start the fund is \$15,000. All donations contributed in the future to this fund are added to the endowment, thus increasing the balance upon which the annual distribution amount is calculated. The calculated amount is then distributed to the specific agency or agencies selected by the donor (at the time the fund is established) as the beneficiary. The administration fee is 1.5%.

## **Scholarship**

Minimum required to start the fund is \$25,000. All donations contributed in the future to this fund are added to the endowment, thus increasing the balance upon which the annual distribution amount is calculated. The calculated amount is then distributed to needy students (through the schools they are attending) while keeping the fund sustainable for future generations of students. The administration fee is 2%, and it is higher because of the labor intensive nature of the entire scholarship process: applications, review, committee development, granting, promoting to schools, follow-up reporting, student and parent relations, and college relations.

## **Donor Advised**

Minimum required to start the fund is \$35,000. The donor advised can be established by individuals or corporations. The donor can contribute as much as he/she/it wants to the fund and can make recommendations to the board as to how to use the distribution amount. The fund must maintain the \$35,000 minimum. The administration fee is 2%, and it is higher because of the labor intensive nature of the donor advisor fund: agency research for donors, confirming 501c3 tax exempt status of agencies who receive the distributions, handling the multitude of request, board approval process, etc. The donor advised fund allows the donor to advise the board of distributions from the fund for the life of the donor.

## **Agency Fund**

Minimum required to start the fund is \$50,000. All donations contributed in the future to this fund are added to the endowment, thus increasing the balance upon which the annual distribution amount is calculated. The calculated amount is then distributed to nonprofit organizations while the endowment continues to grow for future organizational sustainability. The administration fee is 2%, and it is higher because of the labor intensive nature of the agency endowment process: initial set-up of the fund, agency education and training (often repeated due to board and staff turnover), maintenance, and donor education.