



FREQUENTLY ASKED QUESTIONS ABOUT NON-ENDOWED FUNDS AT SOLANO COMMUNITY FOUNDATION

Spending policy: Your non-endowed fund may earn dividends and gains from investment. You may recommend grants at any time during the year (with a minimum of \$250.00 per grant) to be acted upon by the Foundation's Board of Directors at their meetings (held 10 times per year). Contributions to your fund may be made at any time.

Pooled funds: Your fund balance is commingled with other similarly structured funds under management at the Foundation. Your fund, however, is tracked and reported separately.

Reporting: All the administrative reporting, accounting, and IRS functions for your SCF fund are handled by the Foundation. You receive quarterly fund statements and advice when desired.

Donor Services: Each fund is customized to the donor's wishes and charitable intent. The Foundation staff and Board members are available to you for advice about grantmaking, to answer investment questions, to structure or restructure funds, and related matters.

The **annual community development fee** supports SCF operations and programs. Effective October 31, 2009, the cumulative, stepped structure for funds under management at the Foundation is:

- a. For the first tier, amounts up to \$99,999, 4% (with a minimum of \$400)
- b. For the second tier, \$100,000 to \$299,999, 3.5%
- c. For the third tier, \$300,000 to \$499,999, 3%
- d. For the fourth tier, \$500,000 to \$999,999, 2%
- e. And for amount over \$1,000,000, 1.5%.

Example: For a \$4M fund, the APR is 2.2%, with an annual fee of \$87,000. This is the total cost. There are no embedded fees.

Minimum gift to establish a non-endowed fund is \$3,000. This may be paid over two years.

Waiting period: Unlike endowed funds, non-endowed funds are not subject to a waiting period before you may recommend grants to qualified nonprofit organizations.

Eligible grantees from funds established at Solano Community Foundation are only qualified nonprofit organizations. No other payments may be made from the fund, such as pledges, payments to vendors and fundraising expenses.

(Revised June 2011)