

CENTRAL CAROLINA

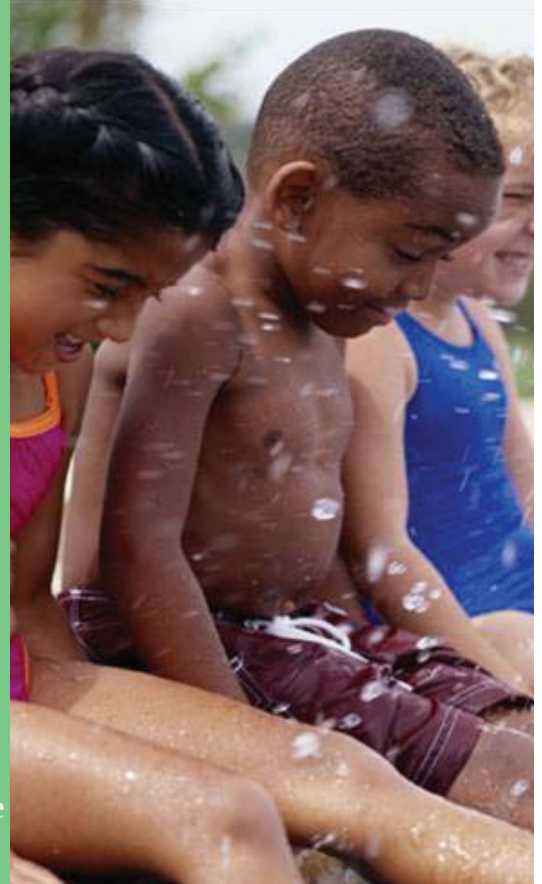
Community Foundation

Agency Endowment Funds

Developing Permanence

The Nancy K. Perry Children's Shelter provides residential care and nurture to children who are in crisis. The shelter provides safe harbor for thousands of children in Lexington County. It is a home environment filled with love, kindness and gentle guidance. Like all nonprofits, the Shelter struggles to balance fulfilling daily activities with planning financially for the next several decades.

"As a result of establishing the Nancy K. Perry Children's Shelter Foundation Fund as an agency endowment with the Community Foundation, we have provided our organization a regular stream of support in perpetuity, leaving the management and reporting to the Community Foundation," says Executive Director, Jarrell Smith. In addition, the Foundation has the ability to accept large and complex gifts which, in the past, may have been cumbersome and time-consuming for their staff. Now the Shelter has security in their future just like the security they provide for their children's future.



What is an Agency Endowment Fund?

Establishing an Agency Endowment Fund at the Community Foundation provides a simple way for your nonprofit organization to establish a source of lasting support. The endowed fund's principal will not be spent and can grow over time. You receive distributions from the fund on a schedule that you and the Foundation create together and alleviate the burden of managing an endowment on your own.

Why start an Agency Endowment Fund?

An Agency Endowment Fund allows your nonprofit organization to get on with the important business of your agency while the Foundation handles the business of the endowment. And the Community Foundation's economies of scale provide your organization the benefits of a diverse investment portfolio and low investment fees that typically come only with very large funds. We provide guidelines to make the transfer of gifts of real estate, privately held securities and other transactions convenient for your organization and your donors.

Who should consider an Agency Endowment Fund?

An Agency Endowment Fund is ideal for organizations that:

- Want to create permanent support for their organization.
- Have a healthy operating budget with resources in reserve.
- Are stable and have a plan for a long-term sustainability.
- Have donors who share in the the vision of creating an endowment.

How much does it take to create an Agency Endowment Fund?

There is a \$250 fee to establish a fund, and the minimum opening balance for an Agency Endowment Fund is \$10,000. There is an annual administration fee and an investment management fee, both calculated quarterly based on a 'rolling annual average' of the fund's balance. These fees are reflected in the quarterly statement provided for each fund.

Am I required to spend a certain amount from the fund?

Each year, based on the most recent spending policy, the Foundation will calculate 5%* of the balance of an Agency Endowment Fund and make that amount available for distribution to your organization. You are not required to take that recommendation each year and may decide to allow the money to roll over into the principle for continued growth.

** The distribution percentage is determined annually by the Foundation's Board of Trustees.*

For more information, contact your financial advisor or call JoAnn Turnquist, President & CEO, at 803.254.5601 x323.



Confirmed in Compliance
with National Standards for
U.S. Community Foundations