



**COMMUNITY
FOUNDATION**
of Northern Nevada

COMMUNITY FOUNDATION OF NORTHERN NEVADA NORTHERN NEVADA ENDOWMENT FUND ADMINISTRATIVE POLICY

I. Purpose

Through the Northern Nevada Endowment Fund, the Community Foundation of Northern Nevada (“Community Foundation”) will provide financial resources that will generate a deep and continuous resource to respond to community challenges annually and/or as they arise.

We do not know what tomorrow will bring, but we believe in our ability to come together and meet those challenges head-on. We believe in the value of investing in the future of northern Nevada, with an endowment fund at Community Foundation of Northern Nevada. We believe that the power of endowment will create:

- A gift that will provide resources today.
- An investment that will grow over time.
- An enduring pledge to help today, tomorrow and in perpetuity.
- An emergency fund to help in time of crises, locally, regionally, and/or nationally.

II. Fund Definition & Description

The Northern Nevada Endowment Fund is the endowed fund that holds the gift principal which generates income for grants made into the community through the Northern Nevada Endowment Granting Fund and the Community Reserve Fund.

The Northern Nevada Endowment Granting Fund is the primary, annual grantmaking fund for the Northern Nevada Endowment. It is funded from distributions from the Northern Nevada Endowment Fund and may be additionally “funded” when a donor has requested that their gift be used within one calendar year. The annual spendable balance will be determined utilizing a 5% rolling three-year average of the balance of the Northern Nevada Endowment Fund as of September 30th, per the Community Foundation’s Grant Spending Policy.

The collective work of the Endowment Fund and the Endowment Granting Fund referenced below are referred to as the “Northern Nevada Endowment” in Community Foundation marketing and public relations.

The Community Reserve Fund is a resource for the Board to support emergency needs within our community. The Community Reserve Fund is funded through a percentage of the Community Endowment Fund’s distributions, set aside annually. Use of the Community Reserve Fund is intended to be sporadic, and based on deep, sudden community need. The Community Reserve Fund should have sufficient principal within the fund to always be able to respond to urgent needs on behalf of the Community Foundation.

- **Northern Nevada Endowment Fund**
 - Fund ID 1574 (c5992n)
 - Established April 22, 1998, formerly the “Community Endowment Fund”
 - A permanently restricted fund – the annual spendable balance will be determined utilizing a 5% rolling three-year average of the fund balance as of September 30th
 - Fund advisor is the Board of Trustees
 - The fund balance is defined as the invested cash assets in the fund as of September 30th annually, less any outstanding pledges or grants payable

- **Northern Nevada Endowment Granting Fund**
 - Fund ID 1628 (c5985a)
 - Established June 6, 2014, formerly the “Community Fund.”
 - Non-endowed – all assets in the fund are disburseable
 - An unrestricted fund – all assets may be spent
 - Fund advisor is the Board of Trustees

- **Community Reserve Fund**
 - Fund ID 1314 (c5980n)
 - Established November 7, 2019
 - A non-endowed unrestricted fund – all assets may be spent
 - Distributions coming from the reserve percentage to be held for community emergencies
 - Fund advisor is the Board of Trustees

III. Use of Northern Nevada Endowment Fund

The Board of Trustees shall review and approve staff recommendations for the general purpose of the Northern Nevada Endowment Fund annually. Uses may include Community Foundation goals as determined in strategic plans and other board-adopted priorities, and may include grantmaking, match-grant challenges, funding of studies and projects, and other uses as determined by the Board. Funding may be external to grantees, consultants, or other expenses, or internal

for projects and programs. Funding may not be used for Community Foundation overhead. Funding may be single- or multi-year, but for multi-year there must be sufficient assets in the fund for future year obligations. The Board will also hold back a percentage of the annual spendable balance of the fund for community emergencies in the Community Reserve Fund. For the purposes of this fund, the term “community” includes the region served by the Community Foundation from Northeastern California to Northern Nevada, extending over to Northeastern Nevada. The Community Reserve Fund may be used for national emergencies/crises, as recommended by staff through the Donor Relations Committee.

IV. Vetting Process for Use of the Northern Nevada Endowment Fund & Community Reserve Fund

The Board of Trustees shall review and approve staff recommendations for the annual giving scope and general direction for the use of the funds. Staff recommendations come to the Board of Trustees after review and recommendation by the Donor Relations Committee.

A Fund Advisory Committee (FAC) will be established by staff and may be comprised of staff and community leaders serving on an ad-hoc basis.

The Fund Advisory Committee has the responsibility of recommending grant distributions as determined by the annual giving scope. The grant process may include a letter of intent (LOI) in which selected organizations that meet eligibility requirements will then be invited to submit a full proposal for review.

The FAC shall make recommendations for the Northern Nevada Endowment Granting Fund through the Donor Relations Committee to the Board of Trustees for review and approval.

It is to be expressly understood that the Board of Trustees may alter the FAC’s recommendations as the final authority on the use of the Northern Nevada Endowment Fund.

At least 10% of the annual spendable balance of the Northern Nevada Endowment Fund will be retained in the Community Reserve Fund – a separate reserve fund for emergency or unexpected community needs. Examples might include flooding, fires, and other crises. Recommendations for grants from the Community Reserve Fund for emergencies or unexpected community needs may occur at any time with Board of Trustee approval. Proposals for use of the Community Reserve Fund will be presented by staff through the Donor Relations Committee to the Board of Trustees for approval.

If no assets in the Community Reserve Fund are distributed for a period of three years, the Donor Relations Committee may make recommendations to the Board

of Trustees on the disposition of any/all of these funds, although the intent of this fund is to maintain at least three years of reserve to respond meaningfully to community emergencies.